



# **A BETTER NORTH-WEST UNIVERSITY STARTS HERE**

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## **2012 ANNUAL REPORT**

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It all starts here <sup>™</sup>



NORTH-WEST UNIVERSITY <sup>®</sup>  
YUNIBESITI YA BOKONE-BOPHIRIMA  
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**Note:**

The content of the annual report has been restructured strictly in accordance with the Regulations for Annual Reporting for Higher Education institutions (footnotes refer to specifics contained in the Regulations).

# VISION, MISSION AND VALUES

## VISION

To be a pre-eminent university in Africa, driven by the pursuit of knowledge and innovation.

## VALUES

The North-West University subscribes to the values of human dignity, equality, freedom, integrity, tolerance, respect, commitment to excellence, scholarly engagement, academic freedom and justice.

## MISSION

To become a balanced teaching-learning and research university and to implement its expertise in an innovative way. This the institution will achieve as it lives its values, strives for sound management and pursues transformation, while being locally engaged, nationally relevant and internationally recognised. The mission elements comprise positioning, core-business and effective management:

### POSITIONING

**Mission element 1:** Work towards increased unity as a value-driven multi-campus institution with diversified niche markets that transforms continually in terms of positioning, academic profile, equity and redress in order to help meet the needs of Southern Africa.

### CORE-BUSINESS

**Mission element 2:** Develop, educate and empower through innovative and high quality teaching-learning, well-rounded graduates who are able to think laterally and critically in their service to the country and its people.

**Mission element 3:** Develop and maintain high-quality, relevant and focused research, aligned with national priorities, supplying innovative solutions to challenges faced by the scholarly community, the country, the continent and the world.

**Mission element 4:** Expand the implementation of expertise, both commercially and community-directed, for the benefit of the province, the country, the Southern African region, the continent and ultimately the world.

### EFFECTIVE MANAGEMENT

**Mission element 5:** Be an accountable, effective, well-managed, financially viable and innovative university, with a strong client focus to enhance and improve the quality of the core business.

# REPORT OF THE CHAIRPERSON OF COUNCIL<sup>1</sup>

## SELF-EVALUATION OF COUNCIL <sup>2</sup>

During 2012, the Council of the NWU remained committed to ensure the effectiveness of its governance and oversight function. The concerted effort embarked upon during 2011 to improve the attendance of Council and Council committee meetings in order to ensure quality decision-making continued during 2012.

A self-evaluation exercise was undertaken during the second semester of 2012. Members of Council and the respective Council committees completed a self-evaluation questionnaire to evaluate the role and functioning of the various governing structures in respect of their mandates. The evaluations focused particularly on risk management, adherence to good corporate governance principles, discipline and members' understanding of Council's oversight role. The size, composition and independence of the structures, as well as the effectiveness of the leadership, teamwork, meetings and annual workshop, were also evaluated.

From the results of this self-evaluation, it is evident that Council is independent in its decision-making process and clearly understands its governance role in relation to the day-to-day management role assigned to the Vice-Chancellor. The lines of responsibility between the governing structures and management are clearly demarcated and observed. There is coherence and alignment between Council, the Council Committees and management in working towards and reaching shared goals. The self-evaluation also confirmed that the respective structures are functioning effectively and succeed in concluding their business at their meetings.

## IMPORTANT ASPECTS DEALT WITH BY COUNCIL IN 2012 <sup>3</sup>

During 2012, a number of significant matters that affected the institution were on the agendas of Council and its committees.

- Statutory appointments and Council committee elections were dealt with.
- Mr SM Mohapi was unanimously elected as the Deputy Chairperson of Council in June 2012.
- Several members were nominated to serve on the Council committees. These developments were due to vacancies that occurred upon the expiry of former Council members' terms of office, as explained in more detail in the section on Council committees.
- Prof ND Kgwadi, the Mafikeng Campus Rector, was reappointed for one year as Vice-Principal for 2012. In June 2012, Council approved the framework for the appointment of a vice-principal for a one-year term on a rotational basis.
- Council received biannual reports on individual Council members' attendance rates of Council and Council committee meetings. At the request of the Council Executive Committee, the Chairperson of Council contacted members with attendance rates below the agreed upon 50%.
- A qualified Chartered Accountant, Ms C van Rooyen, was appointed to serve as one of two external financial experts on the Audit, Risk and Compliance Committee.
- An Institutional Advancement Office was established with the primary aim of managing and coordinating the NWU's relationship with key internal and external



**MR PJ VAN DER WALT**  
Chairperson of Council

1 R3.1.1  
2 R3.1.1 bullet 1  
3 R3.1.1 bullet 1 and 2



stakeholders for the advancement and development of the institution through fundraising and partnerships with local and international stakeholders.

- The ministerial enrolment and efficiency targets for 2014/2015 to 2019/2020 were noted.
- Council agreed to the establishment of the University Council Chairs Forum – South Africa (UCCF-SA).

#### • **Transformation**

The focused attention that Council gave to transformation in 2011 continued, and Council adopted a Transformation Charter in June 2012.

Council furthermore agreed that transformation would remain the first mission element of the Institutional Plan so as to emphasise the University's transformation objectives.

#### • **Community engagement and sustainability**

The annual strategic workshop of Council in March 2012 focused attention on a broad overview of developments and trends in higher education internationally and in Africa and South Africa, and considered some of the possible implications of these developments.

#### • **Prestigious awards bestowed by Council**

Honorary doctorates to the following recipients were approved during 2012 for conferral in 2013.

- |   |                              |
|---|------------------------------|
| • Prof JL Helberg – Old Testament Studies | • Dr MO Mtshali – Literature |
| • Prof WJM van Genugten – Doctor Legum    | • Dr L Chisholm – Education  |
| • Prof GL Strydom – Health Sciences       |                              |

Chancellor's medals to the following recipients for their valued contributions were approved during 2012 for conferral in 2013:

- |                    |                  |
|--------------------|------------------|
| • Prof S Grové     | • Rev EH Stegen  |
| • Mr VC Carruthers | • Dr MN Oliphant |

#### • **Management, operational and financial stability**

Council took the following measures in 2012 to ensure the continued stability of the NWU's management, operations and finances:

- Approved the financial statements for the year ended 31 December 2012.
- Approved the 2013 budget, which corresponded with the elements of the funding formula and was aligned with the Institutional Plan.
- Adopted the Institutional Plan 2013.
- Approved the 2011 Annual Report, which was submitted to the Department of Higher Education and Training on 30 June 2012.
- Approved the 2013 Institutional Almanac for the NWU.
- Approved the 2012 Key Risk Register.
- Approved the appointment of PricewaterhouseCoopers as external auditors of the NWU for the financial year ending December 2012.

Council continued to oversee the alignment of existing policies, rules and procedures across the NWU and approved the following policies in 2012:

- Policy and Rules for Honorary Naming
- Policy on Students with Disabilities
- Mandate for the Compliance Committee
- Media Policy

Amendments to the following existing policies were approved during 2012:

- Policy on the Management of Intellectual Property at the North-West University
- Conflict of Interest Policy
- Admissions Policy
- Policy on the Management of Research and Innovation Contracts and External Investment/Stakeholding
- Language Policy
- Financial Policy
- Procurement Policy
- HIV/AIDS Policy
- Academic rules 2013

• **Teaching-learning and research matters**

- The amendment of admission requirements for:
  - undergraduate studies for 2013;
  - postgraduate studies for 2013 at the Mafikeng Campus;
  - Master of Law (LLM) programmes at the Mafikeng and Potchefstroom Campuses.
- The establishment of the following organisational entities:
  - a new Unit for Open Distance Learning (Potchefstroom);
  - School of Research and Graduate Studies (Mafikeng);
  - Centre for Water Sciences and Management (Potchefstroom);
  - DST/NWU Preclinical Drug Development Platform (PCDDP) (Potchefstroom);
- The establishment of the following research entities:
  - OPTENTIA (focusing on Positive Psychology); a new research focus area (Vaal Triangle);
  - MuST (Multilingual Speech Technologies), a new research niche area (Vaal Triangle);
  - TRADE (Trade and Development), a new research niche area (Potchefstroom);
  - INSINQ (Quality in Nursing and Midwifery), a new research focus area (Potchefstroom);
  - MaSIM (Material Science Innovation and Modelling), a new research focus area (Mafikeng).
- The change in the research entity status of the Unit for Drug Research and Development to become a Centre of Excellence.
- Amended criteria for a research centre of excellence.
- The restructuring of:
  - the Faculty of Education Sciences at the Mafikeng Campus;
  - the Faculty of Theology at the Potchefstroom Campus;
  - the schools of the Faculty of Educational Sciences at the Potchefstroom Campus.

## **SPECIFIC CHANGES TO COUNCIL MEMBERSHIP IN 2012 <sup>4</sup>**

In adherence to the NWU Statute on the composition and membership of Council, vacancies occurring during 2012 were duly filled.

In summary, the terms of eight Council members expired during 2012. One member resigned in May 2012 and another in June 2012. Three members whose terms expired were re-designated. Processes were started to fill two vacancies in the categories Convocation and donors, and these processes will be finalised early in 2013. This brought the number of new Council appointments to five.

The five new members of Council were designated or elected as follows from the respective stakeholder constituencies: three were appointed by the Minister of Higher Education and Training; one was elected from the ranks of the donors, and one was elected by the Convocation.

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4 R3.1.1 bullet 2

### ***Members appointed by the Minister of Higher Education and Training***

- Mr A Mashilo replaced Mr M Fuzani whose term expired in May 2012.
- Mr T Ka Plaatjie replaced Mr OJJ Tabane whose term expired in May 2012.
- Dr J Tshifularo replaced Adv M Sikhakhane who resigned in May 2012.

### ***External member of Council from the ranks of donors***

- Prof D Meyer replaced Mr T Makubire whose term expired in June 2012.

### ***Convocation***

- Adv M Kruger replaced Adv JDM Henning, SC whose term expired in August 2012.

### ***Internal member from the ranks of academic staff***

- Prof E van der Schyff was re-elected for a second term.

### ***Internal member from the ranks of Senate***

- Prof J Swanepoel was re-elected for a second term as of September 2012.

### ***External member appointed for special expertise***

- Ms M Claassens was reappointed for a second term as of September 2012.

### ***Board of Donors***

In accordance with the Rules, Council recognises companies or institutions as donors of the NWU. These donors are recognised as persons or institutions who, during the preceding two years, donated amounts to the University considered by the Council to be significant, or who have made other significant contributions to promote the mission of the NWU.

The full membership of the Board of Donors during 2012 was as follows:

- |  |  |
|--|--|
| • Ms M Mathye, ABSA                          | • Dr S Godorr, SASOL   |
| • Prof CJ Reinecke, Dagbreek Trust           | • Mr S Sejeng, Telkom SA   |
| • Mr J Kitshoff, Eduloan                     | • Mr F Morrison, Vesta Technologies (Pty) Ltd                                |
| • Mr C Olivier, CBI Electric, African Cables | • Dr T Eloff, NWU Vice-Chancellor  |
| • Mr A van der Merwe, DM Kisch Incorporated  | • Prof IJ Rost, NWU Executive Director: Finance and Facilities               |
| • Ms Z Mpati, Engen                          | • Prof AL Combrink, NWU Director: Fundraising (till March 2012)              |
| • Mr Kobus Venter, Janssen-Cilag             | • Ms N Brazer, NWU Director: Institutional Advancement (from September 2012) |
| • Mr J Grobler, SenWes BPK                   |  |

### ***Attendees at Council meetings***

To ensure that all members of the Institutional Management were informed of Council's deliberations and available to provide information as required, the following Institutional Management members were invited by the Vice-Chancellor to attend Council meetings during 2012:

- Prof HD van Schalkwyk, Campus Rector, Potchefstroom
- Prof TJ Mariba, Campus Rector, Vaal Triangle
- Prof F van Niekerk, Deputy Vice-Chancellor: Research, Innovation and Technology
- Prof MJ Oosthuizen, Deputy Vice-Chancellor: Teaching and Learning
- Prof IJ Rost, Executive Director: Finance and Facilities
- Ms PP Mmope, Executive Director: Corporate Affairs and Relations
- Mr VL Mothobi, Executive Director: Human Capital Development

## FINANCIAL HEALTH AND VIABILITY <sup>5</sup>

The University pays particular attention to sustained good governance, with specific reference to risk management, effective yet conservative financial planning and cash flow management, discipline compliance at all levels, proper financial management systems and effective internal control mechanisms. Council is confident that this provides the framework for ensuring that the University is financially sound and viable and managed in a responsible and transparent manner. The Internal Audit Department reporting directly to the Chairperson of the Audit Risk and Compliance Committee of Council plays a pivotal role in assisting Council to give effect to this responsibility by providing an independent, objective assurance service.

## STATEMENT ON APPROVAL OF NEW LONG-TERM BORROWINGS

NWU did not enter into any new long-term borrowing agreements.

## STATEMENT ON PROCUREMENT PROCESS

The NWU's strategic procurement management objective is to optimise the utilisation of the University's financial resources through a procurement process that is fair, equitable, transparent and cost-effective, while also ensuring the attainment of ancillary policy objectives such as transformation. This is achieved through a procurement policy that stipulates general principles and guidelines such as:

- increasing buying power through financial operational means;
- ensuring operational stability by providing an uninterrupted flow of goods, services and equipment to the divisions, such as by developing sound working relationships with competent suppliers;
- ensuring an independent cost/quality appraisal in all purchasing decisions through a centralised procurement division;
- promoting regional economic development, such as by giving preference to local suppliers in communities within which the University operates, subject to the considerations of price, quality, and service, which are paramount; and
- conforming to all statutory and regulatory requirements, such as Broad-Based Black Economic Empowerment (BBBEE) requirements.

## STATEMENT ON GOING CONCERN

Council is confident that the NWU will continue in existence for the foreseeable future in spite of challenges such as subsidy income declining in real terms (one contributing factor is that the multi-campus subsidy is phased out by the DHET). The University is also experiencing the impact of the volatility of the global economy on the South African economy, and is contending with the challenge of maintaining financial discipline amid ever-increasing demands for resources and support while growing the organisation within its capacity.

Council is convinced that within the framework of proper financial management systems and effective internal control mechanisms, the University has adequate resources to continue with operational activities for the foreseeable future.

## COUNCIL COMMITTEES ATTENDANCE FIGURES <sup>6</sup>

The Council had a strategic workshop on 30 March 2012 and convened three ordinary Council meetings. These were held on 15 June, 21 September and 23 November. In addition, two extraordinary meetings were held on 8 February and 30 March 2012 respectively.

5 R3.1.1 bullet 4

6 R3.1.1 bullet 5



The attendance record for Council and its committees for 2012 was as follows:

| Committee                           | % attendance |
|-------------------------------------|--------------|
| Council                             | 74%          |
| Council Executive Committee (Exco)  | 84%          |
| Finance                             | 79%          |
| Transformation Oversight            | 81%          |
| Human Capital and Employment Equity | 70%          |
| Tender                              | 100%         |
| Honorary Awards                     | 84%          |
| Audit, Risk and Compliance          | 79%          |
| Remuneration                        | 100%         |
| Assets                              | 84%          |
| Investments                         | 78%          |

The total average attendance figure of Council and Council Committee meetings for 2012 was 83% – an improvement on the figure of 78% in 2012.

## CAMPUS DEVELOPMENT <sup>7</sup>

### Campus infrastructure – Mafikeng Campus

A total of R30,31 million was spent on upgrading or expanding a wide range of campus infrastructure, including science and computer laboratories and academic and academic literacy facilities:

- The largest project was phase one of the construction of the new Science complex, on which R10 million was spent in 2012. The new Science building was completed, along with facilities for the departments of Geography and Computer Science.
- R3,4 million was spent on upgrading the James Maroka student residence, and another R3,9 million on providing additional postgraduate units.
- R2,5 million was invested in the upgrading of the technology in computer rooms.
- Fourteen computer rooms with a total capacity of 487 personal computers (PCs) were established or upgraded.
- The expansion of the campus residence network continued during 2012. As a result, 89% of the on-campus residence rooms are networked, with the remaining rooms to be completed during 2013.
- The WiFi network rollout continued during 2012, achieving coverage of at least 60%.
- The newly SAQA-accredited Basic IT Skills Set Training was launched. The training module is aimed at improving the IT literacy of staff and in turn improving staff efficiency and productivity at the workplace.
- The web-based IT Service Catalogue was launched, providing end-users and customers with a single source of detailed information on current IT services.

In addition, the campus undertook an extensive programme of alterations and renovations to various buildings and facilities, including the Chris Hani Building that houses the Soccer Institute. Changes were made to the Student Administration and Registration section. The tennis courts and netball/volleyball courts were renovated, and on the Molelwane Farm various facilities were upgraded from funding by the DHET.

7 R3.1.1 bullet 6

The NWU received funding of R211,374 million from the DHET for infrastructure and efficiency projects. Of this amount, the following was allocated to the campus for the period 2012-2015:

| Projects   | R '000         |
|--|----------------|
| Two new student residences                                     | 67,004         |
| New Nursing Building   | 29,426         |
| Phase two of the Science Building                              | 21,322         |
| Upgrading of the Sedibeng residence                            | 15,804         |
| Upgrading of the last two blocks of the James Moroka residence | 7,312          |
| Specialised laboratory equipment                               | 2,000          |
| Disability Unit equipment                                      | 0,422          |
| <b>TOTAL</b>   | <b>143,290</b> |

### Campus infrastructure – Potchefstroom Campus

At the Potchefstroom Campus, capital projects for the year came to R143,3 million and resulted in improvements to academic facilities, laboratories and student accommodation, among others:

- In the largest infrastructure project of the year, R26,9 million was spent on the construction of a new 250-bed residence. This is the first new residence to be built on the campus since the merger in 2004. It is due to be completed in 2013.
- R18 million was spent on large-scale upgrading in preparation for the Preclinical Drug Development Platform being developed jointly by the NWU and the Department of Science and Technology.
- In preparation for the establishment of a national platform in Metabolomics on the campus, identified buildings were upgraded at a cost of R7,2 million.
- Undergraduate laboratories for Pharmacy and Chemistry were refurbished at a cost of R6,3 million and R3,2 million respectively, while 2,3 million was spent on refurbishing space used for Life Science and Physics practicals.
- Of the R211,374 million received from DHET, the campus was allocated for, amongst others, the new Pharmacy building the amount of R50,257 million.

### Campus infrastructure – Vaal Triangle Campus

A total of R30,9 million was spent on capital projects at the Vaal Triangle Campus, distributed mostly across three key infrastructure projects:

- By far the largest project was the construction of the new campus library, involving an investment of R17,6 million in 2012. This project will be completed in 2013 at a total cost of R74,519 million.
- R4,9 million was spent on the final phase of the complex for teachers' technical training.
- Another major project was the conversion of the Quest Conference Centre to an applied risk management training facility, at a cost of R3,2 million.
- In two smaller improvement projects, R759 000 was spent on recreation halls and a unit for students with disabilities at the postgraduate residences, and R611 000 was spent on offices for the campus Enterprise Development Centre.
- Of the R211,374 million received from DHET an amount of R17,827 million was allocated for a new building for African Languages, Humanities and Social Sciences as well as a new student residence of 72 beds.

## STUDENT SERVICE <sup>8</sup>

### Mafikeng Campus

- **Supplemental Instruction (SI)**

The goals of the programme are to reduce student attrition in high-risk modules and improve the academic performance of participating students. The SI facilitators undergo training and facilitate an average of two sessions per week. SI was introduced on the Mafikeng Campus in 2008 and is still going strong. It is targeted mainly at modules where pass rates are below 50%.

| Trained SI <sup>9</sup> leaders | Active SI leaders | Modules in which SI is presented | SI sessions | % of At-risk modules in which SI is presented |
|---------------------------------|-------------------|----------------------------------|-------------|---|
| 250                             | 203               | 133                              | 8 009       | 0   |

\* For explanation of terminology see footnote 9

- **eFundi Learning Management System (LMS)**

First-year students were informed about eFundi during the orientation programme. Basic eFundi training was conducted in February and March 2012. The aim was to define, explore and test various functionalities (tools) used for particular course sites, ensuring that students understand the basic terminology and are able to use the learning system effectively.

| Use of eFundi at the Mafikeng Campus                           |     |
|--|-----|
| Number of eFundi sites   | 697 |
| Total number of active sites (seven or more students per site) | 412 |
| Total number of personnel using eFundi as LMS                  | 113 |

- **Student-lecturer evaluation**

Student-lecturer evaluations have been introduced on the Mafikeng Campus, where students evaluate all lecturers. Feedback from the evaluations will contribute towards improving curriculum offerings, in turn supporting an improvement in student performance.

### Potchefstroom Campus

- **Supplemental Instruction (SI)**

This form of non-remedial learning enrichment has been available on the campus for the past six years. The results attained over this period show that students in high-risk modules who attend SI sessions receive better subject marks and have a lower attrition rate than those who do not participate in SI.

| Trained SI leaders | Active SI leaders | Modules in which SI is presented | SI sessions | % of At-risk modules in which SI is presented |
|--------------------|-------------------|----------------------------------|-------------|---|
| 201                | 273               | 176                              | 7 563       | 38%   |

\* For explanation of terminology see footnote 9.

8 R3.1.1 bullet 9

9 **Modules:** refer to the number of modules that implemented SI in the first and second semesters of 2012.  
**SI leaders:** refers to the number of trained SI leaders that actually worked on campus in the first semester of 2012.  
**SI sessions:** is the number of SI sessions that took place on the campus.  
**% At-Risk Modules:** refers to the percentage of risk modules that participated in SI on the campus.

- **eFundi Learning Management System (LMS)**

| <b>Use of eFundi at the Potchefstroom Campus</b>               |       |
|--|-------|
| Number of eFundi sites   | 2 086 |
| Total number of active sites (seven or more students per site) | 1 421 |
| Total number of personnel using eFundi as LMS                  | 429   |

- **Reading and learning development**

The Reading Laboratory is an important tool for improving students' comprehension skills and language proficiency. During 2012, the laboratory provided this support to 3 576 students. As there is a clear need for reading training in English and Afrikaans, the laboratory allows students to choose from both languages.

## **Vaal Triangle Campus**

- **Supplemental Instruction**

SI continued to deliver measurable results during 2012.

| <b>Trained SI leaders</b> | <b>Active SI leaders</b> | <b>Modules in which SI is presented</b> | <b>SI sessions</b> | <b>% of At-risk modules in which SI is presented</b> |
|---------------------------|--------------------------|---|--------------------|--|
| 238                       | 218                      | 170                                     | 6 639              | 71%  |

\* For explanation of terminology see footnote 9.

- **eFundi Learning Management System (LMS)**

| <b>Use of eFundi at the Vaal Triangle Campus</b>               |     |
|--|-----|
| Number of eFundi sites   | 758 |
| Total number of active sites (seven or more students per site) | 456 |
| Total number of personnel using eFundi as LMS                  | 106 |

- **Peer mentoring**

During the previous year, the campus piloted an academic peer-mentoring programme for first-year students in one of the residences. Owing to the success of the pilot programme, based on the above-average performance of the participants, the programme was extended to first-year students in all residences from the beginning of 2012.

## DISTANCE LEARNING <sup>10</sup>

Apart from UNISA, the NWU is currently the biggest provider of distance programmes in South Africa with 24 383 students enrolled for distance learning programmes during the year.

In June 2012, the University Council approved the establishment of a Unit for Open Distance Learning (UODL) on the Potchefstroom Campus in the place of the existing School of Continuing Teacher Education. As from 2013, the new unit will serve all faculties and not only the Faculty of Educational Sciences.

The UODL will be ready to commence operations on 1 January 2013. Three faculties will deliver open distance programmes through the unit, namely Educational Sciences, Theology, and Health Sciences. By 2015, all eight faculties on the Potchefstroom Campus envisage delivering at least one programme by means of the distance method. The number of distance students for the Potchefstroom Campus is projected to grow to 30 706 by 2018.

Apart from delivering formal programmes, the unit was already delivering various short courses, as well as the University Preparatory Programme (UNIPREP) through the open distance learning mode. Future plans include the possibility of extending the UODL's services to the University's other campuses.

The organisational structure of the unit comprises academics (each faculty has an academic manager representing it), administration and support, e-learning support, quality assurance, study centres, projects and short courses and finances.

The UODL uses modern technology to ensure effective teaching and learning. Lectures are broadcast to 39 centres countrywide through interactive whiteboards, and are captured subsequently on the internet so that students can watch them at their own pace. Lecture capturing also makes it possible for students to review lectures as they gain a deeper understanding of the learning material. A well-equipped call centre ensures that students receive the best possible service and support.

It is a priority for the NWU to expand its services to Southern African Development Community countries. Classes are already presented in Namibia, and from 2013, programmes will also be presented in Botswana, Lesotho and Zimbabwe. The UODL is affiliated with the African Council for Distance Education and the International Council for Distance Education.

At the Mafikeng Campus, a project team is developing an optimal framework for the management and administration of the campus's distance education provision.

## ACHIEVEMENTS IN MEETING SOCIAL RESPONSIBILITY COMMITMENT TO STAFF AND STUDENTS <sup>11</sup>

The NWU made reasonable progress in implementing the new community engagement strategy that Council approved in September 2011. The new strategy emphasises transdisciplinary development projects that are sustainable and have measurable impact. A draft policy is under development and will be submitted to Council in 2013.

In an important step towards implementing the University's community engagement policy, a special task team worked with the campuses during the year to develop campus implementation plans for 2013 onwards. The next step is to develop structures for implementation, probably comprising a community engagement coordinator for each campus.

The NWU's commitment to sound community engagement was underlined when the University won second place in the International Talloires Network's annual MacJannet competition for student-driven community upliftment and global citizenship. The competition attracted 72 nominations from 52 universities in 21 countries.

The Student RAG Community Service on the Potchefstroom Campus continued to do excellent work in its four areas of focus, which are early childhood development, child and youth development, programmes for vulnerable youth and adults, and outreach programmes such as feeding schemes and disaster assistance.

The NWU participated actively in platforms such as the South African Higher Education Community Engagement Forum (SAHECEF). This included hosting a SAHECEF workshop, hosting a Talloires/Walmart Foundation workshop and assisting the National Research Foundation with its panel evaluations for the funding of community engagement projects.

10 R3.1.1 bullet 10  
11 R3.1.1 bullet 3



## EVENTS <sup>12</sup>

- At the beginning of 2012, the NWU community was shocked by the drowning of a first-year student, Mr Thabang Makhoang. Council held an extraordinary meeting and expressed its sincerest condolences to the next of kin following the incident. An independent investigation was conducted by a team of senior advocates, who found that the death of Mr Makhoang was a tragic accident, and that the circumstances surrounding his death did not point to foul play or negligence on the part of any individual or entity.
- The Chairperson of Council, the Institutional Registrar and the Manager: Institutional Governance and Secretariat Services attended the Association of Governing Boards (AGB) 2012 National Conference on Trusteeships held from 22 to 24 April 2012 in Washington DC in the United States. The AGB provides governance support and direction to more than 1 000 US universities and university systems. The NWU delegation attended the conference, as challenges experienced in the American higher education sector are very similar to those in South Africa. Some of the major concerns addressed at the conference were the funding of universities, escalating student debt and universities' use of renewable energy.
- The second and final term of secondment of the NWU Registrar, Prof Themba Mosia, as administrator of the Tshwane University of Technology ended on 18 August 2012. The Minister of Higher Education and Training then extended his involvement on a part-time basis until the end of November 2012.
- Induction of new Council members is well planned and thoroughly executed. On 23 September 2012, newly designated Council members attended an induction session and were briefed by the Chairperson and Deputy Chairperson of Council as well as the Vice-Chancellor. The focus of the session was on the roles and responsibilities of Council members under the Higher Education Act, the NWU Statute, the King Code on Governance Principles and the Code of Conduct for NWU Council members.

## WORKING WITH INDUSTRY <sup>13</sup>

The NWU has a proud and productive history of working with business and industry to find solutions for challenges they face, whether in running their operations more efficiently, improving their competitiveness and innovativeness, or collaborating in industry-specific research. On the strength of this track record, the University consistently ranks among the top earners of funding from programmes such as the Technology and Human Resources Programme (THRIP). In 2012, the NWU received THRIP funding to the value of R31,6 million, compared to the R36,5 million received in the previous year.

The University continued to make its inventions available to industry through licensing and royalty agreements. There were 15 active agreements in 2012, which brought in just over R2 million in royalties and licensing fees. Furthermore, the NWU had 13 active spin-off companies involved in the commercialisation of the University's patents.

## SIGNIFICANT CHANGES THAT HAVE TAKEN PLACE <sup>14</sup>

The governance structures and core business of the NWU proceeded smoothly and without any significant change in the composition or mandate of these structures or in the nature of the University's teaching-learning and research activities. Changes in the membership of Council, Senate and the Institutional Forum in 2012 were due to normal circumstances, such as the expiry of terms of office, and new members were duly appointed or elected by their constituencies.

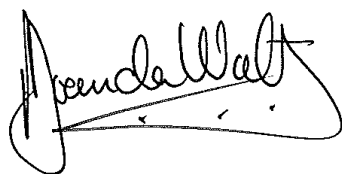
Difficult economic conditions prevailed throughout the year and the University reported an increase in student debt. Nevertheless, the NWU succeeded in producing a surplus for the seventh consecutive year, underlining the fundamental soundness of its financial position.

|    |                  |
|----|------------------|
| 12 | R3.1.1 bullet 8  |
| 13 | R3.1.1 bullet 12 |
| 14 | R3.1.1 bullet 12 |

## CONCLUSION

In the nine years since the merger, the NWU has steadily strengthened its corporate governance, financial management, administrative and strategic planning capabilities. As a result, the University has been able to produce consistently sound financial results while meeting – and in some cases exceeding – the strategic objectives set in the Institutional Plan for its core business. This track record of consistent delivery – in poor and good economic times – demonstrates the University's inherent resilience, which stands it in good stead to make a growing contribution to skills development in South Africa and further afield.

I would like to thank my fellow Council members for the expertise they contributed to the governance and oversight of the NWU during the year under review. Their willingness to invest their time and skills, and to debate difficult issues without fear or favour, have been of enormous value in maintaining the University's track record as a stable, efficient and well-managed institution. I would also like to express my appreciation to Dr Theuns Eloff, the Vice-Chancellor, and his Institutional Management team for so competently executing the strategy set by the Council.

A handwritten signature in black ink, appearing to read 'PJ Van der Walt', with a stylized flourish at the end.

**MR PJ VAN DER WALT**  
**CHAIRPERSON OF COUNCIL**

# COUNCIL REPORT ON CORPORATE GOVERNANCE <sup>15</sup>

The NWU is committed to the highest standards of transparency, discipline, integrity, responsibility, fairness, social responsibility and accountability, and subscribes to the principles contained in the King III Report on Corporate Governance in South Africa. Protection of the integrity of decision-making and governance of the activities of the University are achieved through the application of consultation, decision-making by empowered managers and continuous monitoring of results and risks.

These principles are applied under the leadership of the Council, Senate and Institutional Management, and apply from the highest level down to the smallest unit. The University complies in all material respects with the corporate governance requirements of the King Reports (1994, 2002 and 2009) and with the Regulations for Annual Reporting by Public Higher Education Institutions as published on 1 August 2007.

As evidence of this commitment to good corporate governance, the NWU has won the PricewaterhouseCoopers Higher Education Corporate Governance Excellence Awards for five years from 2007 to 2011, after which the competition discontinued.

## **The role and functions of Council**

In terms of the Higher Education Act of 1997, Council must govern the University subject to the Act and the University Statute published on 8 August 2005.

In terms of the NWU Statute, Council is specifically responsible for:

- Governing the NWU through the adoption of purpose and value statements, strategic plans and policies, as well as the Statute, the rules, processes and delegations of authority. Furthermore, Council monitors the operational performance of management and establishes committees and, together with Senate, joint committees, to ensure that the NWU achieves its purpose and values.
- Determining the language policy of the NWU, subject to the policy set by the Minister of Higher Education and Training and with the concurrence of Senate. Council's objective is to adopt a policy that is flexible, functional and redresses language imbalances of the past while promoting multilingualism, access, integration and a sense of belonging.
- Establishing the structures for rendering student support services, after consultation with the Institutional Student Representative Council (ISRC).
- Requiring members to adhere to a code of conduct and taking remedial action when necessary.
- Delegating the authority to appoint staff members, including campus vice-rectors, campus registrars and directors, deans and academic directors provided for by the Statute, with the proviso that no person is authorised to appoint someone reporting directly to that person.

In performing its functions during 2012, the ninth functioning year of the NWU, Council remained mindful of the reasons for the merger-incorporation. These



**PROF NT MOSIA**  
Institutional Registrar and  
Secretary to Council

reasons, many of which have become entrenched in the Institutional Plan of the NWU and are part of Council's strategic planning, are to:

- Overcome the apartheid-induced divide between a historically advantaged and historically disadvantaged institution.
- Promote a more equitable staff and student body.
- Build administrative, management, governance and academic capacity.
- Consolidate the deployment and use of academic personnel.
- Build research capacity.
- Enhance sustainability.

Furthermore, Council has overall responsibility for the ongoing strategic direction of the NWU, approval of major developments and the receipt of regular reports from management on the operation of its business. Council received and noted two comprehensive Institutional Management reports during 2012 (June and November).

## COMMITTEES OF COUNCIL (COMPOSITION AND MEETING DATES) <sup>16</sup>

### Composition of Council

The NWU Council comprises persons with knowledge and experience relevant to the University. In accordance with the Higher Education Act, at least 60% of the members of Council are not employed by, or students of, the NWU.

The composition of Council as at 31 December 2012 was:

Chairperson: Mr PJ van der Walt (donors)  
Deputy Chairperson: Mr SM Mohapi (community representative)

### ***Minister of Higher Education and Training's appointees***

Mr NS Phetoe: Certificate in Dispute Relations Procedure (Education Labour Relations Council), Organising Diploma (Disetsa); appointed for a three-year term from 2010 to 2013.

Dr J Tshifularo: BA and BAHons (University of Venda), MA (University of Limpopo), PhD (University of Venda and PhD (University of Limpopo); appointed for a three-year term from 2012 to 2015.

Mr T Plaatjie: BA, BA Hons and UED (Vista University), MA (University of Johannesburg); appointed for a three-year term from 2012 to 2015.

Mr A Mashilo: MA (University of Witwatersrand) appointed for a three-year term from 2012 to 2015.

### ***Donors***

Mr PJ van der Walt: CA(SA), MCom (Potchefstroom University for Christian Higher Education), MA in Social Science (HEC School of Management, Paris), AMP (Templeton College, Oxford); re-elected for a four-year term from 2011 to 2015.

Prof D Meyer: BSc, BScHons and MSc (Rand Afrikaans University – RAU), PhD (University of California); appointed for a three-year term from 2012 to 2015.

Mr JJ Kitshoff: CA(SA), BComHons University of Pretoria, CComptHons UNISA; elected for a three-year term from 2011 to 2014.

### ***Community designates***

Ms H Rupert-Koegelenberg: BMus (cum laude) and BMusHons (cum laude) (University of Stellenbosch), Fellowship of the Trinity College of Music (London) (with distinction), Licentiate of the Royal Schools of Music UK (with distinction), Teacher's Licentiate of Music (with distinction) (UNISA); reappointed for a further three-year term from 2010 to 2013.

Rev SA Musa: BA Theology (University of Zululand), BAHons (Potchefstroom University for Christian Higher Education); appointed for a three-year term from 2010 to 2013.

- Dr DG Breed: BA, ThB, ThM (cum laude) and ThD (Potchefstroom University for Christian Higher Education); reappointed for a further three-year term from 2011 to 2014.
- Mr SM Mohapi: Graduate of the Stock Market College (SA), Diploma in Investment Management (Rand Afrikaans University), Certificate of Proficiency (Planning and Administration of Estates), Qualified Assessor and Facilitator (ETDP SETA), Graduate Diploma in Company Direction (NQF7) (Graduate Institute of Management and Technology in collaboration with the Institute of Directors); reappointed for a further three-year term from 2011 to 2014.

#### ***Members designated by the Convocation***

- Mr PJW Buys: BA Communication Science (Potchefstroom University for Christian Higher Education), BAHons (Rand Afrikaans University); re-designated for a further three-year term from 2010 to 2013.
- Adv TJ Kruger: LLB and LLM (Public Law) (cum laude) (Potchefstroom University for Christian Higher Education) designated for a three-year term from 2011 to 2014.
- Adv M Kruger: BJuris, LLB (Potchefstroom University for Higher Education); appointed for a three-year term from 2012 to 2015.

#### ***Members with special expertise***

- Ms M Claassens: CA(SA), BCom Accounting and BComHons (Potchefstroom University for Christian Higher Education), Higher Diploma Company Law (University of the Witwatersrand); re-designated for a three-year term from 2012 to 2015.
- Ms I Poee: BA (University of Bophuthatswana), Diploma in Tourism and Marketing Management (Austria); reappointed for a further three-year term from 2011 to 2014.

#### **Internal members**

##### ***Management members***

- Dr T Eloff (Vice-Chancellor): BJuris (Econ), ThB, ThM and ThD (Potchefstroom University for Christian Higher Education).
- Prof ND Kgwadi (Vice-Principal): BSc(Ed) (University of North West), MSc (Physics) (Ball State University, USA), MPhil (Environmental Law and Management) (University of the North), PhD (Physics Ed) (Potchefstroom University for Christian Higher Education), PhD (Management – honoris causa) (Hanse University, South Korea); appointed in 2012 for a one-year term.

##### ***Senate members***

- Prof TC Rabali: BA (UNISA), ThB and ThM (Potchefstroom University for Christian Higher Education), DTh (UNISA); re-elected for a three-year term from 2010 to 2013.
- Prof S Swanepoel: BCom Personnel Management and BComHons (University of Pretoria), Higher Education Diploma (UNISA), MCom and DCom (Human Resources Management (University of Pretoria); elected for a three-year term from 2010 to 2013.
- Prof J Swanepoel: BA, BAHons, MA, LLB and DLitt (Potchefstroom University for Christian Higher Education); re-elected for a three-year term from 2012 to 2015.
- Prof JJ Janse van Rensburg: BA, BAHons in Greek, MA in Greek, ThB and ThM in New Testament, ThD in New Testament Hermeneutics (Potchefstroom University for Christian Higher Education); elected for a four-year term from 2009 to 2013.

##### ***Members representing other academic staff***

- Prof HF van Rooy: BA, BAHons (Semitic Languages), MA (Semitic Languages) and ThB (all cum laude) and DLitt (Semitic Languages) (Potchefstroom University for Christian Higher Education); elected for a three-year term from 2011 to 2014.
- Prof E van der Schyff: BA LLB and LLM (Potchefstroom University for Christian Higher Education), LLD (North-West University); re-elected for a three-year term from 2012 to 2015.



### ***Members representing non-academic employees***

- Mr E Mostert: BCompt (UNISA), BComHons Accounting (Potchefstroom University for Christian Higher Education); elected for a three-year term from 2010 to 2013.
- Dr SR van der Walt: DCom (UNISA), MSc Industrial Chemistry and MBA (Potchefstroom University for Christian Higher Education); elected for a three-year term from 2010 to 2013.

### ***Representatives of the Institutional Student Representative Council (ISRC)***

Members serve on the Council for a period determined by the ISRC. The following ISRC members held office until October 2012:

- Mr T Sabalele: BEd (currently) (Vaal Triangle Campus, NWU)
- Ms C Kraaij: BCom (Tourism and Recreation) (Potchefstroom Campus, NWU), Postgraduate Diploma in Management (Potchefstroom Business School, NWU) and courses in Project and Events Management and Emotional Intelligence (currently) (Potchefstroom Business School, NWU).
- Mr L Molopyane: LLB (Mafikeng Campus, NWU) and LLM (currently) (Mafikeng Campus, NWU)

From November 2012, the following ISRC members served on Council:

- Mr O Matshediso: MA in International Relations (currently) (Mafikeng Campus, NWU)
- Mr J Ncedani: BCom and BComHons (currently) (Vaal Triangle Campus, NWU)
- Mr J Jordaan: BCom Law and LLB (currently) (Potchefstroom Campus, NWU)

### ***Secretary to Council***

- Prof N Themba Mosia: BA, BAHons and University Education Diploma (University of the North), MA (Portland State University, Oregon, USA), PhD (University of Pretoria), MCSSA.

### **Outgoing Council members in 2012**

#### ***Members designated by the Convocation***

- Adv JSM Henning, SC: 2009 to 2012
- Dr D Hermann: 2009 to 2012

#### ***Donors***

- Mr T Makubire: 2009 to 2012
- M Snyman: Resigned from Council in June 2012

#### ***Minister of Higher Education and Training's appointees***

- Mr OJJ Tabane: 2008 to 2012
- Adv FM Sikhakane: 2010 to 2013
- Mr NM Fuzani: 2008 to 2012

To summarise the composition of Council, the table below lists each membership category on Council as per Section 4 of the NWU Statute, the members concerned and their terms of office:

| Total (30)       | Category                                   | Name  | Term  |
|------------------|--|---|---|
| External<br>(18) | Ministerial appointees (four)              | Mr NS Phetoe<br>Dr J Tshifularo<br>Mr T Plaatjie<br>Mr A Mashilo  | Three years (2010 – 2013)<br>Three years (2012 – 2015)<br>Three years (2012 – 2015)<br>Three years (2012 – 2015)    |
|                  | Donors (four)                              | Prof D Meyer<br>Vacant<br>Mr PJ van der Walt (Reappointed after first term ended on 7 August 2011)<br>Mr JJ Kitshoff  | Three years (2012 – 2015)<br><br>Four years (2011 – 2015)<br>Three years (2011 – 2014)                              |
|                  | Community leaders/original founders (four) | Ms H Rupert-Koegelenberg<br>Rev SA Musa<br>Dr DG Breed (Reappointed after first term ended on 1 February 2011)<br>Mr SM Mohapi (Reappointed after first term ended on 1 February 2011)              | Three years (2010 – 2013)<br>Three years (2010 – 2013)<br>Three years (2011 – 2014)<br>Three years (2011 – 2015)    |
|                  | Convocation (four)                         | Mr PJW Buys (Reappointed after first term ended on 18 November 2010)<br>Adv M Kruger<br>Adv TJ Kruger<br>Vacant   | Three years (2010 – 2013)<br><br>Three years (2012 – 2015)<br>Three years (2011 – 2014)                             |
|                  | Special expertise (two)                    | Ms M Claassens (Reappointed after first term ended on 17 September 2012)<br>Ms I Pooe (Reappointed after first term ended on 18 November 2011)  | Three years (2012 – 2015)<br>Three years (2011 – 2014)  |
|                  |  |   |   |
| Internal<br>(12) | Management (two)                           | Dr T Eloff (Vice-Chancellor)<br>Prof ND Kgwadi (Vice-Principal)<br>(Appointed as VP for 2012)   | Management<br>Management  |
|                  | Senate (four)                              | Prof TC Rabali (Reappointed after first term ended on 16 June 2010)<br>Prof S Swanepoel<br>Prof JJ Janse van Rensburg<br>Prof J Swanepoel (Reappointed after first term ended on 16 September 2012) | Three years (2010 – 2013)<br><br>Three years (2010 – 2013)<br>Four years (2009 – 2013)<br>Three years (2012 – 2015) |
|                  | Other academic (two)                       | Prof HF van Rooy<br>Prof E van der Schyff (Reappointed after first term ended on 14 June 2012)  | Three years (2011 – 2014)<br>Three years (2012 – 2015)  |
|                  | Non-academic (two)                         | Mr E Mostert<br>Dr SR van der Walt  | Four years (2010 – 2014)<br>Three years (2010 – 2013)   |
|                  | Students (two)                             | <u>Until November 2012:</u><br>Mr T Sabalele<br>Ms C Kraaij<br>Mr L Molopyane / Mr T Mmutle<br><u>From November 2012:</u><br>Mr O Matshidiso<br>Mr J Ncedani<br>Mr J Jordaan                        | Determined by ISRC for one year while in office   |
| Secretary        | Institutional Registrar                    | Prof NT Mosia   | Ex officio  |

## **Committees of Council**

All committees of Council function under a mandate of strategic or financial importance to the NWU. They are chaired by external Council members with the requisite knowledge, skills and experience, and operate under clear terms of reference. (Please see the Composition of Council above for the qualifications of Council members.)

### **• Executive Committee**

The Executive Committee deals with governance matters between Council meetings and reports on these matters at the next meeting. It also ensures that the Code of Conduct for Council members is upheld, and finalises matters referred to it by Council.

Two vacancies on the Executive Committee, which arose due to the expiry of the terms of Mr PJ van der Walt and Ms H Rupert-Koegelenberg were filled through their re-election.

The members of the Executive Committee at the end of 2012 were Mr PJ van der Walt (Chairperson), Mr SM Mohapi (Deputy Chairperson), Mr PWJ Buys, and Ms H Rupert-Koegelenberg, Dr T Eloff (vice-chancellor), Prof ND Kgwadi (Vice-Principal) and Prof NT Mosia (Institutional Registrar and Secretary to Council), who serves as an ex officio member.

During 2012, four ordinary Executive Committee meetings were held on 23 February, 24 May, 30 August and 1 November. Two extraordinary Executive Committee meetings were held on 20 March and 30 March.

### **• Remuneration Committee**

This committee attends mainly to the employment contracts, remuneration and performance evaluation of the Vice-Chancellor, members of the Institutional Management and the Director: Internal Audit.

Owing to the nature of its duties and in line with the Policy Framework for the remuneration of Senior Managers in Public Higher Education Institutions, the Remuneration Committee consists of two external members of the Executive Committee of Council as well as the chairperson of the Finance Committee, who is also an external member of Council. The members were Mr PJ van der Walt (Chairperson), Mr T Makubire (Deputy Chairperson) and Mr JJ Kitshoff (Chairperson of the Finance Committee).

The Remuneration Committee met on 1 November 2012.

### **• Human Capital and Employment Equity Committee**

The mandate of the Human Capital and Employment Equity Committee is to ensure that adequate human resource policies and strategies are in place and to monitor the implementation of these policies and strategies in accordance with the set criteria and measures. The committee is responsible for all human resources and employment equity-related aspects, including remuneration and service conditions matters that are not within the scope of the Remuneration Committee.

The committee receives and evaluates reports from management on specific human resources issues, including compliance with statutory requirements, and ensures that management is held accountable for the implementation of human resource-related strategy and policies.

The members were Dr DG Breed (Chairperson), Dr J Tshifularo, Prof JJ Janse van Rensburg, Rev SA Musa, Prof E van der Schyff and Dr T Eloff (Vice-Chancellor). Prof NT Mosia (Institutional Registrar and Secretary to Council) serves as an ex officio member and Mr VL Mothobi was in attendance at meetings.

The Human Capital and Employment Equity Committee met on 3 May and 23 October 2012.

### **• Transformation Oversight Committee**

The Transformation Oversight Committee oversees the implementation of the transformational aspects of the Institutional Plan. It consists of four external members and one internal member of Council, as well as the Vice-Chancellor and the Vice-Principal.

The members during 2012 were Ms I Poee (Chairperson), Mr A Mashilo, Prof D Meyer, Prof C Rabali, Prof S Swanepoel, Dr T Eloff (Vice-Chancellor), Prof NT Mosia (Institutional Registrar and Secretary to Council) who serves as an ex officio member, Mr VL Mothobi and Dr I Tufvesson (Executive Advisor: Transformation and Diversity).

The Transformation Oversight Committee met on 3 May and 23 October 2012.

- **Audit, Risk and Compliance Committee**

This committee is accountable to Council for the performance of its duties, which are to safeguard the NWU's assets, to maintain adequate accounting records, to develop and maintain an effective system of internal control, to oversee management's role in creating and maintaining a proper risk management process, and to authorise the annual audit fee of the external auditors.

The committee provides a channel of communication between the Council, management, the internal audit function and the external auditors. It enjoys unrestricted communication with the Chairperson of Council (who is not a member of the Audit Committee), the Vice-Chancellor, the Executive Director: Finance and Facilities, and the internal and external auditors.

The members of the committee during 2012 were Ms M Claassens (Chairperson), Mr T Plaatjie, Prof SR van der Walt and Adv J Kruger. The committee was advised by two independent financial experts, Ms C van Rooyen and Ms HS Fourie.

The representatives of the external auditors are required to be in attendance at committee meetings, as are Dr T Eloff (Vice-Chancellor), Prof NT Mosia (Institutional Registrar and Secretary to Council) who serves as an ex officio member, Prof IJ Rost (Executive Director: Finance and Facilities) and Ms M van der Merwe (Director: Internal Audit).

The Audit, Risk and Compliance Committee met for ordinary meetings on 23 May and 22 October 2012.

- **Finance Committee**

The mandate of the Finance Committee is to advise Council on financial and investment matters and on long-term infrastructure development at the NWU. In fulfilling this role, the committee is tasked with reinforcing Council's governance function with regard to sound, responsible and effective financial planning, financial administration, financial governance and proper financial reporting.

The Finance Committee has four external members and one internal member of Council.

The members of the Finance Committee were Mr JJ Kitshoff (elected as Chairperson on 24 May 2012), Ms M Claassens, Mr SM Mohapi and Dr T Eloff (Vice-Chancellor). The committee's ex officio members were Prof IJ Rost (Executive Director: Finance and Facilities) and Prof NT Mosia (Institutional Registrar and Secretary to Council).

During 2012, the Finance Committee met on 24 May and 1 November.

To carry out its duties, the Finance Committee makes use of three subcommittees, namely the Tender Committee, the Investments Committee and the Assets Committee.

- **Tender Committee**

This committee's role is to approve the tender policies and procedures prepared by management, to check that these comply with the Broad-Based Black Economic Empowerment Act of 2003, to confirm that tender policies are being implemented, and to evaluate and approve tenders for contracts valued at between R5 million and R15 million. For contracts exceeding R15 million, the committee evaluates the tenders received and makes a recommendation to Council.

The Tender Committee has three external members and three management members. The external members were Mr DA Foster (Chairperson and an independent auditor), Dr DG Breed and Adv M Kruger. The management members were Dr T Eloff (Vice-Chancellor), Prof IJ Rost (Executive Director: Finance and Facilities) and Prof NT Mosia (Institutional Registrar and Secretary to Council).

The Tender Committee met on 19 June and 21 August 2012.

- **Investments Committee**

The main task of the Investments Committee is to establish measures so that the NWU can earn the highest possible yield on investments, with appropriate risk exposure. Its duties are to appoint portfolio managers and evaluate investment policies, the investment performance of portfolio managers and the credit arrangements within which the money market manager can operate.

The committee has up to five external members. They included the Chairperson, Mr J van den Berg, Mr SM Mohapi, an external member of Council and investment expert, as well as Mr A Smit and Mr P Cook, and two other

independent investment experts. The management members were Dr T Eloff (Vice-Chancellor), Prof IJ Rost (Executive Director: Finance and Facilities) and Prof NT Mosia (Institutional Registrar and Secretary to Council).

During 2012, the Investments Committee met on 23 February, 24 May, 30 August, and 1 November.

- **Assets Committee**

The main responsibility of the Assets Committee is to ensure the long-term development and maintenance of the infrastructure of the University.

The Assets Committee has two external members and three management members. The external members were Mr SM Mohapi (Chairperson from October 2011) and Ms M Claassens. The management members were Dr T Eloff (Vice-Chancellor), Prof IJ Rost (Executive Director: Finance and Facilities) and Prof NT Mosia (Institutional Registrar and Secretary to Council).

This committee met on 10 May and 11 October 2012.

- **Honorary Awards Committee**

The Honorary Awards Committee consists of the Vice-Chancellor, Chairperson of Council, two members of Council, three members of Senate, the dean of the relevant faculty in an advisory capacity, and the Institutional Registrar and Secretary to Council, who serves as an ex officio member.

The committee met on 18 April and 27 September 2012 to consider nominations for honorary awards.

## **STATEMENT ON CONFLICT MANAGEMENT <sup>17</sup>**

Various groups where conflict could potentially arise exist within the NWU. These groups include students, academic and support staff, trade unions, the three campuses, the Institutional Office and management and those governed and managed at all levels.

Structures and processes are in place within these groups to deal with conflict and to prevent its escalation. These include policy documents, procedures, committees and forums that create opportunities for consultation and the airing and debating of views.

## **STATEMENT ON WORKER AND STUDENT PARTICIPATION (COOPERATIVE GOVERNANCE) <sup>18</sup>**

A wide spectrum of participatory structures was in place on the campuses and in the Institutional Office in 2012. These structures were designed to enhance relationships through consultation, the effective exchange of relevant information and the identification and resolution of differences.

The recognition agreement of the Staff Association on the Mafikeng Campus became null and void during 2012 owing to the fact that the Union was deregistered by the Department of Labour.

In April, a request was received from the South African Parastatal and Tertiary Institutions Union (SAPTU) for a technical revision of a clause of the recognition agreement. This was followed in October by a request for recognition from the National Education, Health and Allied Workers Union (NEHAWU).

A meeting between SAPTU, NEHAWU and management was scheduled to discuss the necessary amendments to the recognition agreement. On 29 October 2012, an amended recognition agreement was signed between the NWU and SAPTU. The recognition agreement between the NWU and NEHAWU was still under discussion at the end of the year.

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17 R3.1.2.2


18 R3.1.2.3



## STATEMENT ON CODE OF ETHICS <sup>19</sup>

The process of establishing a Code of Ethics for the staff of the NWU was initiated in 2007, since no such document existed since the merger. After extensive consultation, a draft document served at the various campus Senates for comment. The inputs received were incorporated and the draft was tabled at the Institutional Senate, the Institutional Forum and the Institutional Bargaining Forum, which eventually led to the final Code of Ethics being approved by the Institutional Management. The NWU used all internal communication channels to inform staff about the finalisation of the Code of Ethics.

**Council approved the Statement on Corporate Governance during the Council meeting held on 21 June 2013 as per the Regulations.**



**PROF NT MOSIA  
INSTITUTIONAL REGISTRAR AND SECRETARY TO COUNCIL**

# SENATE REPORT <sup>20</sup>



**DR T ELOFF**  
Chairperson of Senate

The NWU aspires to be a university that balances teaching-learning and research and implements its expertise in an innovative way. In 2012, the Senate supported this by ensuring that the University's academic structures, policies and personnel moved in the desired direction while strengthening student success rates and safeguarding the well-being of students.

## **CHANGES IN ACADEMIC STRUCTURES <sup>21</sup>**

Changes in the academic structures of the NWU and its three campuses in 2012 included the establishment of five new research entities and four new organisational entities. The existing structures, consisting of 15 faculties distributed across the three campuses, have worked well.

The NWU's 15 faculties were distributed as follows in 2012:

- The Mafikeng Campus had five faculties and 14 schools, including the newly established School of Research and Graduate Studies, along with two Centres, namely the Community Law Centre and the Centre for Teacher Development, and two research niche areas, Population and Health and Food Security and Safety in the North West Province. A new research focus area namely MaSIM (Material Science Innovation and Modelling) was established. The five faculties were Agriculture, Science and Technology; Human and Social Sciences; Education; Commerce and Administration, and Law.
- The Vaal Triangle Campus had two faculties, namely Humanities and Economic Sciences and Information Technology, as well as seven schools, one research focus area and two research niche areas. The focus area was Enabling Optimal Expression of Individual, Social and Institutional Potential (OPTENTIA), while the niche areas were Understanding and Processing Language in Complex Settings (UPSET) and Multilingual Speech Technologies (MuST). The seven schools were Behavioural Sciences; Languages; Basic Sciences; Education Sciences; Accounting Sciences; Economic Sciences, and Information Technology.
- The Potchefstroom Campus had eight faculties, 34 schools, 21 research entities and three newly established organisational entities, namely the Unit for Open Distance Learning (UODL), the DST/NWU Preclinical Drug Development Platform (PCDDP) and a Centre for Water Sciences and Management and two newly established research entities namely Quality in Nursing and Midwifery (INSINQ) and TRADE (Trade and Development). The eight faculties were Arts; Natural Sciences; Theology; Education Sciences; Economic and Management Sciences; Law; Engineering and Health Sciences.

20 R3.1.3  
21 R3.1.3 bullet 1

The research entities on the Potchefstroom Campus were:

**Research Centres of Excellence:**

- Centre for Drug Research and Development (Pharmaceutical Sciences – PharMaCen)
- Centre for Space Research
- Centre of Excellence for Nutrition (CEN)

**Research Units:**

- Unit Africa Unit for Transdisciplinary Health Research (AUTHeR)
- Unit for Business Mathematics and Informatics
- Unit for Development in the South African Constitutional State
- Unit for Economic and Management Sciences (WorkWell)
- Unit for Energy Systems
- Unit for Environmental Sciences and Management
- Unit for Language and Literature in the South African Context
- Unit for Reformed Theology and the Development of the South African Society

**Research Focus Areas:**

- Chemical Resource Beneficiation (CRB)
- Hypertension in Africa Research Team (HART)
- Physical Activity, Sport and Recreation (PhASRec)
- Quality in Nursing and Midwifery (INSINQ)
- Social Transformation
- Teaching-Learning Organisations
- Tourism Research in Economic Environs and Society (TREES)

**Research Niche Areas:**

- Medicine Usage in South Africa (MUSA)
- Musical Arts in South Africa: Resources and Applications (MASARA)
- Trade and Development (TRADE)

## **COMPOSITION OF SENATE <sup>22</sup>**

In line with section 12(1) of the Statute, the membership of the NWU Senate comprises:

- The Vice-Chancellor (Chairperson)
- The Deputy Vice-Chancellor: Research, Innovation and Technology
- The Deputy Vice-Chancellor: Teaching-Learning
- The Campus Rectors
- The Institutional Registrar
- The deans of all faculties
- Academic staff elected by academic staff in the faculties (33 members in total)
- Non-academic staff elected by non-academic staff (two in total)
- Students designated by the Institutional Student Representative Council (ISRC) (four in total)
- The Chairperson of Council or delegate and one other Council member elected by Council
- Persons responsible for research, academic support and library and information services
- Academic staff members co-opted by the Senate upon the advice of the Senate Standing Committees, with special regard to race and gender (eight in total)

Various election processes took place during 2012 to fill the vacancies in Senate, as well as to elect Senate's designates to Council in accordance with the Statute.

Three ordinary meetings of Senate were held on 7 March, 30 May and 24 October. The average attendance at Senate meetings was 71,6%.

Senate Standing Committees and task teams attended to specific tasks such as the revision and development of new academic rules and policies, institutional research and innovation activities, revision of admission requirements and the alignment of academic programmes and research.

One of the established Standing Committees is the Appeal Committee, which is responsible for dealing with the appeal process for student disciplinary matters.

Another important standing committee is the Research Ethics Committee, which is responsible for the formulation of norms for ethical guidelines for all NWU research on humans, animals and human and animal material, as well as genetic material from all living organisms.

No research project regulated by the ethical guidelines may commence without a letter of approval from the Research Ethics Committee. During 2012, this committee and the different research ethics sub-committees considered 146 applications for approval of research protocols, of which 113 came from the Potchefstroom Campus, four from the Vaal Triangle Campus, 22 from the Mafikeng Campus and seven other from outside the University .

Apart from the Appeals Committee and the Research Ethics Committee, the following Senate standing committees were in place during 2012:

- Senate Executive Committee
- A campus senate committee per campus
- Institutional Committee for Research and Innovation
- Institutional Committee for Teaching and Learning
- Institutional Committee for Academic Standards
- Institutional Admission Requirements Committee
- Standing Committee for Academic Literacy
- Standing Committee for Philosophical Grounding

In addition, the following committees reported to the Institutional Committee for Research and Innovation:

- Institutional Research Support Commission
- Research Ethics Committee
- Higher Degrees Committee
- Committee for the Classification of Theses and Dissertations

## **GOALS REACHED IN 2012 – SIGNIFICANT DEVELOPMENTS AND ACHIEVEMENTS IN INSTRUCTION AND RESEARCH AS PER SENATE MINUTES <sup>23</sup>**

During 2012, Senate assisted in maintaining high standards for teaching-learning and research at the University by advising Council on strategic academic matters and attending to certain key teaching-learning, research and academic support matters.

In advising Council, Senate focused on academic issues with an impact on the revised Institutional Plan, made recommendations about potential candidates for honorary doctorates and chancellor's medals, and advised Council about the appointment of senior managers when necessary. Senate also took part in the development of the Transformation Charter.

In the teaching-learning part of the core business, Senate's key priorities were to:

- promote the sharing of expertise among campuses;
- review the Academic Rules and Faculty Rules;
- monitor academic programme quality;
- improve access to higher education by means of an enhanced mode of distance delivery;
- pilot the University Preparatory Programme (UNIPREP) as part of promoting access;
- promote open distance education and engage in a workshop to further develop distance education to be responsive both to the changing needs of the market and the evolving capacities of educational technology;
- develop the University's framework for the Higher Education Qualifications Framework (HEQF) alignment process; and
- implement academic programme alignment at undergraduate level.

A number of policies and guidelines on teaching-learning matters have been revised and submitted to Senate for consideration and a recommendation to Council.

In the case of research, the focus was on continuing to:

- monitor the implementation of the Research Entity Management Model;
- revise the Strategic Plan of the Research, Innovation Technology and Community Engagement;
- amend the organisation and management structure and management system in academia;
- develop the Internationalisation Framework;
- the revise policies and procedures; and
- make recommendations on ways to improve the University's research output.

#### • **National Health Research Ethics Council (NHREC) audit**

The audit report by Developmentnomics (DEVNOMICS) was received following the national audit of the NWU Research Ethics Committee. The Research Committee is dealing with the recommendations.

#### • **Progress with academic programme alignment**

In 2012, the Higher Qualification Framework (HEQF) implementation process took place, which unfolded in two phases. The first phase was the completion and submission of HEQF S1 and S2 templates to the Department of Higher Education and Training and the improvement of the Programme and Qualification Mix (PQM). The second phase was to develop the NWU Manual for HEQF Qualification and Programme Alignment for Category B qualifications.

#### • **Academic programmes and short course application through ICAS**

During 2012, the Institutional Committee for Academic Standards (ICAS) approved 105 applications for formal qualifications and programmes as well short courses, consisting of 28 applications for new qualifications and programmes, 32 applications for changes to existing programmes, and 45 applications for new or revised short courses.

#### • **Refining entities under the Research Entity Management Model**

Over the past three years, the NWU has been implementing the Research Entity Management Model, which has four categories of research entities: research niche areas, research focus areas, research units and research centres of excellence.

During 2012, the emphasis was on further developing the management model by upgrading certain existing entities. Specifically one research niche area on the Mafikeng Campus was upgraded from research niche area to a focus area, namely Material Science Innovation and Modelling (MaSIM). On the Potchefstroom Campus two new research focus area were established, namely INSINQ (Quality in Nursing and Midwifery) and TRADE (Trade and Development). One new focus area was established on the Vaal Triangle Campus namely OPTENTIA (focusing on positive psychology).

These changes meant that the NWU ended the year with eight niche areas, eight focus areas, nine research units and two centres of excellence.



## TEACHING-LEARNING PROVISION <sup>24</sup>

- **Limitations on access to certain courses**

The University's admission requirements for 2013 were approved by Senate and Council during October and November 2012 respectively. Alongside the statutory admission requirements for entry into diploma and degree studies in terms of the National Senior Certificate (NSC), National Certificate Vocational (NCV) and other international matriculation examinations, the approved admission requirements determine additional criteria for specific qualifications and programmes in terms of the NSC and NCV level for specific subjects as well as the total Admission Points Score (APS). Besides formal admission requirements, limitations on enrolment numbers are guided by the University's enrolment plan as approved by the Department of Higher Education and Training, as well as the availability of physical infrastructure and academic personnel. Each campus develops an enrolment target for first-year students at the qualification and programme level that will allow the University to maintain an enrolment profile commensurate with its planned size and shape and is aligned to physical and human resources capacity.

- **Levels of academic progress in different disciplines**

The following table provides a profile of success rates per major field of study at various undergraduate qualification levels, as well as at postgraduate levels below master's degrees. For the field of Education, separate data is provided for contact and distance enrolments, as almost all the enrolments in distance education are in the major field of Education. Success rates are based on the ratio of completed FTEs to enrolled FTEs.

Success rates per major field of study for qualifications below master's degrees

| Qualification type                                     | Science,<br>Engineering<br>and<br>Technology | Business/<br>management | Education |          | Other<br>humanities |
|--|--|-------------------------|-----------|----------|---------------------|
|  |  |                         | Contact   | Distance |                     |
| Undergraduate diploma or certificate (1-2 years)       | 81%  | 90%                     | 92%       | 86%      | 70%                 |
| Undergraduate diploma or certificate (3 years)         | 87%  | 100%                    | 100%      | 79%      | 89%                 |
| General academic bachelor's degree (3 years)           | 81%  | 85%                     | 100%      | -        | 81%                 |
| Professional first bachelor's degree (3 years)         | 88%  | 79%                     | 87%       | -        | 88%                 |
| Professional first bachelor's degree (4 years or more) | 88%  | 85%                     | 93%       | 92%      | 85%                 |
| Postgraduate diploma                                   | 86%  | 94%                     | 91%       | -        | 89%                 |
| Honours degree   | 97%  | 88%                     | 88%       | 72%      | 86%                 |

- **Awards and achievements**

During 2012, the University awarded 14 669 qualifications, with the distribution of awards at various qualification levels as follows:

**Qualifications awarded according to the various qualification types**

| Qualification type                                      | Number of awards |
|---|------------------|
| Undergraduate diplomas and certificates (1-2 years)     | 4 079            |
| Undergraduate diplomas and certificates (3 years)       | 1 272            |
| General academic bachelor's degrees (3 years)           | 2 602            |
| Professional first bachelor's degrees (3 years)         | 401              |
| Professional first bachelor's degrees (4 years or more) | 1 768            |
| Postgraduate diplomas                                   | 1 059            |
| Honours degrees   | 2 664            |
| Master's degrees  | 670              |
| Doctoral degrees  | 154              |
| <b>TOTAL</b>  | <b>14 669</b>    |

## COMPOSITION AND SIZE OF STUDENT BODY

Students enrolled for 2012

|                                    | Mafikeng      | Potchefstroom | Vaal Triangle | Total         |
|------------------------------------|---------------|---------------|---------------|---------------|
| First Time Entering Undergraduates | 2 343         | 3 733         | 1 788         | 7 864         |
| Seniors                            | 7 913         | 38 605        | 4 370         | 50 888        |
| <b>TOTAL</b>                       | <b>10 256</b> | <b>42 338</b> | <b>6 158</b>  | <b>58 752</b> |

Registration per qualification type per delivery mode

| 2012   | Attendance mode |               |               |               |
|--|-----------------|---------------|---------------|---------------|
| Qualification type                             | Distance        | Contact       | Distance TFT* | Grand Total   |
| General academic first bachelor's degree       | -               | 13 705        | -             | 13 705        |
| Doctoral degree                                | 48              | 1 000         | -             | 1 048         |
| Honours degree                                 | 69              | 1 974         | 6 325         | 8 368         |
| Master's degree                                | 24              | 2 804         | -             | 2 828         |
| Postgraduate diploma                           | 17              | 1 950         | -             | 1 967         |
| Undergraduate diploma (1 and 2 years)          | -               | 790           | 9 429         | 10 219        |
| Undergraduate diploma (3 years)                | -               | 359           | 7 465         | 7 824         |
| Professional first bachelor's degree (4 years) | -               | 9 477         | 820           | 10 297        |
| Professional first bachelor's degree (3 years) | 159             | 2 157         | -             | 2 316         |
| Occasional students                            | 7               | 173           | -             | 180           |
| <b>GRAND TOTAL</b>                             | <b>324</b>      | <b>34 389</b> | <b>24 039</b> | <b>58 752</b> |

\* TFT stands for "Teaching Further Training" and describes the distance or flexi programmes of the NWU for teachers already in the employment of the various provincial education departments

## KEY STATISTICS ON STUDENT ENROLMENTS AND SUCCESS

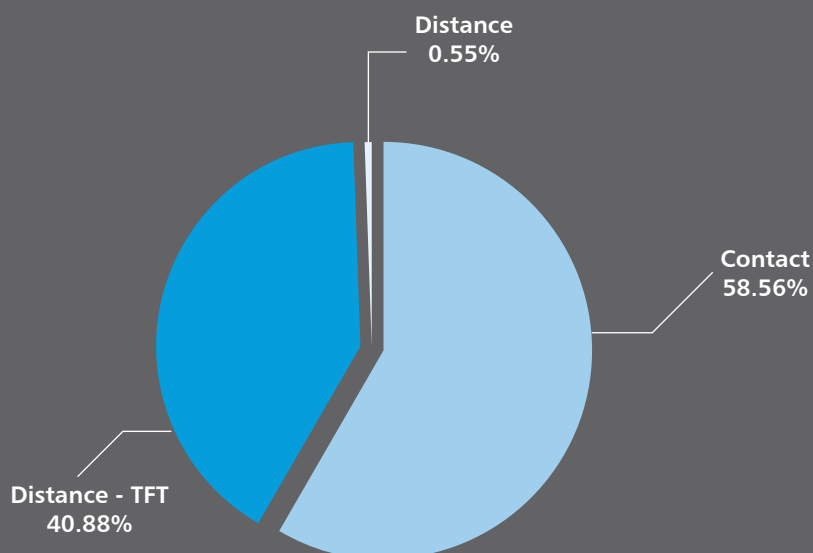
Total headcount enrolments rose to 58 752, an increase of 3,9% compared to 2011. The relationship between enrolments in contact and distance programmes was 59% and 41% respectively. The University's enrolment profile at the various qualification levels for 2012 compared to 2011 was as follows:

### Overall enrolment profile for 2011 compared to 2012

| Qualification Type                                     | 2011          |               |               | 2012          |               |               |
|--|---------------|---------------|---------------|---------------|---------------|---------------|
|  | Contact       | Distance      | Total         | Contact       | Distance      | Total         |
| Undergraduate diploma or certificate (1 to 2 years)    | 788           | 11 086        | 11 874        | 790           | 9 429         | 10 219        |
| Undergraduate diploma or certificate (3 years)         | 345           | 5 849         | 6 194         | 359           | 7 465         | 7 824         |
| General academic bachelor's degree                     | 12 452        | 0             | 12 452        | 13 705        |               | 13 705        |
| Professional first bachelor's Degree (3 years)         | 1 829         | 189           | 2 018         | 2 157         | 159           | 2 316         |
| Professional first bachelor's degree (4 years or more) | 8 633         | 740           | 9 373         | 9 477         | 820           | 10 297        |
| Postgraduate diploma or certificate                    | 1 693         | 27            | 1 720         | 1 950         | 17            | 1 967         |
| Honours degree   | 2 092         | 7 030         | 9 122         | 1 974         | 6 394         | 8 368         |
| Master's degree (Total)                                | 2 758         | 16            | 2 774         | 2 804         | 24            | 2 828         |
| Doctoral degree  | 922           | 37            | 959           | 1000          | 48            | 1 048         |
| Programmes undertaken by occasional students           | 151           | 4             | 155           | 173           | 7             | 180           |
| <b>TOTAL</b>   | <b>31 633</b> | <b>24 978</b> | <b>56 611</b> | <b>34 389</b> | <b>24 363</b> | <b>58 752</b> |

The University had an undergraduate success rate of 88,2% for both contact and distance students, while the graduation rate was 25%. The average module mark attained by first years across all NWU's 15 faculties was 56%, which is relatively healthy, although focused attention will be needed in certain areas.

### STUDENTS ENROLLED 2012 - CONTACT AND DISTANCE

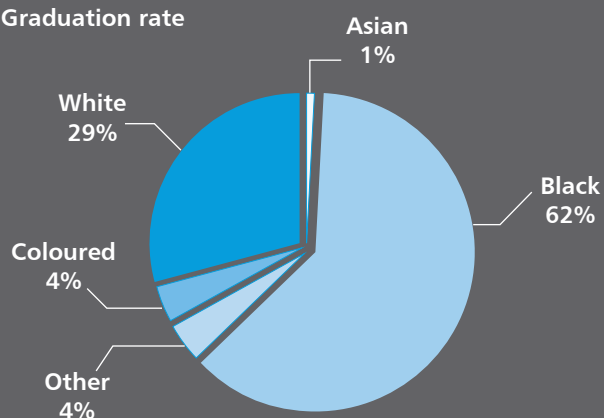


## Race and gender composition of student body 2012

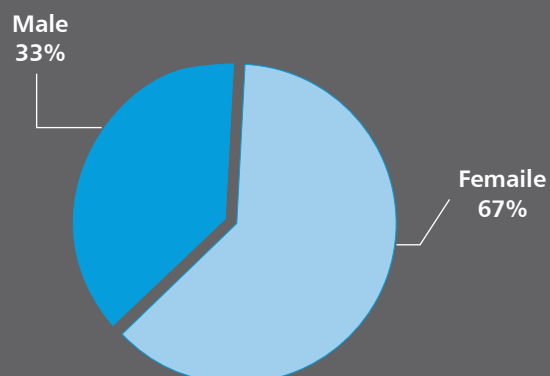
| Year | Race   |         |          |       |         | Gender |        | Total  |
|------|--------|---------|----------|-------|---------|--------|--------|--------|
|      | White  | African | Coloured | Asian | Unknown | Male   | Female |        |
| 2003 | 11 446 | 21 717  | 1 050    | 325   | 1 860   | 14 052 | 22 346 | 36 398 |
| 2004 | 12 657 | 24 975  | 1 255    | 321   | 938     | 15 344 | 24 802 | 40 146 |
| 2005 | 13 389 | 23 454  | 1 195    | 338   | 220     | 14 866 | 23 730 | 38 596 |
| 2006 | 14 288 | 22 412  | 1 221    | 616   | 172     | 14 766 | 23 943 | 38 709 |
| 2007 | 16 209 | 26 440  | 1 359    | 701   | 17      | 16 128 | 28 598 | 44 726 |
| 2008 | 17 071 | 27 722  | 1 602    | 585   | 28      | 16 279 | 30 729 | 47 008 |
| 2009 | 18 160 | 30 095  | 1 921    | 408   | 5       | 17 196 | 33 393 | 50 589 |
| 2010 | 18 675 | 34 398  | 2206     | 432   | 21      | 18 730 | 37 002 | 55 732 |
| 2011 | 18 886 | 34 944  | 2 360    | 436   | 15      | 19 129 | 37 512 | 56 641 |
| 2012 | 16 794 | 36 481  | 2 565    | 448   | 2 464   | 19 643 | 39 109 | 58 752 |

### RACIAL COMPOSITION OF STUDENTS

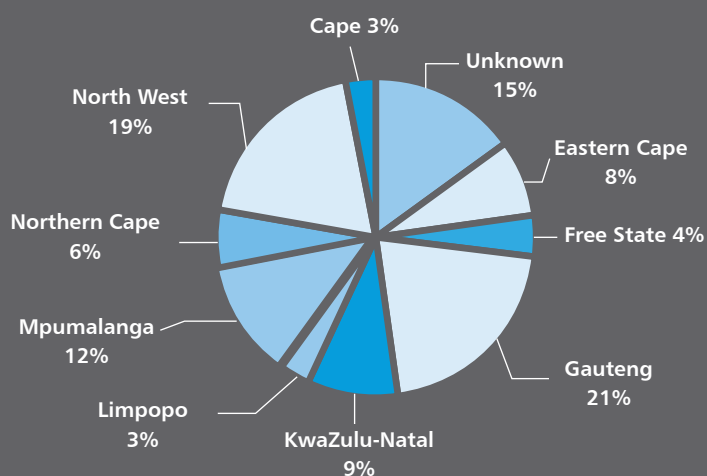
Graduation rate



### GENDER COMPOSITION OF STUDENTS



### ENROLMENTS BY GEOGRAPHIC REGION



| Graduation rate of contact undergraduate students        | Heads 2012 | Graduates 2012 | 2012   | 2011   | 2010   | 2009   | 2008   | 2007   |
|--|------------|----------------|--------|--------|--------|--------|--------|--------|
| First certificates and diplomas of two years or less     | 790        | 186            | 23.54% | 31,60% | 31.01% | 43.20% | 35,23% | 46,61% |
| First diplomas and bachelor's degrees: three years       | 16 221     | 3 095          | 19,08% | 19,47% | 20,5%  | 21,93% | 21,33% | 20,28% |
| Professional first bachelor's degree: four years or more | 9 477      | 1 634          | 17,24% | 15,94% | 16,60% | 16,73% | 17,06% | 17,84% |

| Graduation rate of distance undergraduate students       | Heads 2011 | Graduates 2011 | 2012   | 2011 | 2010 | 2009 | 2008 | 2007 |
|--|------------|----------------|--------|------|------|------|------|------|
| First certificates and diplomas of two years or less     | 9 429      | 3 893          | 41,29% | 45%  | 44%  | 38%  | 34%  | 33%  |
| First diplomas and bachelor's degrees: three years       | 7 624      | 1 180          | 15,47% | 17%  | 17%  | 17%  | 20%  | 16%  |
| Professional first bachelor's degree: four years or more | 820        | 134            | 16,34% | 10%  | 15%  | 13%  | 24%  | 26%  |

## GRADUATION STATISTICS

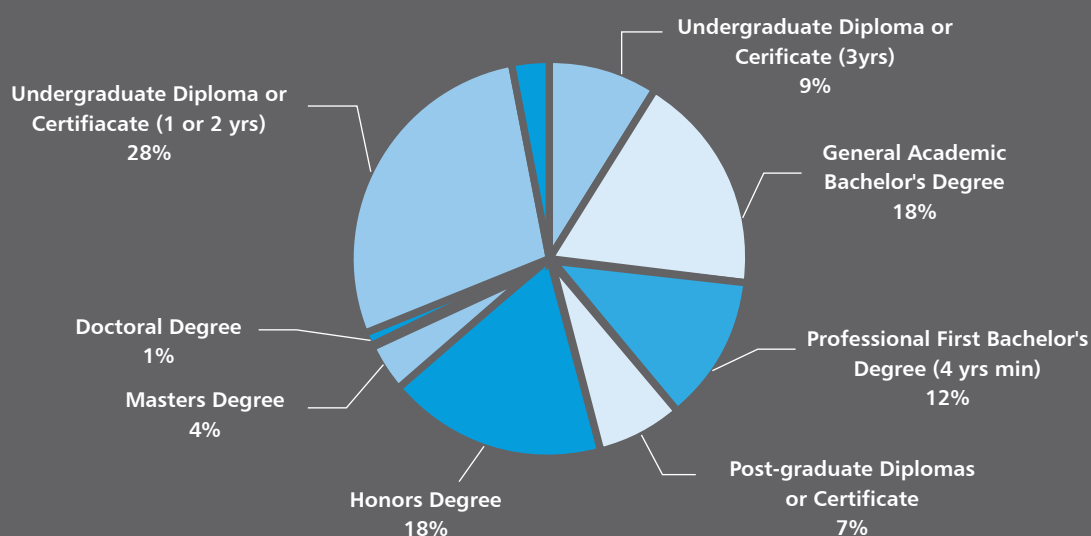
Graduates and diplomates 2012 (per ceremony date after complying with the examination requirements in 2012)

| Campus        | Month     | Year | Passed count |
|---------------|-----------|------|--------------|
| Mafikeng      | May       | 2013 | 1 962        |
|               | October   | 2012 | 441          |
| Total         |           |      | 2 403        |
| Potchefstroom | December  | 2012 | 2 361        |
|               | February  | 2013 | 1 036        |
|               | July      | 2012 | 2 568        |
|               | March     | 2013 | 3 389        |
|               | May       | 2013 | 496          |
|               | November  | 2012 | 542          |
|               | September | 2012 | 663          |
| Total         |           |      | 11 055       |
| Vaal Triangle | April     | 2013 | 999          |
|               | October   | 2012 | 212          |
| Total         |           |      | 1 211        |
| GRAND TOTAL   |           |      | 14 669       |

## Degrees and diplomas awarded by qualification type

| Degrees and diplomas conferred | 2004         | 2005         | 2006         | 2007          | 2008          | 2009          | 2010          | 2011          | 2012          |
|--------------------------------|--------------|--------------|--------------|---------------|---------------|---------------|---------------|---------------|---------------|
| First degrees                  | 3 032        | 3 237        | 3 719        | 3 646         | 3 698         | 3 902         | 4 162         | 4 249         | 4 771         |
| Diplomas                       | 4 459        | 2 450        | 3 553        | 5 266         | 5 964         | 6 804         | 7 734         | 7 291         | 6 410         |
| Honours                        | 1 453        | 1 284        | 1 678        | 1 691         | 1 992         | 1 957         | 2 425         | 2 800         | 2 664         |
| Master's                       | 626          | 700          | 764          | 618           | 583           | 659           | 633           | 639           | 670           |
| PhDs                           | 87           | 82           | 110          | 124           | 100           | 123           | 129           | 115           | 154           |
| <b>TOTAL</b>                   | <b>9 657</b> | <b>7 753</b> | <b>9 824</b> | <b>11 345</b> | <b>12 337</b> | <b>13 445</b> | <b>15 083</b> | <b>15 094</b> | <b>14 669</b> |

### DEGREES AND DIPLOMAS AWARDED BY QUALIFICATION TYPE 2012



## QUALIFICATIONS, PROGRAMMES AND SHORT COURSES APPROVED DURING 2012

The Institutional Committee for Academic Standards (ICAS) as a standing committee of Senate, process assists in the management of the PQM through critical consideration of submitted applications for the approval of qualifications and programmes by the respective disciplines. ICAS is also responsible for the approval of applications for short courses.

The activities of ICAS during 2012 with respect to formal qualifications and programmes, as well as short courses, can be summarised in the following way:

- Eleven ICAS meetings were scheduled and conducted of which four were ICAS Advisory meetings, four were regular ICAS meetings, two were ICAS Exco meetings and one was a Special ICAS meeting.
- Applications for minor changes and internal approvals were significantly lower than the previous year due to the strict guidelines that were provided by the Deputy Vice-Chancellor: Teaching and Learning in conjunction with the requirements of Phase 2 of the HEQF Project. These applications made up 27% of the business of ICAS.
- Applications for new academic qualifications or changes to existing qualifications constituted 31% of the business of ICAS.
- With respect to formal qualifications and programmes, the above applications constituted 58% of the business of ICAS
- In addition, ICAS-approved applications for 45 new short courses made up 42% of the business of ICAS.

In summary:

| Campus                                    | Academic qualifications, programmes and short courses approved in 2012 |                                |               |
|---|--|--------------------------------|---------------|
|   | Changes to existing programmes   | New qualifications/ programmes | Short courses |
| Mafikeng Campus                           | 2  | 3                              | 2             |
| Potchefstroom Campus                      | 15   | 16                             | 41            |
| Vaal Triangle Campus                      | 0  | 2                              | 2             |
| Mafikeng and Potchefstroom                | 3  | 0                              | -             |
| Potchefstroom and Vaal Triangle           | 5  | 1                              | -             |
| Mafikeng, Potchefstroom and Vaal Triangle | 3  | 10                             | -             |
| Sub-total                                 | 28   | 32                             | 45            |
| <b>TOTAL</b>                              | <b>105</b>   |                                |               |

## OTHER ASPECTS WITH REGARD TO INSTITUTIONAL COMMITTEE FOR ACADEMIC STANDARDS (ICAS) DURING 2012

- ICAS held 11 meetings: four meetings of the Advisory Committee, four regular ICAS meetings, one special ICAS meeting and two meetings of the ICAS Exco.
- Flowing from the work on the clarification of the internal policy and procedures for programme development and approval that commenced in 2011 and was taken further in 2012, the quality of applications that were considered by ICAS showed a marked improvement. There was a significant decrease of applications that were referred back to Faculties. This can mainly be attributed to the stricter application of the ICAS policy and procedure that resulted in the improvement in the quality of staff work received from faculties.
- There was also a significant decrease of applications that served more than twice at ICAS. This can also be attributed to the stricter application of the ICAS policy and procedure.
- 10% of applications that were approved by ICAS have not yet been submitted (in the correct format) for the external approval process. This is mainly due to the fact that new forms were required by the DHET for all new teachers' education qualifications. This requirement by the DHET placed an additional burden on faculty personnel and caused the delay in the final submission of applications for the external approval process.
- The stricter implementation of the NWU Academic Programme Management Policy in terms of the approval of applications by the responsible Campus Senate before submission to ICAS also had its challenges during the course of 2012. It was found that some of the scheduled ICAS meetings did not correspond with the different Campus Senate meetings. This challenge was addressed and will be finally resolved when the Electronic ICAS process is in full use.
- There is still a significant delay in the application process in cases where applications are subject to external approval (DHET and HEQC). The two main reasons for this were firstly the mere scope of the Phase 2 of the HEQF project and secondly the fact that some faculties waited too long before submitting the HEQC online application. This challenge will also be dealt with differently during 2013 by means of an interim action plan until the Electronic ICAS System is in full swing.
- The project on the development of an electronic system for programme approval continued during 2012 with the attention focusing mainly on system design in order to account for the various roles and responsibilities in the programme development and approval process. During 2013, various modules within the electronic system will be piloted.



## SHORT COURSES

- During 2012, extensive work was done on the revision of the existing Short Course Policy, culminating in the submission of a revised policy to the meeting of the Institutional Committee for Teaching and Learning (ICTL) in September 2012.
- As part of the work on the short courses project, two workshops were held with other universities for the purpose of benchmarking institutional practices, five meetings of the short courses working group were convened, and discussions were held with two of the three decentralised units at the University that are involved in short course provision.
- A key purpose of the policy revision is to minimise the reputational risks associated with short course provision by ensuring that there is consistency in the management of short courses across the institution. Other goals are to ensure that institutional practices are compliant with the national policy and regulatory environment, and that students are provided with a quality learning experience.
- As part of the revision of the policy, draft financial and certification guidelines for short courses have been developed. These guidelines will be finalised as part of the consultative process around a strategy, policy and procedures for short learning programmes during 2013.

## PROGRAMME ALIGNMENT – THE HEQF PROJECT

The process of programme alignment continued during 2012 in terms of the Higher Education Quality Committee's process for the alignment of qualifications and programmes with the Higher Education Qualifications Framework (HEQF) of 2007. The first phase of the NWU project for HEQF alignment ended early in 2012 with the submission to the HEQC of the templates for the categorisation of the University's qualifications in accordance with the following categories:

- Category A: Qualifications/programmes that need no or only a minor adjustment to align with the HEQF.
- Category B: Qualifications/programmes that require some curriculum development (amounting to less than 50% change) to align with the HEQF.
- Category C: Qualifications/programmes that cannot be aligned with the HEQF and will need to be phased out or replaced.

The following table summarises the submitted data:

### Classification of NWU qualifications and curriculums for the HEQF alignment process

|  |            |                                     |              |
|--|------------|-------------------------------------|--------------|
| Number of qualifications in Category A | 160        | Number of curriculums in Category A | 477          |
| Number of qualifications in Category B | 204        | Number of curriculums in Category B | 572          |
| Number of qualifications in Category C | 12         | Number of curriculums in Category C | 156          |
| <b>TOTAL NUMBER OF QUALIFICATIONS</b>  | <b>376</b> | <b>TOTAL NUMBER OF CURRICULUMS</b>  | <b>1 205</b> |

The second phase of the NWU HEQF project that commenced in 2012 addressed the following three issues:

- Validation of the submitted information on the Category A qualifications: Preliminary feedback from the HEQC on the submitted Category A qualifications required that some technical and material corrections should be made to the information submitted. In addition to making these corrections, a further process was followed to review and validate the work previously done on the Category A qualifications, in order to ensure their accuracy.
- Completion of the re-circulation required for the Category B qualifications: The main focus of Phase 2 is the re-circulation necessitated by the reasons for categorising 204 qualifications with their associated 572 programmes as Category B qualifications. A project plan and manual was developed to guide and direct the Category B process. With the approval of the HEQC, the first step was to identify and rectify qualifications on the B list that could be changed to Category As with only minor adjustments. This sub-process resulted in submitting the necessary information to the HEQC with the request that 46 former Category B qualifications be changed to Category As. The project plan provides for the re-circulation process of the remaining Category Bs and their submission to the HEQC by the end of June 2013. This process includes a quality review of the alignment of selected qualifications by external peers, administered by the Quality Office.
- Designing an orderly process for phasing out the Category C qualifications: This process was designed and implemented in collaboration with the divisions for Management Information Systems and Student Administrative Systems.

## STUDY MATERIAL DEVELOPMENT

The University's centralised production resource at the Potchefstroom Campus developed 29 new study material collections, and did maintenance work on 16 existing collections. A total of 6 806 study guides were produced. The table below gives a breakdown of this work per campus; the relationship between the number of available guides and the number of modules is given in brackets:

### Production of study guides in 2012

| Campus        | First semester | Second semester | Total |
|---------------|----------------|-----------------|-------|
| Mafikeng      | 396            | 383             | 779   |
| Potchefstroom | 2 497          | 2 155           | 4 652 |
| Vaal Triangle | 764            | 611             | 1 375 |

As these statistics indicate, while the number of study guides is very good at the Potchefstroom and Vaal Triangle campuses. It is a concern that only 779 study guides have been developed for the total amount of modules that are presented annually on the Mafikeng Campus. During 2013, steps will be taken to address this issue in collaboration with the campus management.

During 2012 a core group of staff (54 in total), including staff of the Academic Development and Support (ADS) units on the campuses, were trained in the use of technology (Adobe Pro X) to support the development of e-guides. This is an important component of the pilot work that the University will conduct with respect to blended and e-learning. A priority is to ensure that well-developed resources and instructional design expertise are available to train staff in the development of e-guides and the creation of e-learning experiences.

## ACADEMIC RISK ABATEMENT: STUDENT ACCESS AND SUCCESS

The NWU is committed to broadening access and ensuring that all students can participate effectively in the process of teaching and learning, leading to equitable opportunities for success. Various strategies are used to help all the University's students, and especially those who are underprepared, to develop generic and specific knowledge, as well as cognitive and study skills. The aim is to help them thrive in the higher education environment and to derive the optimal benefit from their formal study programmes, as well as their university experience in general.

Access initiatives include foundational provision and the pilot project for the development of a University Preparatory Programme. Academic development strategies include Supplemental Instruction, reading and writing laboratories and a project for the development of cohort analyses on throughput and dropout rates. A student academic development and support forum was initiated by the Institutional Academic Development and Support, with the founding meeting taking place on the Mafikeng Campus in September 2012, followed by a planning meeting in November 2012. This section of the report provides a brief overview of initiatives for access and success.

### • Foundational provision

During 2012, successful application was made to the DHET for the offering of 43 extended programmes in the funding cycle for foundational provision that commences in 2013. The majority of these programmes will be presented at the Mafikeng Campus, with 20 located in the Faculty of Agriculture, Science and Technology and 14 in the Faculty of Commerce and Administration. The remaining seven programmes are located in the Faculty of Economic Sciences and Information Technology at the Vaal Triangle Campus. The targeted enrolment of 3 705 FTEs indicates the substantial nature of foundational provision at the University. In May 2012, Senate approved a framework for the provision of foundational provision which sets out guidelines for the development of extended programmes and their monitoring and review.

### • University Preparatory Programme (UNIPREP)

2012 saw the commencement of a pilot project named NWU UNIPREP offered at all three campuses of the NWU. This bridging programme, in which the NWU collaborates with the Open Learning Group, aimed at exploring possibilities whereby entrance to university studies could be widened to learners who otherwise would not have qualified for entrance into university. The programme, aimed at prospective BCom students, was offered by means of a blended-learning approach where face-to-face and online instruction was presented in a reduced-seat-time environment (only four contact sessions per semester for all modules except Mathematics) and active student support was provided between contact sessions. Furthermore, the offering took place in an open-learning setting, meaning that flexibility existed with respect to both entry dates and assessment arrangements.

The pilot programme, which was approved by the Institutional Committee for Academic Standards in November 2011, consisted of a mix of formal and formative modules, namely:

- Formal academic modules taught by NWU lecturers [NQF level 5]: Bridging the Mathematical Gap and Business Management, which contribute a total of 48 credits towards the BCom qualification;
- Formative modules taught by the Open Learning Group (NQF level 5): Fundamental English for Academic Purposes and Business Communication, Academic and Student Development, and Computer and Digital Literacy.

The pilot group for 2012 consisted of 26 students, with a 50:50 gender representation and consisting of black (62%), white (27%) and Coloured (11%) individuals. Of particular importance is that the majority of the students who enrolled for UNIPREP showed a remarkable improvement in their performance in Mathematics, pointing to the fact that the bridging programme, albeit on a small scale, holds fair potential to assist in decreasing the gap between secondary and higher education.

The most important lesson learnt during the first year of this offering is that active student support and properly designed study material, coupled to a concerted effort to enhance student participation, are prerequisites for the successful delivery of the programmes. The pilot project will continue in 2013.

#### • Supplemental Instruction

Supplemental Instruction (SI) is an internationally recognised non-remedial approach to learning enrichment that increases student retention and performance. Faculty and staff from over 1 400 institutions in the USA and 30 other countries have been trained to implement the programme, and the majority of South African universities now offer SI or a hybrid of the SI programme. The Manager for Student Academic Development made two presentations at the international SI conference in June 2012 to share experiences from the SI programme at NWU.

SI creates broader learning communities by means of regularly scheduled “out-of-class” group study sessions where students work together to consolidate key concepts and develop effective study strategies. SI sessions are facilitated by SI leaders, meaning students who have successfully completed the targeted module. Although it is largely used in first-year modules to support the first-year experience, SI has been shown to be equally effective in the second year and postgraduate subjects.

The scale of SI implementation at the University is apparent from the fact that during 2012, 694 SI leaders presented 22 221 SI sessions in 479 at-risk modules and that the University committed an amount of R1,5 million in support of the SI programme. The following table provides an overview of SI provision during 2012:

#### Summary of Supplemental Instruction activities in 2012

| Campus        | Trained SI leaders | Faculties | Modules in which SI is presented | SI sessions   | % of At-risk modules in which SI is presented |
|---------------|--------------------|-----------|----------------------------------|---------------|---|
| Mafikeng      | 203                | 5         | 194                              | 8 009         | 47% (c)                                       |
| Potchefstroom | 273                | 8         | 176                              | 7 563         | 38% (a)                                       |
| Vaal Triangle | 218                | 2         | 170                              | 6 639         | 71% (c)                                       |
| <b>TOTAL</b>  | <b>694</b>         | <b>15</b> | <b>540</b>                       | <b>22 211</b> | <b>NA</b>                                     |

At-risk modules are defined as those that have large classes (a), challenging content (b), and an average pass rate of less than 50% (c). Campuses and faculties are free to develop their definitions of at-risk modules based on any or all of these criteria.

Results have shown that students who regularly attend SI earn higher subject marks and withdraw less often than non-SI participants. The data also demonstrates higher re-enrolment and graduation rates. An analysis of 94 modules was conducted during 2012 on the three university campuses. This analysis indicates that students who participated in SI achieved substantially better marks than those who did not – with a differential of between 10% and 15%. Crucially, the average mark of non-SI students in a number of these modules fell below the 50% pass mark, while in all the modules the average pass mark of SI students was above the pass mark.

Furthermore an analysis of the academic performance of 202 students in some of these modules indicates that higher numbers of SI participants amongst this group fall within the higher academic performance categories (A = 80-100%; B = 70-79%; and C = 60-69%), while fewer SI participants failed or withdrew. These results are encouraging and suggest that the University's investment in the SI programme is worthwhile.

#### Academic performance of students in selected modules in terms of SI and non-SI participation

|        | A  | B | C  | D  | Fail | Withdrew |
|--------|----|---|----|----|------|----------|
| SI     | 15 | 8 | 28 | 35 | 9    | 6        |
| Non-SI | 12 | 5 | 21 | 34 | 11   | 18       |

Various strategies were used to market SI, including the development of promotional DVDs on the Potchefstroom and Vaal Triangle campuses, and a marketing week for SI on the Mafikeng and Vaal Triangle campuses. Promotional DVDs for the Mafikeng Campus will be developed in 2013. The SI quality manual was presented for noting at the Senate meeting of May 2012.

#### • Reading and language development on campuses

The development of student literacy skills is critical to assisting them to cope with the demands of higher education. Therefore, the University has made a substantial investment in the development of reading laboratories as a mechanism for improving students' reading-comprehension skills and language proficiency. Evidence from internal and external programme evaluation reports shows that students make extensive use of these facilities to improve their strategic reading proficiency.

The University also offers two modules for the development of academic literacy that all new students are required to attend in the first and second semester of their studies, although students who are not considered at risk on the basis of a language proficiency test may in some cases be exempted from the first semester module. During 2012, a total of 9 766 students attended the modules on academic literacy.

#### • Other strategies to promote student success

The mentoring programme commenced in 2011 and continued in 2012, with well over 1 000 students participating. First-year students are matched with senior students on the basis of criteria such as study programme and gender. During 2012, the programme was piloted in the Faculties of Commerce and Administration and Agriculture, Science and Technology at the Mafikeng Campus, and in all the residences at the Vaal Triangle Campus, while the Counselling Service is responsible for the coordination of the programme on the Potchefstroom Campus.

The ADS at each campus also provides individual counselling sessions for students who may be at risk or are experiencing other difficulties relating to their academic work. This service is well supported by students on all campuses.

## DEVELOPMENT OF ACADEMIC STAFF

The University's established strategies for academic staff development include two teaching award processes – the Institutional Teaching Excellence Award and the Rapport Top Lecturer award – and the presentation of the Institutional Course for New Lectures (ICNL). In addition, the conference on the Scholarship of Teaching and Learning presents a new initiative to promote professionalism in teaching and learning.

#### • Institutional Teaching Excellence Award (ITEA)

The ITEA is a mechanism to acknowledge and encourage lecturers to develop their teaching skills and to provide proof that their teaching practices adhere exceptionally to sound outcomes-based teaching principles that should result in effective learning. The ITEA process includes activities such as observation of three contact sessions by an evaluation panel of three members, student feedback on teaching, proof of innovative strategies and approaches to teaching and learning (including e-learning) and the evaluation of a teaching portfolio. An important development during 2012 was that the institutional and campus ADS units established a cross-campus system for the moderation of the ITEA portfolios, in order to ensure consistency in the standards of the awards.

In all, 49 staff members received ITEA awards in 2012, with a good distribution of awards to staff from each campus (18 at Potchefstroom Campus; 20 at Mafikeng Campus and 11 at Vaal Triangle Campus). The following table provides more detailed information:

## ITEA awards in 2012

| Campus                        | Total number of ITEA awards per campus | Number of different categories of ITEA awards presented in 2012 |           |          |
|-------------------------------|--|---|-----------|----------|
|                               |  | A   | B         | C        |
| Mafikeng Campus               | 18                                     | 10  | 6         | 2        |
| Potchefstroom Campus          | 20                                     | 8   | 9         | 3        |
| Vaal Triangle Campus          | 11                                     | 3   | 5         | 3        |
| <b>TOTAL NUMBER OF AWARDS</b> | <b>49</b>                              | <b>21</b>   | <b>20</b> | <b>8</b> |

It is particularly pleasing to note that two staff members who took part in the 2012 ITEA awards went on to receive national teaching excellence awards from the Higher Education Learning and Teaching Association of South Africa (HELTASA). Mrs Mahlasela Rakhudu of the School of Nursing Science at the Mafikeng Campus received one of five national Excellence in Teaching Awards, while Mr Hannes du Toit of the School of Chemical and Mineral Engineering at the Potchefstroom Campus received one of 18 commendation awards. The University is proud of this exceptional achievement and the commitment of these staff members and all the other ITEA recipients to their role as educators.

### • **Rapport Top Lecturer Faculty Awards**

For the third consecutive year, Rapport newspaper made available a substantial amount of money by means of which full-time undergraduate students in each of the 15 faculties across the NWU could vote for the lecturer who inspired them the most, and who was perceived as walking the extra mile for students.

The success of the project relied greatly on the ability of the respective Campus Student Representative Councils to mobilise an overall voting percentage of 40% of full-time undergraduate students. The high levels of participation contributed significantly to the legitimacy of the venture. At the end of the process, 15 lecturers each received a cash prize of R50 000, with a recipient from each of the University's 15 faculties.

### • **Institutional Course for New Lecturers (ICNL)**

The ICNL is presented in three phases. The first phase is the responsibility of the Institutional ADS, while the campus ADS offices present the second and third phases. The broad aims of the ICNL are to:

- Introduce new lecturers to best practices in higher education;
- Refresh experienced lecturers by sharing new trends in higher education;
- Empower academic staff members to facilitate learning and create effective and efficient learning environments for their learners;
- Promote awareness of where to find appropriate support services for teaching, learning and research activities (institutional and on campus); and
- Develop an understanding of the foundational and ethical issues in science.

During the ICNL, senior members of academic staff who join the NWU with higher education teaching experience of more than three years attend a session on the Scholarship of Teaching and Learning. They share their expertise and experiences with respect to teaching and learning strategies and approaches that they believe have worked for them.

In 2012, 107 newly appointed lecturers attended Phase 1 of the ICNL, which was extended to include contract and part-time lecturers. There were 18 participants from the Mafikeng Campus, 72 from the Potchefstroom Campus and 17 from the Vaal Triangle Campus. During 2013, the Institutional ADS will address the backlog in ICNL attendance in cooperation with the vice-rectors for teaching and learning, as well as faculty deans at each campus.

## SCHOLARSHIP OF TEACHING AND LEARNING

The annual conference on the Scholarship of Teaching and Learning (SoTL) that commenced in 2011 was presented for the second time in November 2012, with Professor Anthony Ciccone as the guest speaker. Professor Ciccone, a past Director of the Carnegie Academy for the Scholarship of Teaching and Learning (SoTL), and currently director of the Centre for Instructional and Professional Development at the University of Wisconsin-Milwaukee in the USA, addressed a range of topics on SoTL. Various NWU staff members, including recipients of ITEA awards, used the conference as an opportunity to showcase their approaches to innovative teaching and learning and to discuss ways in which good practice can be shared. The conference will be presented annually, providing a platform for creating further opportunities to promote the scholarship of teaching and learning at the University.

An important development during 2012 was that Institutional Management approved a substantial allocation from strategic funding to support the further development of the Scholarship of Teaching and Learning at the University. The funding will be used to support SOTL projects among members of academic staff at the three campuses, as well as at the Institutional Office.

## TEACHING AND LEARNING TECHNOLOGY (TLT)

The activities in the domain of teaching and learning technology are regulated by the Teaching and Learning Technology Framework. The vision of the framework is to define, identify, implement, maintain and ensure the quality of teaching and learning technology used at the NWU in support of the Institutional Plan. The framework is implemented through the following focus areas: collaboration, initiation/ engagement, production/maintenance and implementation of teaching and learning technology.

During 2012, the Institutional Manager for Teaching and Learning Technology (TLT) attended a number of international conferences, including Educause, the Association for Educational and Communication Technology (AECT) and Cambridge 2012 on Open Courseware. Collaborative projects were undertaken with Indiana State University on the development of virtual learning environments and learning management systems, and with the American Public University on learning analytics, as well as a pilot project for the development of an online learning programme at NWU. The TLT Manager also served on the board of NADEOSA (The National Association of Distance Education and Open Learning in South Africa). The aim of these collaborative activities is to benchmark, source, obtain and share new and internally developed technology to the benefit of the NWU and all other participating partners and collaborators.

The TLT Manager convened the eNdaba working group that is engaged in a range of projects to promote and coordinate the adoption of teaching and learning technology at the University. Some of the projects during 2012 involved the development of electronic study guides, research on and sourcing of technology to support e-assessment – including the development of two in-house e-assessment tools (Markwrite and Backchat), the development and implementation of a lecture capturing system, support for the operational management of the learning management system (eFundi), and capacity development of ADS staff on the campuses to effectively support the adoption and use of teaching and learning technology.

The average number of active students who made use of the eFundi learning management system in 2012 was 24 295. The following table gives an overview of the use of eFundi in 2012:

**The use of the eFundi Learning Management System (LMS) on all three campuses**

| Use of eFundi  | Mafikeng | Potchefstroom | Vaal Triangle |
|--|----------|---------------|---------------|
| Number of eFundi sites   | 697      | 2 086         | 758           |
| Total number of active sites (seven or more students per site)       | 412      | 1 421         | 456           |
| Total number of personnel using eFundi as learning management system | 113      | 429           | 106           |

The 2012 budget of the TLT Manager provided R250 000 to each campus for the maintenance of multimedia equipment in classrooms. The upgrading of classrooms and installation of equipment in new facilities are the responsibility of the respective ADS units on the campuses.

## CAREER CENTRE

The Career Centre plays a vital role in promoting employability among NWU students through liaison with employers and providing services to both employers and students. The Centre invests substantially in ensuring that the NWU offers relevant curricula that will assist in delivering graduates who can plough back their skills into the developing economy in South Africa, and has support structures in place to help students to develop an understanding of the world of work and the kind of qualities that employers seek in graduates.

### • **Liaising with employers**

The services offered to employers include the CareerZone (online career portal) where employers can advertise vacancies, career fairs, the career guide and employer presentations. The regular career fair events, where students at all three campuses are able to interact with prospective employers, remained a highlight on the Career Centre calendar.

The 2012/13 NWU Career Guide, distributed to students on the Mafikeng, Potchefstroom and Vaal Triangle campuses, attracted 35 advertisements, compared to 26 advertisements when the guide was distributed for the first time in 2009.

An important feature of the 2012/13 Career Guide was that it was available as an e-magazine. This supported environmental sustainability and reflected the NWU's commitment to adherence to the King III report.

The Career Centre makes use of two platforms to market employment opportunities, the NWU CareerZone and eFundi. In September 2012, a contract was negotiated with Virtual Human Capital to act as a service provider for the operation of the CareerZone. In terms of this contract, the CareerZone forms part of VJOBS, which is a network of partners working together to achieve an immense online recruitment reach in South Africa. The partners consist of university radio stations, job portals, commercial radio stations, community radio stations, online magazines, local print publications and major media and broadcasting companies.

Furthermore, the Career Centre continued to make use of eFundi to advertise employer vacancies, employer presentations and any other career-related events and articles. Owing to the increased use of eFundi, the following resources are now at the disposal of job-seeking students: CV-writing tips, online application tips, links to websites for jobseekers, information on what employers expect of job seekers and information on the job-search process.

The employer consultative workshops that commenced during 2011 were taken further during 2012. Three workshops were held in which the faculties of Engineering, Law and Education from the three campuses, together with the Office of the Vice-Chancellor, met with employers, representatives of professional bodies and other appropriate sectoral stakeholders. The main objective of the workshops was to give academics and employers the opportunity to learn from each other, to strengthen existing relationships between the workplace and the University, and to enhance the responsiveness of the University's curricula to workplace needs. The workshops were well supported by industry, and this initiative will be continued and expanded during 2013.

### • **Services to and development of students**

The Career Centre regularly schedules visits to all three campuses to assist students with CV writing and preparation for job interviews. During 2012, a total of 1 310 students made use of the services of the career consultant, which is significantly higher than the 887 in 2011. The consultant provided services to 151 students at the Mafikeng Campus, 62 students at the Vaal Triangle Campus, and 1 097 students at the Potchefstroom Campus, mainly by means of workshops that were presented at academic faculties and schools or at the Career Centre itself. A highlight was the participation of 250 second-year students from the Faculty of Engineering at the Potchefstroom Campus in a career development workshop. At all the workshops, students are invited to individual consultations where they receive more tailored advice on the job search process and the development of job-related skills, including the preparation of their CV. A goal for 2013 is to promote the workshops more strongly among members of academic staff, so that they can elicit participation by larger groups of students.

During 2012, the career consultant paid 15 visits to the Mafikeng and Vaal Triangle campuses, with each visit to the Mafikeng Campus lasting two days, and to the Vaal Triangle Campus, one day. In order to promote service equity amongst the three campuses, the number of individual or small group interactions at both the Mafikeng and Vaal Triangle campuses will be increased during 2013.

The Career Centre also hosts a Facebook page, which currently has more than 500 active members. In addition, there is a Career Centre Blog containing career-related links, blog archives and categories, and positive news and quotations about careers. Blog statistics for 2012 indicated a peak in the October statistics, pointing to the fact that this was the month in which prospective job seekers seriously embarked on job-hunting.



- **Engagement with alumni**

The University's alumni are a crucial resource for the career development of students. Through the Career Centre's Alumni Network, alumni are encouraged to consider various mechanisms through which they can share their expertise. There are opportunities to volunteer their services as mentors to students, to present a guest lecture on their professional experiences and career paths, and to host student interns within their organisations. In addition, alumni may make use of the CareerZone for job searching purposes.

- **Surveys**

The University participated in a number of surveys during 2012 to obtain feedback from students and graduates. NWU students took part in the Magnet Student Survey, which researches career expectations amongst students, as well as the Magnet Professionals Survey, which canvasses the opinions of graduates on the best companies to work for.

During 2012, the Career Centre developed a report on employer feedback on NWU graduates. This was based on an independent survey conducted in August 2011 among employers who work with the Career Centre, as well as the 2011 South African Graduate Recruiters Association (SAGRA) survey that canvasses the opinion of employers on the careers service at higher education institutions. The survey results were presented to the meeting of the Institutional Committee for Teaching and Learning in September 2012. The results indicated that NWU graduates are viewed in a predominantly positive manner by employers, but also pointed to aspects and capabilities that should be improved, including proficiency in English, the ability to deal with change and diversity, report writing, presentation skills and workplace exposure.

During 2013, the University will continue its work on employer feedback on graduate attributes by means of a tracer study that aims to obtain a more accurate picture of the perceptions of employers. Based on the results of its employer surveys, the NWU will develop a document on the desired qualities of its graduates that will inform curriculum planning and other teaching and learning activities.

- **International benchmarking**

In order to benchmark its services and programmes, the Career Centre regularly takes part in international conferences and makes visits to international careers centres. During 2012, staff from the Career Centre attended the annual conference of the National Association of Graduate Careers Advisory Services (NAGCAS) in Perth, Australia, and used the opportunity to visit career centres at some universities in that country. The visit was a very useful opportunity to discuss approaches to career development, including the development of graduate attributes and the manner in which some universities in Australia develop employability skills.

## **QUALITY OF ACADEMIC PROGRAMMES**

One strategic goal is to give continual attention to Improvement Plan that the NWU Council approved in 2010 after the Higher Education Quality Committee (HEQC) Quality Audit that was completed in 2009. The HEQC's verbal feedback on the Improvement Plan was received in 2011 and in 2012 the HEQC submitted written feedback on the Council-approved NWU HEQC audit progress report.

A further progress report is to be provided to the HEQC in the course of the first semester of 2013. In addition to the audit improvements, the Quality Office dealt with the so-called gaps project that emanated from the audit preparations reported on this to the Institutional Management.

The Quality Office contributed to specific goals linked to the mission elements in the Institutional Plan through high-level involvement in:

- practices in support of academic quality improvement by means of internal, external and professional body/statutory body evaluations;
- external evaluations conducted on the bachelor's degree in Administration, the BCom degree in Management, and English as subject on the Mafikeng Campus;
- the external evaluation of the master's degree in Theology (New Testament) at the Potchefstroom Campus;

- statutory body evaluations of academic programmes that were conducted, namely:
  - the Health Professions Council of South Africa, which evaluated the Honours in Psychology at the Potchefstroom and Mafikeng campuses and the Industrial Psychology at honours and master's degree level at the Potchefstroom Campus;
  - the South African Institute for Chartered Accountants, which evaluated the CA programme at all three campuses;
  - the South African Council for Social Service Professions, which evaluated the Social Work programmes at all three campuses, and
  - the South African Council for Veterinary Sciences, which evaluated Animal Health at Mafikeng Campus.
- a comprehensive follow-up visit from the Association of MBAs (AMBA), a London-based accreditation body. This was in preparation for the international accreditation of the MBA programme that is offered at the Potchefstroom and Vaal Triangle campuses; and
- in support of quality awareness and general efficiency and effectiveness, a project was launched for the development of faculty quality manuals. This will document all faculty-specific processes that emanate from legislative frameworks.

## RESEARCH PERFORMANCE <sup>25</sup>

### Highlights

- The number of postdoctoral fellows at the University rose from 89 to 114, NRF-rated researchers increased from 125 to 140, and following an increase in article equivalents output of 32% in 2011, the increase in 2012 was 22% from 734 to 944 article equivalents.
- In 2012, the NWU awarded 670 master's and 154 doctoral degrees, compared to the 639 and 115 in 2011 respectively, and enrolled 2829 master's and 1048 doctoral students against the previous year's 2774 and 959. The substantial increase in postgraduate degrees output includes an increase in research master's from 365 in 2011 to 462 in 2012.
- The NWU has entered another 3-year programme of external review. In 2012, four entities were externally evaluated, with a positive outcome. The ability of the NWU to support its research programme was also evaluated by the external panel, with positive outcome and useful recommendations for further improvement. A comprehensive self-assessment of the NWU Research and Innovation activities served as one of the inputs in the evaluation.
- The Research Entity model was further refined to include Hosted Research Entities and Commercial Research Entities.
- Senate approved the formation of research clusters and funds were allocated to operationalise this drive.
- Two new SARCHi chairs were awarded to the NWU:
  - Coal Research.
  - Early Detection and Prevention of Cardiovascular disease in Africa. This was one of only eight directed chairs awarded in 2012.
- NWU made significant progress in the establishment of Hosted Entities, such as the DST Hydrogen Infrastructure Centre of Competency (co-hosted by the CSIR), the Metabolomics Platform, the National Pre-Clinical Drug Development Platform, the Indigenous Knowledge Systems Competency Centre (co-hosted by the Universities of Limpopo and Venda) and the dti Centre for Advanced Manufacturing.
- The NWU remains one of the top earners in the Technology and Human Resources for Industry Programme (THRIP) of the National Research Foundation. A good THRIP performance is indicative of an understanding of triple helix relationships where higher education institutions, the private sector and the public sector form sustainable, innovative collaborations.
- During the 2012 Council workshop a comprehensive analysis was presented to Council, focusing on Research, Innovation and Community Engagement.
- A comprehensive survey of the management of research infrastructure was performed at the NWU.
- The completion of an environmental legal compliance audit on all NWU operations.

## • Research Support

- The Unit for Drug Research and Development was upgraded to become a Centre of Excellence.

The following new Research Focus Areas were approved:

- Optentia (Optimal Expression of Individual, Social and Institutional Potential), Vaal Triangle Campus
- INSINQ (Quality in Nursing and Midwifery), Potchefstroom Campus
- MaSIM (Material Science Innovation and Modelling), Mafikeng Campus

The following new Niche Areas were approved:

- MuST (Multilingual Speech Technologies), Vaal Triangle Campus
- TRADE (Trade and Development), Potchefstroom Campus

The NWU continued to establish the remaining of its 14 internal Research Chair positions. The initiative states as requirement that an incumbent be NRF-rated or ready for NRF rating within the first two years of appointment and the requirement that the posts become self-sustaining within a maximum of three years after appointment. It is intended to retain the fund at the level to continuously support the establishment of new chairs in two to three year cycles.

At the annual prestige dinner on 26th October 2012, the University celebrated the achievements of its top-performing researchers. Among them were:

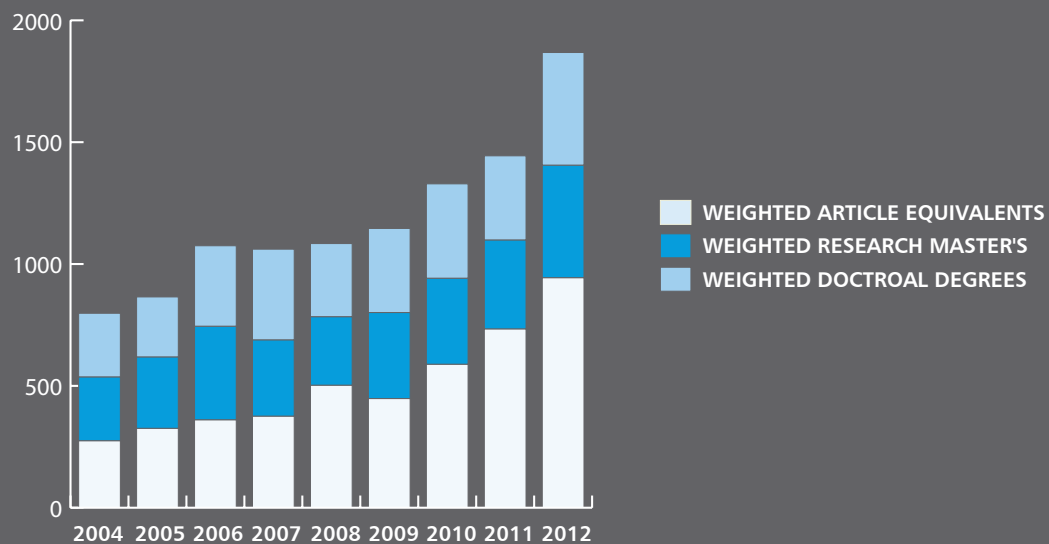
- The recipients of the S2A3 and ABSA Bronze medals for the best master's degrees submitted on the various campuses;
- 29 researchers who achieved an NRF rating or re-rating;
- 6 staff members recognised for their creative outputs;
- 2 groups acknowledged for their commitment to community engagement;
- 2 staff members for exceptional leadership and contributions to international organisations; and
- The most productive junior and senior researcher and the most productive research entity;
- The most cited researcher at international level.

## • Research statistics

Key research indicators for the year were the number of article equivalents published, the number of researchers with NRF ratings, master's and doctoral enrolments and graduations, and postdoctoral fellowships awarded. The table below gives a breakdown of research output in the key categories since 2004:

| Research output                         | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012                 |
|---|------|------|------|------|------|------|------|------|----------------------|
| Article equivalents                     | 272  | 318  | 352  | 358  | 471  | 409  | 511  | 653  | 790                  |
| Conference proceedings                  | 3    | 8    | 8    | 13   | 18   | 34   | 43   | 84   | 98                   |
| Books                                   | 0    | 0    | 2    | 5    | 13   | 5    | 24   | 36   | 56                   |
| Total publication equivalents published | 275  | 326  | 361  | 376  | 503  | 448  | 589  | 734  | 944<br>(Provisional) |
| Number of NRF-rated researchers         | 73   | 85   | 82   | 95   | 103  | 116  | 117  | 125  | 140                  |
| Master's degrees conferred              | 626  | 700  | 765  | 618  | 583  | 659  | 633  | 639  | 670                  |
| Research master's                       | 262  | 293  | 384  | 313  | 281  | 369  | 353  | 365  | 462                  |
| Research master's weighted              | 262  | 293  | 384  | 313  | 281  | 369  | 353  | 365  | 462                  |
| Doctoral degrees conferred              | 87   | 82   | 110  | 124  | 100  | 123  | 129  | 115  | 154                  |
| Doctoral degrees weighted               | 261  | 246  | 330  | 372  | 300  | 369  | 387  | 345  | 462                  |
| Total research output                   | 798  | 865  | 1074 | 1061 | 1083 | 1186 | 1318 | 1483 | 1 868                |
| Postdoctoral fellows                    | 9    | 17   | 18   | 34   | 38   | 48   | 69   | 89   | 114                  |

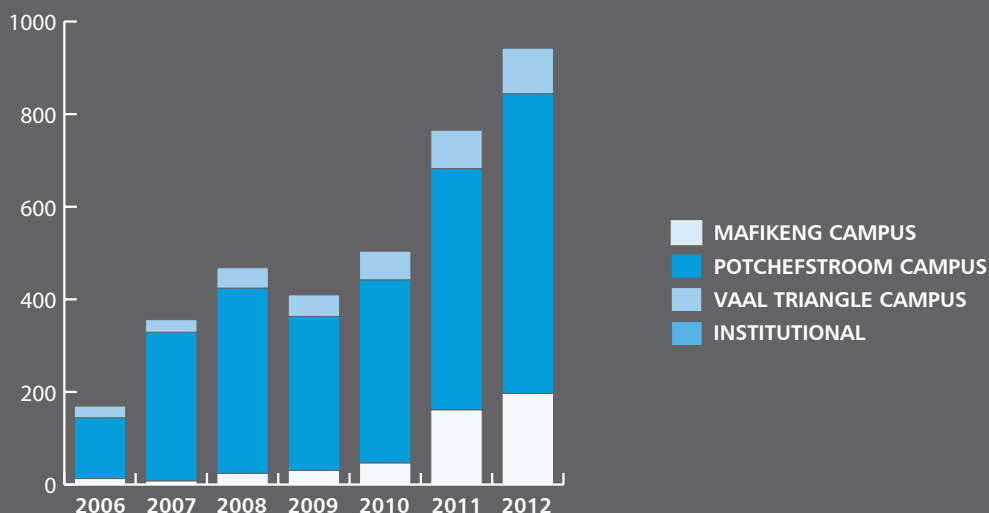
### WEIGHTED RESEARCH OUTPUT (WEIGHTS 1/1/3 FOR RESEARCH MASTER'S / ARTICLE EQUIVALENTS / PHD), 2004 TO 2012



#### • Publication outputs

The NWU's subsidised publication output consists of accredited journal articles, books and conference proceedings. Total publication output for the year came to 944,24 units, which is an increase of nearly 29% against the previous year's 734 units. Of the journal articles published, 66% (519,84 units) appeared in Institute for Scientific Information (ISI) journals, compared to 50,5% in 2011. Per capita output, referring to article equivalents published per academic per year, increased from 0,57 in 2011 to 0,78 in 2012. In terms of total research outputs (article equivalents and weighted post graduate degrees), the output per capita for 2012 is 1,54 vs. 1,21 in 2011.

### RESEARCH ARTICLE EQUIVALENTS PER CAMPUS, 2006 TO 2012



- **Postdoctoral fellows**

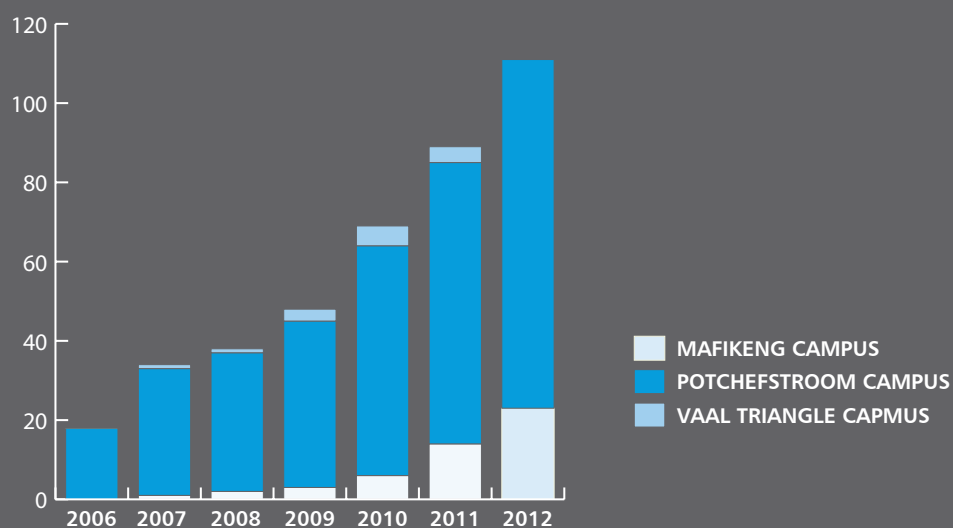
The NWU places a high premium on the stimulation of research activities at all levels. The NWU has continued its trend of increasing the numbers of postdoctoral fellows, as is indicated in the table below.

| Campus        | 2006      | 2007      | 2008      | 2009      | 2010      | 2011      | 2012       |
|---------------|-----------|-----------|-----------|-----------|-----------|-----------|------------|
| Mafikeng      | -         | 1         | 2         | 3         | 6         | 14        | 23         |
| Potchefstroom | 18        | 32        | 35        | 42        | 58        | 71        | 88         |
| Vaal Triangle | -         | 1         | 1         | 3         | 5         | 4         | 3          |
| <b>TOTAL</b>  | <b>18</b> | <b>34</b> | <b>38</b> | <b>48</b> | <b>69</b> | <b>89</b> | <b>114</b> |

All of these fellows were supported through NWU grants. The NWU investment in and output by postdoctoral fellows is indicated in the table below.

|                          | 2006      | 2007      | 2008                 | 2009                 | 2010                 | 2011                | 2012                |
|--------------------------|-----------|-----------|----------------------|----------------------|----------------------|---------------------|---------------------|
| Total NWU Investment (R) | 2,080,897 | 3,257,267 | 3,246,954            | 4,726,944            | 9,020,858            | 13,510,026          | 19,478,795          |
| Research Units (R Value) | -         | -         | 12,74<br>(1,617,980) | 16,71<br>(2,122,170) | 28,53<br>(3,623,310) | 17,8<br>(2,260,600) | 44,0<br>(5,588,000) |

**NUMBER OF POSTDOCTORAL FELLOWS, 2006-2012**



- **Development of research capacity**

In 2012, the NRF and NWU made a significant contribution towards supporting master's and doctoral students in the Scarce Skills, General and Innovation category. The NRF also contribute towards honours students in the same categories. The following amounts were used for this purpose:

|              | Value (R)         | Students   |
|--------------|-------------------|------------|
| Hons         | 3,880,000         | 118        |
| Masters      | 11,125,200        | 313        |
| PhD          | 5,632,871         | 165        |
| <b>TOTAL</b> | <b>20,638,071</b> | <b>596</b> |

In terms of research capacity-building workshops, the following activities were conducted:

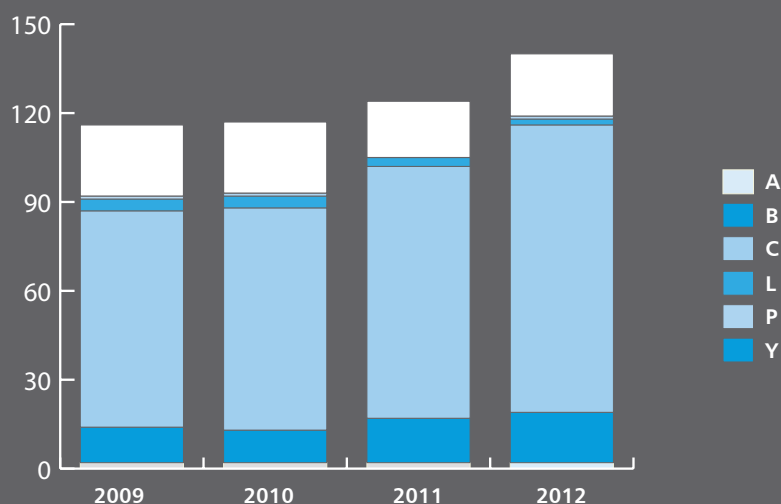
| Workshops                              | Days | Staff attendance |
|--|------|------------------|
| Publication writing – different levels | 14   | 60               |
| Questionnaire design                   | 2    | 10               |
| Postgraduate Supervision               | 1    | 10               |
| Science Communication                  | 1    | 10               |
| THRIP info sessions                    | 1    | 10               |
| Funding opportunities                  | 3    | 30               |
| Rating application workshops           | 3    | 30               |
| SPSS advance                           | 2    | 10               |
| SPSS Introduction                      | 1    | 10               |
| Sampling                               | 2    | 10               |
| ATLAS                                  | 2    | 10               |
| New Lecturer workshops                 | 3    | 100              |
| SARIMA workshops                       | 3    | 7                |
| <b>TOTAL COST FOR WORKSHOPS</b>        |      | <b>R409,000</b>  |

The University started the academic year with 125 NRF-rated researchers and, in February 2012, submitted 41 rating applications to the NRF. Of the 11 applications for new ratings, 8 were accepted and one is still outstanding. The NRF approved 29 of the 30 applications for re-evaluation. Due to the natural attrition of researchers, at the end of December 2012 the NWU had 140 rated researchers.

The table below gives details of rated researchers per category at each NWU campus as at 31 December 2012.

| Campus           | Category | 2009       | 2010       | 2011       | 2012       |
|------------------|----------|------------|------------|------------|------------|
| Mafikeng         | B        |            |            | 1          | 1          |
|                  | C        | 1          | 2          | 6          | 10         |
|                  | L        | 1          | 1          | 1          | 0          |
|                  | Y        | 1          | 1          | 1          | 2          |
| TOTAL            |          | 3          | 4          | 9          | 13         |
| Potchefstroom    | A        | 2          | 2          | 2          | 2          |
|                  | B        | 12         | 11         | 13         | 15         |
|                  | C        | 70         | 70         | 74         | 79         |
|                  | L        | 3          | 3          | 2          | 2          |
|                  | P        | 1          | 1          |            | 1          |
|                  | Y        | 20         | 20         | 16         | 17         |
| TOTAL            |          | 108        | 105        | 107        | 116        |
| Vaal Triangle    | B        |            |            | 1          | 1          |
|                  | Y        | 3          | 3          | 2          | 2          |
|                  | C        | 2          | 3          | 5          | 8          |
| TOTAL            |          | 5          | 6          | 8          | 11         |
| <b>NWU TOTAL</b> |          | <b>116</b> | <b>117</b> | <b>125</b> | <b>140</b> |

## NRF-RATED RESEARCHERS, PER CATEGORY, 2009-2012



The NWU provided financial support in the form of bursaries to the value of R692 300 to 27 staff members who were in the process of completing PhD degrees.

The NWU currently hosts five South African Research Chair initiative (SARChI) chairs, including a chair in each of Nuclear Energy, Space Physics, Coal Research, Computational Chemistry (still vacant) and Early Detection and Prevention of Cardiovascular Disease in Africa. The latter was one of only eight directed chairs awarded in 2012. A call for new applications was issued by the NRF for 62 new chairs, and the NWU submitted 18 applications. Of these, two were approved.

### • The research entity model

The research entity model is now fully implemented at the NWU. The research focus thus provided has lead amongst other benefits to the steady increase in research outputs, as can be seen above. Senate decided in May 2012 to further enhance the model, by approving two new entity types:

- Hosted Research Entity: These are entities where the majority of the focus is on innovation output lower in the innovation value chain. The NWU currently hosts the following activities:
  - DST HySA Infrastructure centre of competence in hydrogen production, storage, reticulation and safety, codes and standards.
  - DST Centre of Excellence in IKS.
  - DST Platform in Human Metabolomics.
  - The DST/NWU national pre-clinical drug development platform.
  - The dti Centre for advanced manufacturing.
- Commercial Research Entity: These are entities where the focus is primarily on the implementation of expertise. They will be operated on business principles, and are expected to be financially independent. The Centre for Pharmaceutical and Biomedical Services is typical of this type.



In 2012, five new entities were approved and the status of one entity was upgraded.

The NWU research entities are presented in the following table:

| Title   | Status     | Campus        |
|---|------------|---------------|
| Centre of Excellence for Nutrition (CEN)                                    | CoE        | Potchefstroom |
| Centre of Excellence for Space Physics                                      | CoE        | Potchefstroom |
| Unit for Drug Research and Development                                      | CoE        | Potchefstroom |
| Unit for Energy systems   | Unit       | Potchefstroom |
| Unit for Reformed Theology and the Development of the South African Society | Unit       | Potchefstroom |
| Unit for Business Mathematics and Informatics                               | Unit       | Potchefstroom |
| Unit for Languages and Literature in the South African context              | Unit       | Potchefstroom |
| Unit for Environmental Sciences and Management                              | Unit       | Potchefstroom |
| Unit for Development in the South African Constitutional State              | Unit       | Potchefstroom |
| Africa Unit for Transdisciplinary Health Research (AUTHeR)                  | Unit       | Potchefstroom |
| WorkWell: Research Unit for People, Policy and Performance                  | Unit       | Potchefstroom |
| Chemical resource beneficiation   | Focus Area | Potchefstroom |
| Sustainable Social Development  | Focus Area | Potchefstroom |
| Teaching-Learning organisations   | Focus Area | Potchefstroom |
| Hypertension in Africa Research Team (HART)                                 | Focus Area | Potchefstroom |
| Understanding and processing language in complex settings (UPSET)           | Focus Area | Vaal Triangle |
| Physical Activity Sport and Recreation                                      | Focus Area | Potchefstroom |
| Tourism Research in Economic Environs and Society (TREES)                   | Focus Area | Potchefstroom |
| Optentia  | Focus Area | Vaal Triangle |
| INSINQ (Quality in Nursing and Midwifery)                                   | Focus Area | Potchefstroom |
| MaSIM (Material Science Innovation and Modelling)                           | Focus Area | Mafikeng      |
| Population and Health   | Niche Area | Mafikeng      |
| Educational Technology for Effective Teaching, Learning and Facilitation    | Niche Area | Potchefstroom |
| Musical Arts in SA: Resources and Applications                              | Niche Area | Potchefstroom |
| Medicine Usage in SA (MUSA)   | Niche Area | Potchefstroom |
| Food security and safety in the North West Province                         | Niche Area | Mafikeng      |
| MUST (Multilingual Speech Technologies)                                     | Niche Area | Vaal Triangle |
| TRADE (Trade and Development)   | Niche Area | Potchefstroom |

#### • Research funding

The following table summarises the NRF funding received by NWU for research. The NWU continues to grow its income from the NRF for bursaries for postgraduate students.

| Year | Amount        | Award         |
|------|---------------|---------------|
| 2009 | 20,640,899.02 | 29,277,375.54 |
| 2010 | 22,979,510.00 | 39,686,707.67 |
| 2011 | 31,673,631.03 | 35,748,806.45 |
| 2012 | 47,407,628.77 | 37,180,673.25 |

The funds earned for THRIP projects in 2012 are indicated below. The NWU continues to be one of the top earners in the Technology and Human Resources for Industry Programme (THRIP) of the National Research Foundation. A good THRIP performance is indicative of an understanding of triple helix relationships where higher education institutions, the private sector and the public sector form sustainable, innovative collaborations.

| Year | Amount        | Award         |
|------|---------------|---------------|
| 2009 | 20,640,899.02 | 29,277,375.54 |
| 2010 | 22,979,510.00 | 39,686,707.67 |
| 2011 | 31,673,631.03 | 35,748,806.45 |
| 2012 | 11,589,866.00 | 31,660,131.47 |

## STUDENT FINANCIAL SUPPORT/AID <sup>26</sup>

During 2012, Financial Support Services again played an indispensable role in the handling of student financial aid. This includes administering funds from the National Student Financial Aid Scheme (NSFAS), utilised by all three campuses during the year. The financial aid offices also administered bursaries funded by the University and external donors.

Financial assistance to students is allocated from the following sources:

- University funds
- National and provincial funding schemes
- NSFAS, Funza Lushaka bursaries for Education and funds from the Department of Social Development
- Foreign funding schemes (Botswana, Lesotho)
- Parastatals, companies and non-governmental organisations

For the 2012 financial year, an amount of R525,6 million was administered by the financial aid offices on the three campuses.

The following table shows the allocation of financial assistance to undergraduate students from the NWU's own resources in 2012:

### NWU-funded assistance to undergraduate students

| Source           | Campus        | Value (Rmillion) |
|------------------|---------------|------------------|
| University funds | Mafikeng      | 5,3              |
| University funds | Potchefstroom | 40,1             |
| University funds | Vaal Triangle | 4,7              |
| <b>TOTAL</b>     | <b>NWU</b>    | <b>50,1</b>      |

The table below shows the allocation of financial assistance to postgraduate students from the NWU's own resources in 2012:

### NWU-funded assistance to postgraduate students

| Source           | Campus                  | Value (Rmillion) |
|------------------|-------------------------|------------------|
| University funds | Mafikeng                | 10,4             |
| University funds | Potchefstroom           | 56,4             |
| University funds | Vaal Triangle           | 3,1              |
| <b>TOTAL</b>     | <b>NWU</b>              | <b>69,9</b>      |
| <b>Subtotal</b>  | <b>University funds</b> | <b>120,0</b>     |

The next table shows the allocation of financial assistance to undergraduate students from external funding sources in 2012:

#### External funding assistance for undergraduate students

| Source                    | Campus                | Value (Rmillion) |
|---------------------------|-----------------------|------------------|
| External funds            | Mafikeng              | 50,3             |
| External funds            | Potchefstroom         | 82,0             |
| External funds            | Vaal Triangle         | 31,4             |
| Donations and trust funds | Mafikeng              | 0,3              |
| Donations and trust funds | Potchefstroom         | 7,4              |
| Donations and trust funds | Vaal Triangle         | 0,1              |
| <b>Total</b>              | <b>External funds</b> | <b>171,5</b>     |

The next table shows the allocation of financial assistance to postgraduate students from external funding sources in 2012:

#### External funding for postgraduate students

| Source           | Campus                | Value (Rmillion) |
|------------------|-----------------------|------------------|
| External funds   | Mafikeng              | 1,3              |
| External funds   | Potchefstroom         | 6,5              |
| External funds   | Vaal Triangle         | 4,6              |
| <b>Total</b>     | <b>External funds</b> | <b>12,4</b>      |
| <b>SUB TOTAL</b> | <b>EXTERNAL FUNDS</b> | <b>183,9</b>     |

The following table shows the allocation of financial assistance to undergraduate students from Government funding including NSFAS and the Department of Social Development in 2012:

#### Government funding for undergraduate students

| Source   | Campus        | Value (Rmillion) |
|--|---------------|------------------|
| NSFAS/SOC DEV  | Mafikeng      | 99,7             |
| NSFAS/SOC DEV  | Potchefstroom | 42,0             |
| NSFAS/SOC DEV  | Vaal Triangle | 54,1             |
| <b>Total from NSFAS/Department of Social Development</b> |               | <b>195,8</b>     |

The following table shows the allocation of financial assistance to postgraduate students from Government funding (NSFAS) in 2012:

#### Government funding for postgraduate students

| Source       | Campus        | Value (Rmillion) |
|--------------|---------------|------------------|
| NSFAS        | Mafikeng      | 3,5              |
| NSFAS        | Potchefstroom | 1,9              |
| NSFAS        | Vaal Triangle | 1,4              |
| <b>Total</b> | <b>NSFAS</b>  | <b>6,8</b>       |

The following table shows the allocation of financial assistance to postgraduate students from NRF funding in 2012:

#### NRF-funding for postgraduate students

| Source                           | University funds | Value (Rmillion) |
|----------------------------------|------------------|------------------|
| NRF                              | Mafikeng         | 4,0              |
| NRF                              | Potchefstroom    | 14,5             |
| NRF                              | Vaal Triangle    | 0,6              |
| TOTAL                            | NRF              | 19,1             |
| Subtotal from government funding |                  | 221,7            |
| Overall total NWU                |                  | 525,6            |

## TUITION FEES STRUCTURE <sup>27</sup>

Tuition fees of the University increased on average by 9,6% in 2012.

| DETAILS  | 2012 (R)    |
|--|-------------|
| <b>Mafikeng Campus</b>                                       |             |
| On-campus university accommodation                           |             |
| - Undergraduate  | 10 870      |
| - Lost City  | 14 560      |
| - Postgraduate   | 20 160      |
| Gloria Park (flats)  | 19 710      |
| Meal fees  | N/A         |
| <b>Potchefstroom Campus</b>                                  |             |
| - University accommodation (on average)                      | 13 550      |
| - Oppirif (self-catering units)                              | 18 070      |
| - Meal fees (average increase)                               | 6,5%        |
| <b>Vaal Triangle Campus</b>                                  |             |
| - University accommodation (on average)                      | 13 720      |
| - Thutuka Longfellow multi-purpose housing                   | 17 380      |
| - Meal fees  | N/A         |
| <b>Amount payable on registration</b>                        | <b>2012</b> |
| <b>Mafikeng Campus</b>                                       |             |
| - Registration fee   | 1 100       |
| - Tuition fees, first payment                                | 4 250       |
| - Residence fee per semester                                 | Full Amount |
| <b>Potchefstroom Campus</b>                                  |             |
| - Registration fee   | 1 100       |
| - Tuition fees, first payment                                | 4 800       |
| - Residence fees, first payment                              | 4 400       |
| - Compulsory payment for meals: Boarding first-year students | 750         |
| - Suggested payment for meals                                | 2 250       |
| <b>Vaal Triangle Campus</b>                                  |             |
| - Registration fee   | 1 100       |
| -Tuition fees, first payment                                 | 4 800       |
| -Residence fees, first payment                               | 4 400       |

## STUDENT SUPPORT SERVICES (COUNSELLING)

### MAFIKENG CAMPUS

- **Guidance and counselling**

A mentoring programme provides each first-year student with a supportive environment that allows a smooth transition from high school to university, both academically and socially, forming an environment of guidance and support. The aim of the Student Academic Development section is to offer academic development and support to students at all levels. This aim is achieved through activities in the following programmes: Supplemental Instruction (SI), Reading laboratory, Writing centre and Research support. In addition, individual consultations also play a vital role.

- **HIV and AIDS**

The campus Health Centre offers a range of healthcare services, including voluntary testing for HIV and tuberculosis. During the year, more than 130 students on campus underwent voluntary testing and counselling. Other services provided were treatment of minor ailments and family planning.

### POTCHEFSTROOM CAMPUS

- **Guidance and counselling**

Student Counselling Services assisted registered and prospective students to make responsible course and career choice by presenting study and life skills workshops. Where actual or potential problems were identified, the unit referred the students to the appropriate support services, including psychotherapy where necessary. The Career Centre invested in the employability of students through activities such as liaising with employers and providing career-related services to students and prospective employers.

- **HIV and AIDS**

In July 2012, the Potchefstroom Campus appointed an HIV and AIDS programme coordinator, demonstrated renewed commitment to raising awareness and preventing infection among staff and students. Voluntary counselling and testing was available to the campus community through the Health Care Centre, which provides a one-stop primary healthcare service and employs qualified healthcare professionals, including a medical doctor, social worker and psychologist.

### VAALE TRIANGLE CAMPUS

- **Guidance and counselling**

To deliver well-rounded graduates, the Vaal Triangle Campus enables students to develop their talents in sport, culture, community service and student leadership. Such opportunities abounded during 2012 and, to their credit, were seized by students. The campus has put in place a comprehensive array of support systems and structures to cater for students' well-being and to assist them in making informed choices. These structures include the Career Centre and Campus Clinic. The Career Centre remains a vital link in employment preparation and during the 2012 academic year 62 students were addressed on a one-on-one basis.

- **HIV and AIDS**

To commemorate World Aids Day, the campus hosted an event, "Be a hero, stay a zero". Apart from HIV counselling and testing, other health-related screening services were offered.

## CONCLUSION

The results achieved for 2012 confirm that the university's core academic and research business is fundamentally sound and that the NWU Senate is competently carrying out its role of overseeing the institution's academic structures, policies and personnel.

In several respects, 2012 represents a nine-year high for teaching-learning and research at the NWU. As the following table shows, the university has more than doubled its total research output since 2004 and improved the undergraduate pass rate to 88.2% (distance and contact), which is significantly higher than the average rate for public universities in South Africa.

The number of first degrees conferred in 2012 grew by 11% compared to the previous year and there were good increases in Master's and doctoral degrees awarded. However, there was a decrease of around 5% in honours degrees conferred and of almost 13% in diplomas awarded. Consequently, there was a decrease of 3% in the overall number of degrees and diplomas awarded during the year. Senate is looking into the reasons for this and will recommend appropriate action to address any areas of concern.

Broadening access to the university's programmes remains a priority and the NWU is responding to the challenge through initiatives such as the University Preparatory Programme and expanded foundational provision. We are committed to ensuring that effective academic support is available to all students, particularly those in at-risk modules, through Supplemental Instruction and opportunities to develop academic literacy skills.

A perennial concern is the availability of sufficient funding to assist needy, academically deserving students. Although the overall amount available for student financial aid was almost R90 million higher than 2011's R403 million, financial aid is still out of the reach of many undergraduate students in particular. A clear indication that the difficult economic climate is taking its toll on students is the increase in student debt reported in 2012.

The work of Senate has become increasingly complex in recent years, examples being the HEQC quality audit and now the HEQF programme alignment project. Both are multi-year projects that have affected the university's entire operations and require a considerable investment of time and energy. Nevertheless, they have contributed immeasurably to the NWU's institutional knowledge base and given staff invaluable exposure to the latest developments in quality assurance, programme evaluation and re-curriculation. The experience gained will be invaluable as the university expands its contribution to skills development in South Africa and beyond.

|   | 2004          | 2005          | 2006          | 2007          | 2008   | 2009   | 2010   | 2011   | 2012               |
|---|---------------|---------------|---------------|---------------|--------|--------|--------|--------|--------------------|
| Total student enrolment                         | 40 145        | 38 596        | 38 709        | 44 726        | 47 008 | 50 589 | 55 732 | 56 641 | 58 752             |
| Undergraduate pass rate (contact and distance)  | 75,20%        | 78,80%        | 78,36%        | 79,48%        | 81,20% | 83,6%  | 83,5%  | 85,2%  | 88,2%              |
| Total degrees and diplomas awarded              | 9 657         | 7 746         | 9 825         | 11 345        | 12 337 | 13 445 | 15 083 | 15 904 | 14 669             |
| Master's degrees awarded                        | 626           | 700           | 765           | 618           | 583    | 659    | 633    | 639    | 670                |
| PhDs awarded                                    | 87            | 85            | 110           | 124           | 100    | 123    | 129    | 115    | 154                |
| Article equivalents published                   | 275           | 326           | 361           | 376           | 503    | 448    | 578    | 734    | 944<br>Provisional |
| Total research output units                     | 798           | 865           | 1 074         | 1 061         | 1 083  | 1 190  | 1 318  | 1 483  | 1 868              |
| NRF-rated researchers                           | 73            | 85            | 82            | 95            | 103    | 116    | 117    | 125    | 140                |
| Graduation rate                                 | 24%           | 20%           | 25%           | 25%           | 26%    | 27%    | 27%    | 27%    | 25%                |
| Postdoctoral fellows                            | 9             | 17            | 18            | 34            | 38     | 48     | 69     | 89     | 114                |
| Research output units per academic staff member | Not available | Not available | Not available | Not available | 1,20   | 1,24   | 1,25   | 1,26   | 1,54               |



**DR T ELOFF**  
**CHAIRPERSON OF SENATE**

# REPORT OF THE INSTITUTIONAL FORUM 28

## INTRODUCTION

During 2012, the Institutional Forum (IF) successfully carried out the consultative and advisory role envisaged for it in the Higher Education Act and the NWU Statute.

## ROLE AND COMPOSITION OF THE IF

The IF's role is to advise the NWU Council on the implementation of the Higher Education Act and national higher education policy, to assist in developing an institutional culture of tolerance and respect for human rights, and to help promote an environment where effective teaching, learning and research can flourish.

Specific matters on which the IF advises Council are senior management appointments, policies on race and gender equity, codes of conduct, the management of cultural diversity and the formulation of policy on mediation and dispute resolution procedures.

## MEMBERSHIP IN 2012

According to the Statute, the IF may have up to 29 members representing a broad range of stakeholder constituencies, including the Council, several categories of staff, trade unions, students, civic society, Convocation and members with special expertise. During 2012, the IF comprised 25 members and had four vacancies (one civic society, two unions, and one special expertise).

The membership of the Staff Association fell below the threshold required for recognition and hence its registration as a union was cancelled with effect from 16 February 2012. This development was published in the Government Gazette of 24 February in terms of Section 106 (2B) of the Labour Relations Act of 1995. Previously, the Staff Association had, according to subparagraph (24)(1)(e) of the Statute, two members representing it on the IF. As a result of the union's deregistration, however, two vacancies arose on the IF and will be dealt with in collaboration with the Institutional Registrar.

The following constituencies were represented by the following persons on the IF:

|                                |   |
|--------------------------------|---|
| <b>Council:</b>                | Rev SA Musa   |
| <b>Management:</b>             | Prof HD van Schalkwyk                               |
| <b>Senate:</b>                 | Prof W Viviers, Prof H van der Merwe and Dr KL Mabe |
| <b>Academic, non-Senate:</b>   | Prof C de W van Wyk, Dr D Boemah and Mr H Kloppers  |
| <b>Non-academic employees:</b> | Mr JA van der Walt, Mr A Scheppel and Mr W Coetzee  |
| <b>Unions:</b>                 | Mr PJM van Niekerk and Ms L Waugh                   |



**PROF C DE W VAN WYK**  
Chairperson of Institutional Forum



|                           |  |
|---------------------------|--|
| <b>Students:</b>          | Mr R Scheepers, Mr T Sabalele, Mr T Mmutle, Mr T Seremane, Mr N Ncedani and Ms S Botma |
| <b>Civic society:</b>     | Mr WS Mosetlhi, Adv M Kruger and Pastor GJ August                                      |
| <b>Convocation:</b>       | Ms H Coetzee and Dr MB Seketane  |
| <b>Special expertise:</b> | Dr EM Sedibe   |

The IF Executive Committee (Exco) consisted of three members, namely Prof C de W van Wyk (Chairperson), Prof W Viviers (Deputy Chairperson) and Mr W Coetzee (Secretary).

## MATTERS DEALT WITH

The IF was requested to advise the Vice-Chancellor about the planned appointment as Vice-Principal of Prof F van Niekerk, Deputy Vice-Chancellor: Research, Innovation and Technology for a one-year period from 1 January 2013. The IF supported this proposed appointment.

The Institutional Registrar invited the IF to be part of the panel established to appoint a Vice-Rector: Teaching-Learning at the Mafikeng Campus. Prof Mashudu Maselesele (Dean: Faculty of Agriculture, Science and Technology) was appointed in this position. Furthermore, the IF was also involved in several selection committees who appointed and reappointed seven deans across all three campuses of the University.

The IF Exco met with the Vice-Chancellor in August 2012 to revisit the functions of the Institutional Forum as set out in paragraph 25 of the Statute of the NWU.

The focus was on the following subparagraphs dealing with the functions of the IF:

- Subparagraphs (a) and (b), which deal with the implementation of the Act and national higher education policy, and the selection of candidates for appointment as Vice-Chancellor and members of the institutional management committee. In relation to the IF's role as a statutory body, we found that these points are well covered and that we do report to Council and advise Council accordingly.
- Subparagraphs (c) to (g), which deal with the Policy on Race and Gender Equity, Codes of Conduct, the formulation of the Policy on Mediation and Dispute Resolution Procedures, the management of cultural diversity on the campuses and the development and fostering of an institutional culture that promotes tolerance and respect for human rights and creates a conducive environment for teaching, learning, research and study. In this case, the IF wrote a letter dated 25 October 2012 to the Chairperson of Council, informing him that we need sufficient and relevant information on the status of subparagraphs (c) to (g) to enable the IF to report to and advise Council appropriately.

The IF scrutinised the Reception and Introduction Programme for 2012 on all campuses. Each campus reported in writing to the IF about its Reception and Introduction programme. Although the Mafikeng Campus did not have a formal orientation process in place, it was confirmed that the registration process for 2012 had gone well. The IF resolved that in future that the reporting function regarding the Reception and Introduction Programme would also include the inputs from the campus rectors.

## CONCLUSION

The IF is widely accepted as a credible body that represents all university stakeholders and is able to play a constructive role in promoting an institutional culture built on tolerance, respect and integrity. Based on its performance in the past four years, and particularly in 2012, it is clear that the IF has both the mandate and the capacity to fulfil the important role intended for it in the Higher Education Act and the NWU Statute.



**PROF C DE W VAN WYK**  
**CHAIRPERSON OF INSTITUTIONAL FORUM**

# REPORT OF THE VICE-CHANCELLOR <sup>29</sup>

## INTRODUCTION TO PORTFOLIO

I want to express my gratitude to Management and staff who contributed to yet another excellent performance during 2012. Nine years into the merger, our core business is healthy and growing. The performance with regard to teaching learning and research are extensively reflected in the Senate report, and are not repeated here.

## PRINCIPAL MANAGERIAL/ADMINISTRATIVE ACHIEVEMENTS MEASURED IN TERMS OF THE PLANS, GOALS AND OBJECTIVES FOR 2012 <sup>30</sup>

The Institutional Plan (also known by the abbreviated term IP) is the guiding plan of the NWU and captures in three-year rolling periods the University's strategic direction towards its ongoing pursuit of quality and outputs.

To follow, a summary of the highlights that were attained in 2012:

### MISSION ELEMENT 1

*Drive transformation as an integrated, urgent, fair and well-managed process of fundamental and sustainable change to address institutional inequalities while accounting for the needs of the country and all its people. The NWU does this by empowering people through quality education, world-class research and the meaningful implementation of its expertise.*

- In terms of the **mainstreaming of transformation**, the notion was not only included in the performance-management agreements of all managers at the NWU by means of the so-called ten Transformation Indicator Goals. [1.1.1 of the IP] but also by including the topic as a standing item on all formal NWU meetings held at the University in 2012 [1.2.1 of the IP]. Furthermore, the NWU Transformation Charter was finalised and ratified by both Senate and Council [2.1.2 and 2.1.3 of the IP].
- In regard of facilitating **access**, a conversion table that converts old symbols to the current APS scores was approved by Senate in 2012 and is being used across the university [3.1.1 in the IP].

In line with national guidelines, financial aid to academically deserving students continues to receive focused attention, while accounting for the fact that higher education at the NWU remains affordable and accessible [3.5.1 and 3.5.2 of the IP]. More detailed information is contained in the [Senate report](#).

- As far as **alignment** is concerned and as an ongoing matter, policies were aligned and revised in order to ensure sustainable growth and development of the core business [4.1.1 and 4.1.2 of the IP]. More detailed information is contained under the heading [Administering institutional functions and responsibilities](#).
- On the **diversity** score, a series of dialogues took place across all three campuses [5.2.2 of the IP]. 2012 also saw the finalisation of the revised NWU Language Policy and Plan [5.3.1 of the IP].



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Vice-Chancellor

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- In regard of the development of a **quality** culture of constant improvement at the University, scheduled quality assurance audits were conducted in a number of support services at the NWU [8.5.1, 8.5.2, 8.5.3, 8.5.4, 8.5.5 and 8.5.6 of the IP].
- Substantial progress has also been made as far as the quality improvement plan that emanated from the HEQC Audit Report of 2010 [8.2.1 of the IP]
- More detailed information to be found under the heading Quality.
- The efficacy and adequacy of current **redress** policies and systems were examined. [9.1.1 of the IP]. More detailed information is contained under the heading Administering institutional functions and responsibilities.
- Reporting on the building infrastructure expenses of the NWU to various forums and structures received due attention and, so as to provide a detailed view on the matter, was done by means of disaggregated figures [9.3.1 of the IP].
- A concerted effort was made by pursuing best-practice principles for purposes of strategic procurement management, broad-based black economic empowerment and local business support [9.4.1 of the IP]. More detailed information to follow under the heading Centralised procurement, payments, control over fixed assets and bank accounts.
- **Resource allocation** remains an important matter in the transformation project at the NWU. In addition to the optimisation of the budget process [10.1.1 of the IP], an investigation was completed on the functionality of parameters for the sake of equitable resource allocation aiming at the adequate addressing of campus need [10.2.1 of the IP]. More detailed information available under the heading Financial planning and budgeting.
- Focus on establishing and maintaining a sound and balanced **student experience** across all NWU campuses was maintained, taking into account organised student life, sport, culture and academic activity. To this effect, the student experience on all three campuses had been monitored through questionnaires and focus groups on a regular basis. [11.1.1 of the IP]. More detailed information can be found in the Vice-Chancellor's report and the respective Campus Overviews.
- The national Student Laptop Initiative was also successfully implemented, allowing students and staff to purchase high-quality laptops at very competitive prices, including large discounts on Microsoft software [11.4.1 of the IP]. More detailed information to be found under the heading Information and Communications Technology.
- The NWU is serious about **success**. A highlight in this regard, is the substantial progress that was made to establish an integrated transformation dashboard as a measuring tool [12.1.1 of the IP]. Another milestone was the completion of a project on the impact of socio-economic realities of "at-risk students" on attrition and success rates [12.2.1 of the IP]. **In addition**, the ongoing monitoring and evaluation of the NWU key-performance areas resulted in internal performance reports so as to measure the performance of the NWU according to its KPAs [12.3.1 of the IP].

## MISSION ELEMENT 2

*Develop, educate and empower through innovative and high quality teaching-learning, well-rounded graduates who are able to think laterally and critically in their service to the country and its people, the continents and the world.*

- In the pursuit of the University towards ensuring **effective academic planning and programme development**, a very large-scale project involving all relevant aspects of teaching-learning as a means to ensure compliance with the Higher Education Qualifications Framework (HEQF) has made measurably good progress [14.1.1 and 14.4.1 of the IP].  
2012 saw a concerted effort towards the optimisation and streamlining of the academic programme approval process as managed by the Institutional Committee for Academic Standards (ICAS). Although important milestones were met the process towards revising the ICAS policy will be finalised in 2013 [14.2.1 of the IP].

As part of the ongoing academic alignment process at the NWU, all facets of the implementation of undergraduate programme alignment continue to be scrutinised and reported on [14.3.1 of the IP].

Steps were taken to align any overlooked programmes that had been scheduled for alignment by the end of 2012 [14.5.1 of the IP].

More detailed information on all the preceding matters is contained in the Senate report.

- The process towards utilising **enrolment planning as a steering mechanism** to address national needs in a balanced way is an ongoing venture. A comprehensive report served at Institutional Management [15.1.1 of the IP]. See the Senate report for statistics.

- In engaging in a continuous way with **curriculum transformation** at the NWU, the focus in 2012 at all campuses was on modules designed for achieving Critical Cross-field Outcomes. The aim of the report that was tabled at Senate in October 2012 was to determine equitable outcomes for the modules AGLE/AGLA and Understanding the World [16.1.1 of the IP].

By means of the programme-cluster working approach, the HEQF process, that ultimately aims at curriculum renewal at the NWU, provides an environment conducive to cross-campus collaboration and co-ordination [16.3.1 of the IP].

- The overall mandate of the **Career Centre**, that services all campuses, is to promote the placement prospects of NWU graduates. Apart from regular visits to prospective employers and the maintenance of a comprehensive data set [17.1.1 of the IP] continuous engagement between prospective employers and NWU academics took place in 2012 [17.2.1 of the IP]. An electronic platform – the Alumni Career Portal – was also created by means of which NWU Alumni could take up contact with employers [17.3.1 of the IP]. More detailed information is contained in the [Senate report](#).

An NWU employability strategy was developed, which includes a Code of Conduct on formal activities relating to graduate employment. This code is binding on external and internal stakeholders and applies to activities such as attendance at career fairs. The procedural document supporting the strategy is still in progress [17.4.1 of the IP].

Important feedback from employers on curriculum issues so as to continue evaluating the success of NWU graduates in the market place is annually received by means of both the Magnet Survey and research reports from the South African Graduate Recruiters Association (SAGRA) [17.5.1 of the IP]. More detailed information is contained in the Senate report.

- Efforts continued to implement the **programme ownership process** and improvement of capacity and skills for programme management across the campuses. A proposal for cross-campus programme co-ordination was submitted to Senate (May 2012), which built on the identification of programme clusters during the HEQF programme-alignment process [18.2.1 of the IP].
- The Potchefstroom Campus completed a project on the status of **Work-integrated Learning** (WIL) on all three campuses. The information was gathered in collaboration with the Institutional Office and will be used to develop the WIL policy in 2013 [19.1.1 of the IP].
- In terms of the optimisation of opportunities related to **Continuous Professional Development**, the implementation of the framework for the management of short courses on all three campuses was monitored. This process, that was reported to the ICTL in September, also includes the financial model and mechanisms for the co-ordination of short courses [20.1.1 of the IP]. More detailed information to be found in the [Senate report](#).
- Within the overarching scope and framework for **innovative learning**, a framework for blended learning (that makes provision for the underlying principles of both Contact and Open Distance Learning (ODL) provision at the NWU) was developed and presented to Senate (May 2012). The framework takes into account review reports on ODL presented to Senate in 2010 and 2011, as well as the proposed report on the phasing of ODL provision at the NWU and its campuses. [21.1.1 of the IP]. More detailed information is contained in the [Chairperson of Council's report](#).
- Steps were taken to ensure continual and scheduled **quality assurance** of academic programmes (including the IPE and EPE processes at the University, programme evaluations by professional councils, and HEQC national reviews of programmes) [22.1.1 of the IP].

The reconceptualised internal and external programme evaluation (IPEs and EPEs) cycle was implemented in the context of the programme alignment project at the University [22.2.2 of the IP].

With the cooperation of the campuses, improvement plans resulting from EPEs and national reviews were implemented and monitored and resulted in a report tabled at Senate, October 2012 [22.3.1 of the IP].

More detailed information on the preceding matters is contained in the [Senate report](#).

- As part of the drive to implement diverse strategies to improve **student success**, a continuous process was followed to measure student academic achievement against NWU targets. Monitoring reports on student achievement in terms of success rates, graduation rates, completion rates and drop-out rates at institutional, campus and faculty levels were drafted and provided to Senate (May 2012) [23.1.1 of the IP].

The university continued to implement Supplemental Instruction (SI) in an equitable manner across all three campuses. The monitoring of the impact of SI in 2011 was done by means of a diagnostic report that was tabled at the Senate meeting of May 2012 [23.2.2 of the IP].

See the [Senate report](#) for more information on the above matters.

- In order to cultivate an environment conducive to the **scholarship of teaching-learning**, the professional development of lecturers continued. Institutional Courses for New Lecturers (ICNL) were presented in February, June and November 2012 [24.2.1 of the IP].  
In addition, the annual Scholarship of Teaching and Learning Conference (SoTL) was held in November 2012 [24.2.1 of the IP].

More detailed information is contained in the [Senate report](#).

### MISSION ELEMENT 3

*Develop and maintain high-quality, relevant and focused research, aligned with national priorities, supplying innovative solutions to challenges faced by the scholarly community, the country, the continent and the world.*

- In the overall drive at the NWU to create an **enabling research environment** that would optimally facilitate the balance of teaching-learning and research at the University, various goals were pursued and realised in 2012. Highlights in this regard are the following: (i) an increase in the number of post-doctoral fellows [25.4.1 of the IP]; (ii) the process of seeking funding opportunities and improving the reporting system for international funding sources and agreements that was completed by the end of October [25.5.1 of the IP]. For more information, see the [Senate report](#).
- In the pursuit towards **improving the research profile** of the University, the concerted effort by means of which academics were encouraged to participate in the NRF rating system, paid off [26.1.1 of the IP]. More detailed information is contained in the [Senate report](#).

The NWU continued to invest significantly in research capacity development and in replacing expensive equipment and infrastructure, and had all new equipment and replacements ordered by the end of November 2012 [26.10.1 of the IP].

An NWU Research Annual Report was compiled and delivered to key stakeholders at a prestigious annual research function held in October 2012 [26.11.1 of the IP].

The project towards recruiting postgraduate students by establishing and administering a postgraduate bursary fund for scarce skills, maintaining sound postgraduate support levels, recruiting suitable international students and exploring innovative postgraduate enrolment strategies has already borne substantial results. A report was tabled at the Institutional Committee for Research and Innovation (ICRI) in October 2012 [26.4.1 of the IP].

The Senate meeting of October 2012 approved that, as a requirement for obtaining a master's degree, a manuscript should be ready for submission to a scientific journal [26.5.1 of the IP].

The increase in research outputs is encouraging: the total number of accredited publications units, as well as the subsidy-generating publications per academic staff member, as well as the total research output increased substantially from 2010 to 2011 [26.8.1, 26.9.1 of the IP]. More detailed information is contained in the [Senate report](#).

- So as to develop **research staff capacity**, the Research Capacity Development Plan was reviewed and tabled at the ICRI meeting in October 2012 [27.1.1 of the IP].

Through the performance management system, specific training sessions and workshops were held to create opportunities for academic staff to improve their academic qualifications [27.3.1 of the IP]. More detailed information is contained in the [Senate report](#).

In addition, great emphasis was placed on an increase of Master's and PhD delivery. In this regard, a report was tabled at the ICRI at its April 2012 meeting [27.4.1 of the IP].

- In the ongoing monitoring of the **research entities model**, the performance of all research entities gets evaluated annually through the work of the ICRI. A report of the Institutional Research Support Commission served once at ICRI and Senate in 2012 [28.1.1 of the IP]. More detailed information is contained in the [Senate report](#).

As part of a concerted effort by means of which new international funding opportunities for new and existing research projects were explored, a communication system was set up in March 2012 [28.2.1 of the IP].

By the end of December 2012, two multi-disciplinary collaborative funding projects were in place to diversify and strengthen research, cultivate diversification of research funding, expand research networks and improve research impact within the Research Entities [28.3.1 of the IP].

- In regard of the **ongoing refinement of quality-assurance processes and mechanisms**, an internal programme review of all research-based master's and doctoral programmes started in 2012 and is due to be completed in December 2013. A report was tabled at ICRI at its October meeting [30.2.1 of the IP].
- The external review of research entities continued in 2012. A report of first-round reviews was tabled at ICRI at its September meeting [30.3.1 of the IP].
- The **optimisation of strategies** to explore research funding led to review and approval of the Strategic Plan for Research, Innovation and Community Engagement by ICRI, October 2012 [31.1.1 of the IP].  
In addition, regular communication on all funding opportunities was done by means of newsletters resulted from the Research Support office and relevant meetings [31.2.1 of the IP].

## MISSION ELEMENT 4

*Implement our expertise in teaching-learning and research, both commercially and community-directed, for the benefit of the province, the country, the Southern African region, the continent and ultimately the world.*

- The NWU strives towards **relevant and dynamic implementation of expertise and the commercialisation of research results**. In this regard, the application of the framework for the implementation of expertise was continuously monitored and aligned with the respective campus niches. An updated framework was tabled at ICRI (October 2012) [32.1.1 of the IP].

To add to the preceding, project opportunities were continually sought to increase the NWU's third-stream income [32.2.1 and 32.2.3 of the IP]. More information is contained under the heading Technology Transfer and Innovation Support Office.

The ongoing effort to promote innovation as part of the university culture continued in 2012. The innovation message was conveyed through general communication workshops, communiqués and web-based information. A report was also tabled at ICRI in October 2012 [32.4.1, 32.4.3, 32.4.4 and 32.4.9 of the IP].

Current incentives were investigated in an ongoing way in order to develop new incentive models. Tangible progress was made by April 2012, with the establishment of a one-stop-support system/office in the Institutional Office. The process will be concluded by the end of 2013 [32.5.1 and 32.5.2 of the IP].

- In the **expansion of community engagement (CE)** at the NWU, CE was included as a separate KPA in the performance agreements of individual staff members [33.1.1 of the IP].  
In addition, community-engagement excellence has been appropriately awarded after a university-wide consultative process [33.2.1 of the IP]. More information to be contained under the heading Recognition for excellence in community engagement.

A framework for community engagement projects was developed and finalised in February 2012 and implemented in June 2012 [33.3.1 of the IP].

Wide participation and stakeholder engagement across all three campuses continued. By June 2012 the NWU succeeded in hosting a colloquium on community engagement per campus. Furthermore, during the course of the year, each campus hosted a Forum for Continuous Community Development (FCCD) meeting [33.4.1 of the IP].

The functioning of the NWU Social Development Trust (NWU SDT) was monitored continually to encourage greater private sector participation in NWU community projects. Reports were tabled twice in 2012 at Institutional Management and Senate meetings [33.5.1 of the IP].

The ratio of external funds to own funds in the NWU SDT Fund grew by at least 10% and the NWU SDT Fund by at least 10% over and above annual inflation [33.6.1 of the IP].

A brochure containing an overview of all community engagement projects of the NWU was published [33.7.1 of the IP].

The impact of the community engagement projects was benchmarked and monitored. Reports were compiled that focus on two major districts in the North West Province. One report is outstanding and will be finalised in 2013 [33.8.1 of the IP].

Two new social entrepreneurs were developed and two new companies were secured using the NWU SDT [33.9.1 of the IP].

- The **refinement of quality assurance mechanisms** for implementation of expertise continued and resulted in a review of the quality-management system and related procedures [35.1.1 of the IP].



Strategies were implemented by the end of April 2012 to close the quality management gaps on innovation and community engagement identified during the HEQC Audit [35.2.1 of the IP].

- In the focus of the NWU on **business development**, business-development opportunities were explored so as to generate income to support the core business of the NWU. Status reports were tabled at the Assets Committee (May and October 2012) and Finance Committee (November 2012) [36.1.1 of the IP]. More detailed information is contained under the heading Business and enterprise development.
- In regard of the establishment of appropriate **commercialisation and innovation support**, an evaluation was done of the support to the campuses as aligned to the various campus niches. Reports were tabled at meetings of the Institutional Management (August 2012) and Senate (October 2012) [39.1.1 of the IP].

## MISSION ELEMENT 5

*Position the NWU in the sector as an accountable, effective, well-managed, financially viable and innovative institution, with a strong client focus to enhance the quality of the core business and to ensure sustainability.*

- The NWU is continuously busy with the **refinement of its brand positioning**. An aligned brand strategy to support the NWU as a brand, taking into consideration the four business units, was revised and developed [40.1.1 of the IP].

A messaging system that encapsulates the refined brand positioning as a creative platform for communication and marketing campaigns was developed and implemented. A new pay-off line and creative concept was approved by Institutional Management in August 2012 [40.2.1 of the IP].

Communications, marketing and publicity strategies were developed and implemented in accordance with the revised positioning and messaging system. An integrated communication, marketing and public relations plan was submitted to Institutional Management in August 2012 [40.3.1 of the IP].

A positioning platform and processes to support cohesive brand efforts were identified, revised, developed and implemented. Meetings of the Institutional Committee for Brand Identity, Marketing and Alignment were held. The Brand Identity policy and process documentation were placed on the intranet [40.4.1 of the IP].

More information on the above matters is contained under the heading Brand and Corporate Identity management.

- As far as the **development of an integrated on-line information strategy** is concerned, the implementation of a suitable web publishing model was investigated of which the results hereof were contained in a publishing process and model that was approved by Institutional Management in November 2012 [41.3.1 of the IP]. More detailed information is contained under the heading Web redevelopment and Electronic communication matters.

Current electronic communication tools were re-assessed and adapted according to new media best practices to enhance user experience. It was decided to migrate the intranet from Open CMS to the Drupal 6 platform. An investigation was conducted and will be implemented in 2013 [41.6.1 of the IP]. More detailed information is contained under the heading Web redevelopment and Electronic communication matter.

The digital distribution of corporate publications was expanded to reach a wider audience. The Annual Report, Corporate Profile and Alumni news were made available on the internet [41.7.1 of the IP]. More detailed information is contained under the heading External Communication.

Initiatives to minimise the carbon footprint of the NWU's printed material were supported by exploring electronic alternatives. The Annual Report, Corporate Profile and Alumni news are now also available on the internet [41.8.1 of the IP]. More detailed information is contained under the heading External Communication.

- In order to create an enabling environment towards **enhanced national media exposure**, an NWU Media Policy was drafted and approved by Institutional Management in September 2012 [42.1.1 of the IP].

Lists with information on NWU experts were reviewed and updated and made available as from February 2012 to the media [42.2.1 of the IP].

To optimise news gathering, the University investigated the establishment of a central newsroom from where NWU stories could be channelled quickly and correctly. A report was delivered to the Executive Director: Corporate Affairs and Relations in October 2012 [42.3.1 of the IP].

Daily monitoring of the media resulted in the identification of prominent issues for comment [42.4.1 of the IP].

Two training sessions (February and April 2012) were held to ensure that academics are equipped to talk to the media [42.5.1 of the IP].

Existing news-gathering capacity was expanded by making use of freelance journalists or students. According to the Newsclip report, media articles increased from 7 730 in 2011 to 12 186 in 2012 [42.6.1 of the IP].

Marketing and Communication alignment meetings were held in March and May 2012 to continue improving and positioning internal and external processes [42.7.1 of the IP].

More detailed information on all the above is contained under the heading External Communication.

- In the development and maintenance of an **effective stakeholder management system**, a suitable and compatible stakeholder database was developed. A report was tabled at Institutional Management in November 2012 [43.1.1 of the IP]. More detailed information is contained under the heading Stakeholder Relations.

A number of stakeholder engagements were organised including the vice-chancellor's business dinners, annual breakfasts with campus stakeholders and annual meetings of the Board of Donors [43.2.1 of the IP]. More detailed information is contained under the heading Stakeholder Relations.

Processes were continued to ensure alignment, integration and co-ordination of relevant activities across the four business units, especially communication, alumni matters and student recruitment. Marketing and Communication Alignment meetings and Institutional Branding Identity Committee meetings were held on a regular basis [43.3.1 of the IP].

Matters of strategic importance from the vice-chancellor's office were communicated through the various internal communication channels. A number of VC newsletters were published [43.4.1 of the IP]. More detailed information is contained under the heading Internal Communication.

The DHET version of the Annual Report was made available to the Department by June 2012, followed in August 2012 by a revised and condensed stakeholder version [43.5.1 of the IP]. More detailed information is contained under the heading External Communication.

The provincial and national governments were engaged on matters of strategic importance through a meeting held in November 2012 [43.6.1 of the IP]. More detailed information is contained under the heading Stakeholder Relations.

- A **functioning institutional advancement office**, together with a strategy outlining role clarification and deliverables, was established. The Director, Development and Alumni Relations was appointed in September 2012. The restructuring of the institutional advancement office was approved by Institutional Management in November 2012 and a draft advancement strategy has been developed [44.1.1 of the IP]. More detailed information is contained under the heading Institutional Advancement.
- The implementation of the **framework for internationalisation**, entailed amongst other things, an investigation on internationalisation needs and constraints on campuses. As a result hereof, campuses were assisted in appointing staff for this activity at the appropriate level [45.1.1 of the IP]; appropriate targets for Internationalisation were developed for the NWU [45.2.1 of the IP]. In addition, targets and benchmarks for internationalisation were set and reported on at ICRI meeting of October 2012 [45.3.1 of the IP].

Appropriate management information reports were tabled at both meetings of the ICRI in order to provide regular feedback on internationalisation progress [45.4.1 of the IP].

An Internationalisation Policy was developed, together with relevant procedures and guidelines to govern and manage internationalisation at the NWU. These will be finalised and approved in 2013 [45.5.1 of the IP].

An NWU contracts data base (including internationalisation attributes), which is a management tool for contracts, was completed by April 2012 [45.6.1 of the IP].



Also, web sites for internationalisation at the NWU and campuses were developed by April 2012 to facilitate optimal communication and support [45.7.1 of the IP].

More information on the preceding is contained under the Internationalisation.

- The **implementation of the respective campus niches** so as to allow long-term growth, requires resources. Resource allocation was aligned across the respective campus strategies and reports were tabled at Institutional Management (February, August, November 2012) and Finance Committee (November 2012) [46.2.1 of the IP]. More detailed information is contained under the heading Facilities and major capital works.

Within the limits of available funding, the 10-year infrastructure plan continued to be rolled out. The plan is a framework for infrastructural development and is informed by the enrolment plan, DHET targets and the Council's 2020 idealised design. Reports were tabled at the Assets Committee (May and October 2012), Finance Committee (May and November 2012) and Council (November 2012) [46.3.1 of the IP]. More detailed information is contained under the heading Facilities and major capital works.

- In terms of **ensuring effective and adequate support functions at the NWU**, Work continued on the centralisation and decentralisation of functions, where necessary, and the alignment of human capital with the respective campus strategies. In this regard, the human capital directors regularly visited all campuses to discuss human capital processes, guidelines and procedures with campus managements. In this regard, a report was tabled at the October meeting of Institutional Management [47.1.1 of the IP]. More detailed information is contained under the heading New Senior appointments.

A Management Information System (MIS) dashboard and reporting system was developed to provide campuses with timely, accurate, user-friendly data and/or information as needed for decision-making processes [47.2.1 and 47.2.2 of the IP].

The governance function of Information Technology and Communication ITC was streamlined by evaluating the function of the ITC Advisory Board, including risks and the risk abatement plan at every Advisory Board meeting. Two reports were tabled at meetings of the Institutional Management in 2012 [47.2.1 and 48.1.1 of the IP].

The NWU is continuously busy with the enhancement of appropriate technical knowledge and skills (financial, strategic and operational management), as well as leadership and people skills of managers at all levels. A project to reposition the Leadership and Management Academy has been completed and a business plan for the planned new academy was approved by Institutional Management for implementation in 2013. In this regard, a newly devised orientation programme for managers was finalised and conducted in November 2012 [47.3.1 of the IP]. More detailed information is contained under the heading Leadership Academy.

As prescribed by the Department of Higher Education and Training, compliance was ensured in regard of information required in terms of the Higher Education Act. Reports were tabled at the Audit, Risk and Compliance Committee (May and October 2012) and Institutional Management (May 2012) [47.4.1 of the IP].

In line with the ongoing awareness in order to instil a culture of understanding of Occupational Health and Safety (OHS) matters, various training opportunities and awareness campaigns took place. Amongst others, the result hereof was the inclusion of OHS in the performance agreements of some managers. A status report also served at the Finance Committee and Audit, Risk and Compliance Committee in May 2012. Furthermore, OHS is a standing item on all Institutional Management agendas [47.9.1 of the IP]. More detailed information to be found under the heading Institutional Occupational Health and Safety.

- To **establish sound ICT governance structures**, amongst other things, a three-year IT Strategic Plan, not only aligned with the Institutional Plan, but which took risk assessment into consideration and also included a disaster recovery plan was finalised. In addition, substantial progress was made with mobile and social computing, by using Facebook, Twitter and other social platforms. Furthermore, ubiquitous network access on all three campuses was enabled by implementing a comprehensive Wifi network. Also, involvement in Community Collaboration initiatives such as SAKAI, Quali and ASAUDIT increased. Status reports in regard of the progress made with the preceding were tabled at Institutional Management meetings [48.2.4, 48.2.5 and 48.2.6 of the IP]. More detailed information is contained under the heading Information and Communications Technology.
- In line with the professional management approach of the NWU, a continuous process exists by means of which essential **business processes** were re-engineered, decision-making processes streamlined and a concerted effort was made to limit the use of forms. Various status reports were tabled at meetings of the Institutional Management, amongst others a project plan for a concerted effort to be rolled out in 2013 to continue with the ongoing debureaucratisation process at the NWU (Institutional Management, October 2012) [51.1.1 of the IP].

- In regard of the importance of **excellent levels of financial planning**, the NWU continuously strives to adhere as closely as possible to DHET guidelines in terms of the percentage of state funding to be utilised for personnel costs. (Between 57.5% to 63% of first stream income is to be spent on personnel). A report on the reaching of the target was tabled at the Finance Committee (November 2012) and accepted by Council (November 2012) [53.1.1 of the IP].

The value-add of an efficient and effective finance management system – including budgeting and monitoring process – cannot easily be overestimated. The NWU places a high value on a streamlined and inclusive budget process. This process was completed by the end of September 2012 and report to accordingly to Institutional Management in the same month [53.2.1 of the IP]. More detailed information is contained under the headings Financial planning and budgeting and Financial reporting and system management.

Overtly, the NWU's budget planning process was informed, constructed and implemented with the mission elements in mind. The budget was approved by Council in November 2012 [53.3.1 of the IP]. More detailed information to be found under the heading Financial planning and budgeting.

In addition, the integrated tuition fee model was revised and tabled at the Institutional Budget Committee (May 2012) [53.4.1 of the IP]. More detailed information is contained in the Senate report.

The NWU tuition fees was benchmarked in an extensive way to sectoral trends as regards tuition fees. Adjustments were made where necessary, taking into account the long-term goal of harmonising the fees across the three campuses. Reports were tabled at Institutional Management (September 2012) and Finance Committee (November 2012) [53.5.1 of the IP]. More detailed information is contained in the Senate report.

The cost-effectiveness of academic programmes was reviewed and a report was tabled at the August meeting of the Institutional Management [53.8.1 of the IP].

Different budget allocation models were also analysed to determine to the extent to which and the budget model of the NWU could be improved to meet the set objectives in an enhanced way. A report served in this regard at the May meeting of the Institutional Budget Committee [53.9.1 of the IP].

- In terms of the **expansion of fundraising initiatives of the NWU** while taking cognisance of the University's value framework, the existing co-ordination structure for institutional advancement and fundraising was consolidated and extended [54.1.1 of the IP]. More detailed information is contained under the heading Institutional Advancement.
- It is vitally important that the University has strategies in place to ensure the **recruitment and retention of a dedicated staff corps**. In this regard, a system was implemented by means of which follow-up interviews with newly appointed staff members were conducted. A multipronged approach is followed; in as far as the first interview with a new staff member is conducted in the first three-months period by the line manager, and then followed up after six months by the appropriate human capital practitioner. This process is followed through by reports of these interviews that are distributed to managers, and have also been tabled at meetings of the Institutional Management and the Human Capital and Employment Equity Committee of Council [55.2.1 of the IP].

Broad categories of ratios for academic:support staff were developed and determined. A project proposal and request for quotations have been finalised that would enable a full-scale project roll-out in 2013 [55.3.1 of the IP].

The talent management programme continued to be implemented. This programme is linked to development opportunities and has various incentives so as to retain high performers. At its meeting of November 2012, Institutional Management approved various new initiatives such as the Growing-our-own-timber project; active succession planning, a mentoring process as well as the Leadership and Management Academy to provide the necessary impetus to this ongoing drive. [55.5.1 of the IP]. More detailed information is contained under the heading Improving the NWU employment equity profile.

The approved staff establishment for the NWU was reviewed by June 2012, and the parameters hereof have been taken into account for the budget planning process for 2013 [55.4.1 of the IP]. More detailed information is contained under the heading Organisational Development.

- The NWU is serious about establishing a **fulfilling work environment** characterised by engaging staff members. One of the means to do this, is to monitor and evaluate the attrition rate of staff members and to benchmark this against what happens in the sector. Apart from an established process by means of which exit interviews continue to be conducted with every staff member leaving the employment of the NWU [55.1.1 of the IP], reports are drafted in which the attrition rate of staff is analysed against the backdrop of sectoral trends. These were tabled at meetings of the Institutional Management and Human Capital Employment Equity Committee of Council [56.2.1 of the IP].

Mechanisms, including mentoring and coaching, were developed to identify and retain scarce skills within the NWU and to ensure career development and promotion opportunities. Institutional Management approved mentoring guidelines designed to complement other learning and development policies activities within the NWU. These guidelines would be implemented in 2013 [56.4.1 of the IP]. More detailed information is contained under the heading Mentoring guidelines.

A process designed to ensure that competitive remuneration packages are in place to attract and retain the best human capital, continued to be monitored closely in 2012. The remuneration policy that will result from this process would be presented to Institutional Management in 2013 [56.7.1 of the IP].

- Ongoing reviews were done in order to **optimise the performance management system**. In order to identify and address gaps and unintended consequences (specifically with regard to monetary and non-monetary incentives), a monitored process was followed. A draft policy and guidelines have been completed that will be consulted in 2013 [57.1.1 of the IP].

Staff and management development programmes on all levels were continued and individual staff development and succession planning were monitored. The university received a grant funding of R3 630 257 from the EDTP SETA, and an investment bursary scheme of the amount of R13 091 419. Furthermore, while the total investment in employee development and training was R3 276 859, the total development spend was R16 384 736 [57.2.1 of the IP]. More detailed information is contained under the heading Training and Skills development.

The cascading of the Institutional Plan into performance agreements with staff was monitored in an ongoing way [57.6.1 of the IP].

- The NWU continued to contribute in tangible ways to the **combating of HIV and AIDS in a caring environment**. The reviewed HIV/AIDS policy was approved by Council in November 2012. The MoU with the North-West Provincial Department of Health for Primary Health Care included HIV/AIDS as topic. While the policy had been implemented at the Mafikeng and Potchefstroom campuses, the Vaal Triangle Campus is in the process of negotiating a similar agreement with the Gauteng Provincial Department of Health, using the North West Department of Health's MoU as a benchmark [58.1.1 of the IP]. More detailed information is contained under the heading Improving the HIV and AIDS management.

Trans-disciplinary research was undertaken to build a new body of knowledge and interventions to influence trends and approaches to the study of HIV/AIDS and to inform public policy at local, national and international levels. More detailed information is available under the heading Institutional Student Representative Council (ISRC) activities.

Active advocacy of HIV/AIDS through programmatic interventions and events to reduce the likelihood of new infections and stigmatisation of both the affected and infected was undertaken [58.4.1 of the IP]. More detailed information is contained under the heading HIV and AIDS management.

An NWU "HIV and AIDS Workplace programme", approved by Institutional Management, was implemented that took into account the King II report recommendations on HIV and AIDS [58.6.1 of the IP]. More detailed information is contained under the heading HIV and AIDS management.

## MINISTERIAL STATEMENT ON STUDENT ENROLMENT PLANNING 2011/12 TO 2013/14

The Ministerial Statement on student enrolment planning contains the input and output targets which emerged from discussions with the Minister of Higher Education and Training during 2010.

The following enrolment plan and performance targets for the NWU were approved:

1. Target: Headcount totals will be allowed to increase from 50 589 in 2009 to 62 551 in 2013 which represents an average annual increase of 5,4 between 2009 and 2013.

Targets met up to 2012:

|                  | 2009   | 2012   | Growth rate 2012 |
|------------------|--------|--------|------------------|
| Headcount totals | 50 589 | 58 752 | 5,11%            |

2. Target: Unweighted FTE totals are expected to increase from 33,050 in 2009 to 43,626 in 2013 with an average annual increase of 7,2% over the same period.

Targets met up to 2012:

|                       | 2009   | 2012   | Growth rate 2012 |
|-----------------------|--------|--------|------------------|
| Unweighted FTE totals | 33,050 | 39,610 | 6,22%            |

3. Target: The funded teaching input unit total for 2015/16 is 73 126. The funded teaching input unit share of NWU will increase from 5,56% in 2011/12 to 5,98% in 2015/16.

The target is an increase from 5,56% in 2011/12 to 5,98% in 2015/16.

4. Target: The approved number of first-time entering undergraduates for the NWU for 2013 is 8 573. This represents a 9,7% average annual increase from the 5 929 first-time entering undergraduate cohort in 2009.

Targets met up to 2012:

|                                    | 2009  | 2012  | Growth rate 2012 |
|------------------------------------|-------|-------|------------------|
| First-time entering undergraduates | 5 952 | 7 864 | 9,73%            |

5. Target: In 2013, the proportion of headcount enrolments by major field of study should be as follows: 17,6% in science, engineering and technology, 15,4% in business and management, 45,4% in education and 21,5% in other humanities.

Targets met up to 2012:

| Year | Science, Engineering and Technology | Business and Management | Education | Other humanities |
|------|-------------------------------------|-------------------------|-----------|------------------|
| 2012 | 20%                                 | 16%                     | 43%       | 21%              |

6. Target: At undergraduate level, 29,7% of the 2013 enrolments should be in undergraduate diplomas and certificates and 42,7% in undergraduate degrees. At postgraduate level 21,4% should be enrolled in postgraduate qualifications below Masters, 4,4% at Masters level and 1,7% at doctoral level.

Targets met up to 2012:

| Level         | Qualification Type      | 2012   |
|---------------|-------------------------|--------|
| Undergraduate | Diplomas & Certificates | 30,71% |
|               | Degrees                 | 44,80% |
| Postgraduate  | Below Masters           | 17,60% |
|               | Masters                 | 4,81%  |
|               | Doctors                 | 1,78%  |

7. Target: It is expected that distance headcount enrolments will increase from 23 736 in 2009 to 28 178 in 2013 at an average annual increase of 4,4%.

Targets met up to 2012:

|                                | 2009   | 2012   | Growth rate 2012 |
|--------------------------------|--------|--------|------------------|
| Distance Headcount             | 23 736 | 24 363 | 0,87%            |
| Percentage of total enrolments | 46,92% | 41,47% | -4,03%           |

8. Target: Graduates should increase from 13 445 in 2009 to 17 000 in 2013. This represents a 26,4% increase in total. The graduate contribution in scarce skill areas for 2013 should be 201 in engineering, 301 in life and physical sciences, 475 in animal and human health and 2 052 in initial teacher education. Graduate targets for 2013 at postgraduate level are 3 545 honours, 364 research masters and 180 doctoral.

Targets met up to 2012:

|                  | 2009   | 2012   | Growth rate 2012 |
|------------------|--------|--------|------------------|
| Graduates        | 13 445 | 14 669 | 2,95%            |
| Honours          | 1 957  | 2 664  | 10,83%           |
| Research Masters | 369    | 438    | 5,88%            |
| Doctoral         | 123    | 154    | 7,78%            |

9. Target: The proportion of the NWU's contribution to the national scarce skill graduate output in 2014 should be 1,8% in engineering, 5,6% in life and physical sciences, 4,8% in animal health and 14,1% in initial teacher education.

| Scarce Skills              | 2012  |
|----------------------------|-------|
| Engineering                | 304   |
| Life and Physical Sciences | 637   |
| Animal and Human Sciences  | 1 197 |
| Initial Teacher Education  | 787   |

10. Target: The success rate for 2013 is 84,0% which is 1,0% higher than the actual 83,0% in 2009.

*The success rate was 84% in 2012.*

## MANAGERIAL/ADMINISTRATIVE ASPECTS OF THE OPERATIONS OF THE INSTITUTION – INCLUDING NEW SENIOR APPOINTMENTS <sup>31</sup>

- The new Director: Institutional Advancement, Ms Nina Brazer, took office on 1 September 2012.
- The restructuring process saw new faces being introduced within the Human Capital Directorate, namely the Director: Organisational Development, Ms Ria Nel, who previously held the position of manager of the Projects Office at the NWU; Director: Human Capital Development, Ms Helen Mogorosi; Director: Human Capital Operations, Mr Mashudu Mundalamo; Director: Client Services, Ms Evalencia Jones, and Mr Anton Scheppel, Manager: Employee Relations.
- The second and final term of Prof Themba Mosia's secondment as administrator of the Tshwane University of Technology by the Minister of Higher Education and Training ended on 18 August 2012, but was extended on a part-time basis until the end of November 2012. During this period, Mr FJ du Preez acted in the position of Institutional Registrar.

## ACHIEVEMENTS OF THE ADMINISTRATIVE STRUCTURES AND RESOURCES ASSESSED IN TERMS OF REALISTIC EXPECTATIONS <sup>32</sup>

### HUMAN CAPITAL

#### DIVERSITY MANAGEMENT

- **Disabilities**

Following the Disability Survey conducted towards the end of 2011, a total of 24 staff members identified themselves as persons with a physical or mental disability. Various other employees were also assisted from the Disability Fund with transport arrangements and assistive devices. Successful applications for extra funding for disability assistance were submitted to the Department of Higher Education and Training, as well as to the Carl and Emily Fuchs Foundation. Funds will be distributed for infrastructure and resource needs via the disability units on the three campuses.

- **Diversity awareness**

Diversity awareness will be included as part of management training in 2013 and diversity awareness presentations as part of the orientation programme for new employees and managers.

- **Staff climate and culture survey**

To ascertain employees' perceptions of the NWU as an employer, a staff climate survey was conducted from the end of 2011 until the first week of February 2012. 629 employees participated in the survey. Feedback on the results was given to Institutional Management and campuses' extended management teams. The department of Human Capital Development is using focus groups to engage staff members on the results, with the intention of gathering more information about the findings so that proper interventions can be put into place.

#### EMPLOYEE WELLNESS

In the interest of improved productivity, work engagement and employee morale, the NWU has a well-structured Employee Health and Wellness (EHW) programme that takes into account the psychosocial, emotional and physical well-being of staff.

Through the programme, employees have access to a range of health and wellness services, including health screenings, general programmes encouraging staff to be physically active, workshops on topics such as stress management and personal financial management, and awareness campaigns on occupational health and safety, corporate wellness, sun-smart behaviour and disability awareness, among others.

These activities were well attended during 2012.

31 R3.1.5 bullet 2  
32 R3.1.5 bullet 3

Other projects included:

- Health and wellness (Be Active, ExecuWell and Weighless programmes)
- Work-life balance projects (Time-saving processes such as obtaining Id's and passports)
- Educational projects (Such as health awareness campaigns)
- Inter-Campus Social Day (On 16 March 2012 the social day provided opportunity for employees at the four business units to socialise and to get to know one another better)
- Addressing stress and burnout project (The project monitored stress through the "stress-burnout" survey and provided guidelines to assist managers and employees to identify and deal with stress)
- Employee Assistance Programme (This programme focuses on assisting employees who have work-related or personal problems that affect their attendance or job performance)

## **HIV AND AIDS MANAGEMENT**

In 2012, the Higher Education HIV/AIDS Programme (HEAIDS) ran the First Things First Campaign at higher education institutions, including the NWU. This voluntary testing campaign was run at each campus and the Institutional Office. At the Mafikeng Campus, 51 staff members and 614 students had voluntary testing; the Potchefstroom campaign covered 87 staff members and 1 072 students and the Vaal Triangle Campus campaign reached 38 staff members and 1 180 students. In total NWU tested 176 staff and 2 866 students. HEAIDS also held a conference, "Applying the Research/Researching the Applied", which four NWU support staff and two academics attended. Together with UNISA and the University of the Free State, the NWU group contributed to a presentation on "Establishing a Higher Education Health and Wellness Forum: A Conceptual Framework".

In addition to the First Things First Campaign, the NWU held an awareness campaign on sexually transmittable infections and condom use, a candlelight memorial and events to mark World AIDS Day.

Some important HIV policy milestones were reached during 2012:

- The reviewed NWU HIV and AIDS policy was approved.
- The HIV and AIDS Workplace Programme was approved.
- The Mafikeng and Potchefstroom campuses implemented the Memorandum of Understanding with the North West Provincial Department of Health for Primary Health Care, which includes HIV and AIDS. The Vaal Triangle Campus is in the process of negotiating a similar agreement with the Gauteng Provincial Department of Health.

## **TRAINING AND SKILLS DEVELOPMENT**

Funding is available for academic and support staff to improve their qualifications. In addition, internal training programmes are provided for support staff and funds exist for ad hoc external skills type training. An ongoing Adult Basic Education and Training programme enables staff to acquire an NQF level 1 qualification (up to grade 9). During 2012 the University received grant funding of R3 630 257 from the Education, Training and Development Practices Sector Education and Training Authority (EDTP SETA).

## **LEADERSHIP ACADEMY**

### **• Leadership and management development**

During the period under review, a project to reposition the Leadership and Management Academy was completed and the Institutional Management approved a business plan for the "new" academy. Heads of faculties and support divisions will be responsible for ensuring that the management and leadership development programmes are integrated into their annual action plans and that implementation is monitored.

- **New Manager Orientation Programme**

An orientation programme for new managers was further developed to ensure that the University, through the Leadership and Management Academy, equips new managers with the necessary knowledge and tools to be effective in their management roles. This customised programme focuses on practical knowledge about human capital practices and procedures, in support of the NWU leadership competencies. The programme was conducted in November 2012 and 33 new managers attended. In future, it will be conducted twice annually.

- **Mentoring guidelines**

Institutional Management approved these guidelines to complement other learning and development policies and activities within the University. The mentoring and coaching programmes enable staff to become more confident and skilled, develop and progress within their job roles and build more capable teams, thus raising organisational performance.

To further develop leadership skills among NWU managers, a 360-degree leadership survey has been designed and human capital practitioners have been trained to administer the survey. The leadership survey, targeting all managers, will be administered annually in November as part of the annual performance management cycle. It is envisaged that the training needs identified will be incorporated into future performance planning as the assessment results will inform a personalised leadership development plan for each manager, which will guide coaching, mentoring and training efforts.

## **ORGANISATIONAL DEVELOPMENT**

The Organisational Development department ensured that the University has the structures and systems to manage human capital needs effectively:

- A new job evaluation system known as REMeasure was introduced, providing transparency to managers at all levels. A number of job evaluations were conducted to the satisfaction of the line managers.
- During 2012, the annual staff establishment process was undertaken, providing the means to determine academic staff numbers in relation to workload, and also to ensure a work force suitable for the requirements of the organisation.
- Managers received information on budget and strategic remuneration management in order to assist in attracting, retaining and motivating the best employees, while ensuring the University's long-term financial viability.
- The development, implementation and maintenance of business systems is one of the key factors in improving human capital services delivery while maintaining cost efficiency. The one-year project to upgrade the existing human capital information system was launched in 2012, with completion envisaged for mid-2013.
- A successful human resources reporting platform was developed providing regular managerial and operational information in a user-friendly way.

## **EMPLOYEE RELATIONS**

Training on the Behavioural Manual started in 2012 and will continue in 2013. The manual outlines the procedures for grievances, disciplinary action for poor performance and incapacity management matters. The need for a Sexual Harassment Ombudsperson was identified; this person will assess complaints from both students and staff and the appointment will commence in 2013.

During 2012, there were 22 Commission for Conciliation, Mediation and Arbitration (CCMA) cases and 10 Labour Court cases. Over the same period, 69 disciplinary cases were dealt with and finalised, as were nine grievances and seven matters dealing with poor work performance.

Human rights issues are part of the employee relations portfolio, which reports regularly to the Institutional Management and Council.

## **INSTITUTIONAL STUDENT REPRESENTATIVE COUNCIL (ISRC) ACTIVITIES**

The ISRC started 2012 with a full programme of orientation and welcoming for the new students on all three campuses. The ISRC President was invited to welcome first-year students at the Mafikeng Campus, because the Campus SRC had been suspended.



On 20 April 2012, the ISRC held a workshop to discuss the amendment of the ISRC Constitution. Proposed amendments were forwarded to Legal Services and an external SRC Constitutional expert. At the end of 2012, the ISRC was still in the process of consulting on and finalising the Constitution.

All campuses held successful Campus SRC elections during August and September for the 2012/13 leadership. The House Rules were approved and the new ISRC was inaugurated on 7 September 2012. Orapeleng Matshediso, CSRC president of the Mafikeng Campus was appointed as the new ISRC Chairperson.

From 12 to 14 October 2012, all the newly elected Campus SRC members attended a leadership workshop facilitated by the African Leadership Group and the Life College Group. The Vice-Chancellor gave a presentation on current trends in higher education and the NWU's positioning in this regard. The Vice-Chancellor also outlined management's expectations of student leaders, and Dr Mirriam Chipomo from the UNAIDS Country Office gave a presentation on the AIDS epidemic among university students.

Four ISRC members represented NWU's SRC at the South African Union of Students (SAUS) Conference held from 22 to 25 November 2012 at the University of KwaZulu-Natal. The conference was addressed by Dr Blade Nzimande, Minister of Higher Education and Training.

## **INSTITUTIONAL SPORTS MANAGEMENT**

Students from all campuses attended the annual Inter-Campus Sports Day on 10 March 2012 at the Vaal Triangle Campus. Later in the year, on 28 September 2012, the Vaal Triangle Campus held Cultural Day Celebrations and students from the other two campuses were invited to attend this event.

## **HUMAN CAPITAL OPERATIONS**

### **• Human Capital Administration**

The restructuring of Human Capital Operations was completed successfully, resulting in a clear segregation of duties between the human capital administration and payroll functions. The payroll unit now reports to the Director: Finance as payroll is a financial function rather than a human capital function. As processes are revised, the accompanying documents are updated accordingly and made available to staff.

### **• Human Capital Client Services**

Best practices show that the human capital profession has increasingly moved away from being an administrative function towards being a value-added service partner with a more client-focused, strategic role.

In 2012 the Human Capital: Client Services department was established to reinforce further the client service model. Human capital practitioners were assigned to various faculties and departments of the Institutional Office and the three campuses. They advise on and assist with recruitment and selection, organisational design, talent management, diversity, disability, succession planning, career development, performance management, rewards and recognition.

Client Services monitors the staff attrition rate by conducting exit interviews with every staff member leaving the employment of the NWU. Further, the department compared the NWU attrition rate with that of other higher education institutions, and tabled its report and recommendations for management interventions.

## **CORPORATE AFFAIRS AND RELATIONS**

A conceptual framework for institutional advancement was approved by the Institutional Management Committee in 2011. This paved the way for revisiting the strategic focus and core functions of Corporate Affairs and Relations in 2012. The aim is to bring the department into line with best practice in higher education institutions and to ensure the direct involvement of the Vice-Chancellor.

Towards the end of 2012, the Institutional Management Committee approved the revised structure, which incorporates development (fundraising) and alumni relations alongside corporate communications, stakeholder relations, brand management and website management under the one umbrella of Institutional Advancement. This will enable the department to shift focus over the next five years, towards providing strategic programmes and support for the long-term financial sustainability of the NWU.

- **Web redevelopment and electronic communication matters**

During 2012, a constructive effort was made to improve the web presence of the NWU. An external service provider was contracted to assist Corporate Affairs and Relations in the further development of the website. During this process, the priorities that would have to be addressed during future refinement of the website were identified.

This year also marked the decision in principle of the Institutional Management Committee to move towards a multi-site environment for the purpose of managing website content more closely on performance-based principles. A multi-site environment entails the creation of subdomains under the main NWU domain. This approach facilitates decentralised management of content and user experience refinement.

- **External communication**

To position the NWU among key external stakeholders, an advertising campaign was again conducted and implemented in identified publications throughout the year. The theme portrayed in this campaign, as well as during special events, was based on the "Power of three" and "It's not just about education, but the opportunity that education brings".

Media monitoring conducted by Newsclip showed that favourable coverage of the NWU significantly outweighed unfavourable coverage during 2012. A total of 12 186 media items were analysed, compared to the 7 730 in 2011, an increase of 57,6%. When the 2012 figure is compared to the number of articles that appeared in 2010, it shows an increase of 260%. The 2012 articles had a total advertising equivalent value of R285 004 666. The increase in the number of articles was the result of a concerted effort of this department in conjunction with the Marketing and Communication departments on the three campuses to improve the profile of the University.

To ensure that all external stakeholders have easy access to news from all four business units of the University, one platform is maintained on the University's website. Known as "Today @NWU", this platform is an RSS feed that assembles the latest news of the four business units onto one news page.

An increase has been noticed in the number of articles published in specialised publications since the beginning of 2012. This can be attributed mainly to the approach of all three campuses to proactively source stories from researchers and academics, and also the strategy of making use of freelance journalists and communication students to assist with the writing of stories. In addition, the NWU negotiates with targeted niche publications to ensure the publication of the stories (in line with mission element 5, goal 42.6).

For the third year, the Spokesperson of the Year cocktail event was held, albeit with some changes. The main change was that awards were presented to the top spokespeople of the NWU. The total prize money for the event was R60 000.

The Media Policy by Council on 21 September 2012. The policy has been widely communicated by means of existing communication channels to all staff and students (as per mission element 5, goal 42.1).

One of the major external communication highlights during 2012 was the NWU's continued sponsorship of the National Press Club's Journalist of the Year and Editor of the Year competition. A networking event was also hosted where the Vice-Chancellor gave an overview of the successes and challenges of the NWU, and addressed pressing matters in higher education as a whole. This sponsorship not only brings positive exposure, but also leads to the establishment of important relationships with individuals and institutions in the media world.

Corporate publications were used throughout 2012 to establish the University's brand and strengthen its key strategic messages. The flagship print publications were:

- The 2011 annual report, with the theme "It's not just about education, but the opportunity that education brings", which was submitted to the Department of Education on 30 June 2012. Subsequently, a glossy version for stakeholders was published in English and Afrikaans, with executive summaries in Afrikaans, English, Setswana and Sesotho.
- Pocket Statistics, a foldout brochure containing a summary of management information.
- Two editions of the alumni publication *NWU & U*, which were distributed to all convocation members and to the alumni offices of the three campuses.
- The research annual report, the planning and execution of which was handled by Corporate Affairs and Relations.
- As a marketing tool for staff, especially academics and senior managers who interact with their peers outside the University, the NWU corporate profile was published in English and Afrikaans in July 2012. A one-page summary in Setswana was included, as was a foldout page with higher education information.

In order to ensure that external publications remain relevant to the identified target audiences, they are annually entered into a competition run by the SA Publication Forum. The NWU & U received certificates for excellence in communication and

writing, and was a finalist in the category for Best External Magazine. The feedback received about the corporate profile and the annual report was much more positive than in previous years, and saw the annual report receiving a certificate for excellence in communication. This indicates that the NWU is on the right track with these publications. The feedback provided by the judges will be used to inform certain changes that will be implemented during 2013.

#### • Internal communication

Internal communication was again a priority in 2012 as a result of the continuing process of streamlining and aligning activities between the Institutional Office and the three campuses. Corporate Affairs and Relations is constantly ensuring that internal communication is adapted to achieve the desired outcomes.

The main channels of internal communication used at the Institutional Office during the year were:

- The internal staff newsletter Eish!, seven editions of which were published and distributed.
- Electronic media such as the twice-weekly @NWU electronic notice for staff, the Vice-Chancellor's monthly newsletter, video streaming messages from the Vice-Chancellor and urgent and crisis communication bulletins (mission element 5, goal 43.4).

The NWU's internal staff newsletter, Eish!, rates among the best in-house publications in the country. This was confirmed at the South African Publication Forum's award ceremony in September 2012, when the Eish! was announced as Best Publication overall with a limited budget.

In another competition, this time organised by Marketing, Advancement and Communication in Higher Education (MACE), the Eish! for the second year in a row, received the award for the best internal newsletter.

#### • Stakeholder relations

The NWU continued establishing and building sound relationships with various stakeholders as outlined in mission element 5, goal 43.2.

In total, 12 networking dinners were held across the country, including two with the NWU Board of Donors. The dinners, hosted by Dr Theuns Eloff, the Vice-Chancellor, were opportunities to forge strategic relationships, enter into business development partnerships and inform opinion-leaders about the NWU's achievements and challenges. These events included local business people in Mafikeng, Potchefstroom and Vanderbijlpark and, for the first time, individual members of the media were invited to attend. This strategic move fostered sound relationships with the media and ensured they were kept informed about the challenges and achievements of the NWU.

Dr Eloff held 20 breakfast meetings with members of staff on the Mafikeng, Potchefstroom and Vaal Triangle campuses, as well as at the Institutional Office. These were aimed at facilitating internal communication, especially about the role of staff in contributing to achievements of the University.

A meeting was held between an NWU delegation and the Governance and Administration EXCO Committee of the North West Provincial Government. The Vice-Chancellor and various other senior management members represented the University, while the government delegation consisted of the MECs for Education, Health, Social and Economic Development, Public Works and Sport. The aim of the meeting was to inform provincial government of strategic priorities of the University and give them an overview of the current status of the NWU. The outcome of the meeting was very positive and various task teams were identified to continue the discussions in future (mission element 5, goal 43.6).

The University is serious about establishing and maintaining worthwhile links with the industries in which its students are to be employed. To this end, an initiative was launched in 2011 in the form of workshops where academics met with industry to find out how the existing links between the workplace and the University can be strengthened, and how the NWU can adjust its programmes to meet the workplace needs. The aim is to ensure relevant curricula that will assist in delivering graduates who can plough back their skills into the developing economy in South Africa. In 2012, three of these workshops were conducted focusing on the faculties of Law, Engineering and Education.

#### • Brand and corporate Identity management

Goal number 40 of the Institutional Plan states, "Refine the brand positioning in order to facilitate brand cohesion throughout the four business units, thereby positioning the University appropriately in the minds of primary stakeholders through effective branding, marketing and communication".

The first action plan towards this goal was to revise and develop an aligned brand strategy to support the NWU as a brand,

taking into consideration the four business units. This was done through collaboration with the campuses and with McCann World group's assistance, and was presented to the Institutional Corporate and Branding Identity (ICBID) committee and approved by the Vice-Chancellor on 28 February 2012.

The strategy outlines the new positioning approach brand-wise, stresses the importance of consistent, aligned campus and institutional messages, and includes a brand blueprint on which to base NWU communication and marketing messages and brand touch-points. The blueprint was presented to the Institutional Management in August 2012.

The second action plan was to develop and implement a messaging system that encapsulates the refined positioning as a creative platform for communications and marketing campaigns, in order to establish and align the NWU visual brand image. A television commercial was aired during the Varsity Cup games, and work progressed on interpreting the brand strategy into a creative application. The Institutional Management approved the campaign concept and new pay-off line on 29 August 2012. Manifesto messages were communicated through an internal awareness campaign and various print advertisements and marketing material, as part of the institutional brand awareness efforts.

The third action plan was to develop and implement communications, marketing and publicity strategies in accordance with the revised positioning and messaging system, ensuring that objectives are met key stakeholders appropriately addressed, and alignment achieved with the brand image and vision. Although an intensive internal awareness campaign was launched, the external strategy is still in process as the shift in strategic focus towards an advancement strategy necessitated the need to align draft integrated communications, marketing and publicity strategy with the advancement strategy.

- **Brand and corporate identity collaboration with campuses**

Campus visits formed part of McCann's information gathering and research for the brand strategy, where relevant teams provided necessary insights. Through the Marketing and Communication Alignment Task Team and ICBID committees, further official collaboration took place in dealing with alignment and corporate identity issues. Ongoing liaison commenced through sharing of information, monitoring of corporate identity elements, communication of developments and involvement in the internal awareness campaign.

- **Convocation and alumni matters**

The NWU Convocation started with the process of establishing an alumni association that will assist with the coordination and governance of the alumni offices at the Institutional Office and on the different campuses. The Convocation has also embarked on the first alumni awards for deserving alumni. The NWU is very proud of its alumni and has decided to introduce alumni awards to recognise them publicly for their personal career accomplishments and for exemplary contributions to society. The Institutional Management Committee approved the criteria for alumni awards in August 2012. Subsequently, a call for nominations was communicated extensively through the University's communications channels aimed at alumni and staff.

From the nominations received for the alumni award, the Convocation might choose to award the Lifetime Achievement Award to an exceptional nominee. This award will only be made on rare occasions where the candidate(s) truly demonstrated exceptional and meritorious service to society. The inaugural alumni awards will be conferred during a gala dinner in 2013.

- **Institutional advancement**

The new Director: Institutional Advancement took up office on 1 September 2012. She was accompanied by the Executive Director: Corporate Affairs and Relations on an international study tour for institutional advancement professionals. Following on the valuable insights gained, the Corporate Affairs and Relations office was restructured as the Institutional Advancement Office in line with international best practices. The Advancement Projects Evaluation Committee was established to ensure effective communication and collaboration between the Institutional Management and the campuses on matters of alumni relations and development (fundraising). A mini call centre was established to assist with the updating of the alumni database. The call centre was able to update almost 9 000 alumni profiles in nine months.

## **ENSURING LEGAL AND REGULATORY RESPONSIVENESS**

Legal Services' responsibilities for corporate legal affairs are constantly escalating due to the demands and challenges brought about by developments in the higher education landscape and the ever-increasing body of legislation affecting tertiary institutions to varying degrees. The year 2012 has seen a substantial growth of the University in various respects, coupled with new ventures in teaching- learning, research and academic cooperation, nationally and internationally. Legal Services had a role to play in most of these developments.

- **Activities promoting the NWU's corporate image**

Two years of intense negotiation on the commercialisation of University Sport culminated in the ASEM Varsity Sports Media Rights Agreement being signed during 2012. The University Sports Company was constituted at the same time. The first competitions held under these contracts were the Varsity Cup 7s and the Beach Volleyball event held in November and early December 2012 respectively.

Legal Services was delighted to be represented on the NRF's Cherenkov Telescopic Array (CTA) task team. The NWU's Mr James Botha represented the Research Chair for Astrophysics and advised on corporate, commercial and tax structures within the Republic of South Africa and Namibia with a view to these two countries winning the site selection bid during 2013. The task team advised the European Union representatives on the applicable corporate structures and tax implications of the construction in Southern Africa of the CTA observatory, which will be the largest CTA observatory in the world – if successfully awarded.

Mr James Botha was also nominated and appointed to the legal advisory committee of HESA to advise on legislation and other legal matters in the higher education environment from time to time.

Mr Thabo Pheto, also from Legal Services, was part of the University's human resources delegation which was requested by the Tlokwe City Council to conduct interviews on its behalf. Another professional staff member obtained an Auditors Certificate from an institution accredited with the South African Bureau of Standards (SABS).

- **Student affairs**

The Institutional Management appointed a senior staff member of the department to act as secretary for an independent commission of inquiry into the circumstances that led to the tragic death of a first-year student who had drowned during the Reception and Orientation week in January 2012.

The department advised on and drafted amended house rules and constitutions for the SRCs of all three campuses. It came to light that the existing rules were flawed and that this had impeded the SRC elections in the year under review. Furthermore, advice and recommendations on student disciplinary rules were given to the Acting Registrar of the Potchefstroom Campus.

Legal Services advised the Potchefstroom Campus Registrar about the legal implications of online applications for admission to the University, with reference to identity documents, electronic signing of application forms and methods of paying application fees.

The team also gave assistance to the Institutional Director of Student Affairs regarding the legal aspects of university policies affecting pregnant students.

- **Litigation and arbitration**

The department handled several court cases on behalf of the University, mainly in the Johannesburg Labour Court and various divisions of the High Court. The courts have found in favour of the NWU in several of these matters, while others were settled on favourable terms. During the year, an amount exceeding R1,5 million rand was recovered for the University through litigation.

Two postgraduate students initiated arbitration proceedings against the NWU in terms of the general academic rules. The students' claim was dismissed and they were ordered to make a substantial contribution to the University's legal costs.

During 2012, Legal Services also:

- maintained the NWU's trademark register. As on 31 December 2012, there were 137 trademarks on the register; 14 trademarks that were due for renewal were renewed in good time;
- reviewed the University's financial rules and regulations to ensure compliance with the provisions of the Consumer Protection Act;
- collaborated closely with the Records Management Office on the Potchefstroom Campus and the Institutional Records Management Office on matters such as the digitalisation of contracts; and
- collaboration with the Institutional Health and Safety Office, gave significant inputs for finalising checklists for auditing purposes and the induction booklet.

- **Funding from external sources for staff development**

The Dramatic, Artistic and Literary Rights Organisation (DALRO) and a prominent Gauteng legal firm specialising in intellectual property law respectively donated R60 000 and R90 000 to the department for the professional development of staff in intellectual property rights.

- **Keeping abreast of the law**

In step with internal departmental policies on legal updates, several professional staff members attended workshops and seminars on the latest developments in the legal field. In addition, two staff members with master's degrees in law enrolled for second master's degrees on topics relevant to the department's legal work.

## **FINANCE AND FACILITIES**

The portfolio of the Executive Director: Finance and Facilities comprises the Finance, Physical Infrastructure and Planning, Tax Services, Money Market, and Business and Enterprise Development departments, including the management of Cachet Park Business Centre. During 2012, the Payroll division was transferred from Human Capital to Finance, while Occupational Health and Safety was placed under the direct control of the Executive Director: Finance and Facilities.

The department of Internal Audit served as an independent assurance function and therefore it has an administrative reporting line to the Vice-Chancellor (three times per year) and Executive Director: Finance and Facilities (twice per month on operational activities), and a functional reporting line to the Audit, Risk and Compliance Committee of Council.

Effective, efficient and transparent financial management and internal control systems, as well as integrated risk management, are cornerstones of the University's commitment to ensure financial sustainability for NWU. As a result, the University again received an unqualified audit report.

Outstanding features for the year under review are:

- total income growth of 17,1% (2011: 15,8%);
- 15,0% of tuition fee income allocated from NWU funds towards bursaries (2011: 14,7%);
- maintaining a surplus from its recurrent operations of 3,1% (2011: 3,0%) of total turnover (in comparison with the target of 3% of turnover to ensure financial sustainability and provide for capital expenditure);
- R123,4m invested in new buildings from which R105,7m came from own funds (2011: R150,2m and R83,0m from own funds); and
- Cash flow surplus of R314,8m (2011: R349,5m).

- **Financial planning and budgeting**

The University's financial management approach emphasises the role of the budget in securing operational sustainability and realising strategic priorities. As the Institutional Plan underlines the overall mission of the NWU, this plan was a key factor during the budget process. The primary aim was to allocate resources equitably and transparently in order to ensure that agreed outputs were reached.

The decentralisation of certain financial management responsibilities supports the interactive management model of the NWU, ensures accountability for the use of money and fixed assets at all levels, and leads to improvement in effective financial control. Nevertheless, Institutional Management engaged on a monthly basis with the business units to discuss variances and provide feedback that would enable them to act proactively rather than reactively. The IDU concept software program again proved to be a very valuable tool during the budgeting process and assisted all levels of managers with the financial information required.

One of the NWU's strategic goals is to develop and maintain effective programme management processes. To support this goal, a financial viability model was developed to review the cost effectiveness of academic programmes, modules, schools, faculties and other units, and is currently being tested. This model will be finalised in 2013 and rolled out to all applicable managers.

The finance department, in its continuous pursuit of excellence, was involved in several other projects such as:

- the Higher Education South Africa Financial Executive Forum's task team, which developed a full cost model for research for submission to the National Intellectual Property Management Office (NIPMO);
- the development of a model to streamline the annual tuition fee calculation, benchmarking the tuition fee against that of other higher education institutions; and
- being part of the Department of Higher Education and Training's task team to review the funding framework and the new reporting regulations.

- **Centralised procurement, payments, control over fixed assets and bank accounts**

The NWU has a centralised procurement management structure that provides control and coordination without inhibiting evaluation, recommendation and authorisation powers for procurement needs on a decentralised divisional level.

The department strives continually to obtain the best value for money on each procurement transaction. Notable successes during 2012 were the very favourable tenders and negotiations concluded for the supply of printing services to the University, as well as short-term insurance that will result in a material saving from 2013 and onwards.

The centralisation of all payment activities of the University ensures adherence to financial policies and guidelines as laid down by management. At the same time, centralisation also forms the basis of a cost-effective and specialised process for servicing the University's expense obligations.

The Financial Policy and the Procurement Policy were revised and approved by Council in November 2012.

The Procurement department also places a premium on obtaining goods and services from BBBEE-qualified suppliers. Of the R824 million procured in 2012, 66,39% (2011: 57,54%) qualified as BBBEE contributions.

- **Payroll**

During 2012, the Payroll division was transferred from the Human Capital department to the Finance department. This was done to improve the effectiveness of internal controls and ensure better segregation of duties between payments and authorisation, and was also based on advice from the external auditors. In addition, the Payroll department is an integral part of the Oracle system upgrade project. Due to the expiry of the license for Oracle system support, the NWU is obliged to upgrade the HR and Payroll system to Version 12. Implementation of the new version is planned for the end of August 2013.

- **Financial reporting and system management**

The annual financial statements of the NWU were prepared in accordance with International Financial Reporting Standards (IFRS) and within the regulations in terms of section 41(2) of the Higher Education Act of 1997 as amended. The Auditor-General instructed the external auditors to extend their audit procedures to certain additional functions of the NWU, in line with the Public Audit Act no. 25 of 2004.

After completing a thorough investigation into the long-term appropriateness, efficiency and cost effectiveness of the Oracle ERP system, the NWU has decided to work towards the implementation of the Kuali Financial System (KFS). The Kuali approach to system development is an important long-term strategy of the NWU, covering many possible applications, and has been developed by universities for universities. The implementation process started in September 2012 and the planned switch-on date is late 2014. This will enhance accountability at all management levels and improve financial reporting.

The NWU was part of the task team of the Financial Executive Forum of HESA in designing a set of financial indicators or criteria which will serve as early indicators of financial "trouble", and also be used in benchmarking exercises sector wide.

*Please refer to pages 144 onwards for the complete financial overview and consolidated financial statements for the year ended 31 December 2012.*

## **FACILITIES AND MAJOR CAPITAL WORKS**

- **Capital expenditure on new facilities and upgrading projects in 2012**

The NWU spent R219,059 million on the capital expenditure and macro maintenance programme in 2012.

These infrastructure projects focused on upgrading and increasing the capacity of Science, Engineering and Technology (SET) laboratories for teaching-learning and research. In line with the Ministerial report on student housing, student residences were upgraded and the number of beds increased, to enable more students to reap the benefits of living on campus.

According to the Department of Trade and Industry's formula, approximately 92% of total capital expenditure for the year was disbursed to Broad-Based Black Economic Empowerment (BBBEE) contractors.

The projects that were approved by Council in 2011 and commissioned or completed in 2012 are discussed below:



### Mafikeng Campus

On the Mafikeng Campus, R30,31 million was spent on infrastructure projects in 2012. The table below gives details of the amount spent on larger projects. Some of the projects started in 2011 and others will continue in 2013.

| Projects  | Expenditure in 2012 R'000 | Total project cost to date R'000 | Source of funding |
|---|---------------------------|----------------------------------|-------------------|
| New Science Complex and undergraduate classrooms(MC01)            | R10 188                   | R47 624                          | DHET Project      |
| Additional postgraduate units                                     | R3 910                    | R3 910                           | NWU               |
| Upgrading of James Maroka residence                               | R3 430                    | R3 430                           | DHET Project      |
| Refurbishing of computer laboratories – Physical Science Building | R2 166                    | R2 166                           | NWU               |
| Reading laboratory for Academic Literacy                          | R1 756                    | R1 756                           | NWU               |
| Additions at Animal Health  | R1 167                    | R4 494                           | DHET Project      |
| Additions to Chris Hani Building for soccer                       | R1 048                    | R1 048                           | NWU               |
| Upgrading of Molelwane Farm (MC04)                                | R1 019                    | R3 145                           | DHET Project      |

### Potchefstroom Campus

On this campus, capital projects for 2012 amounted to R143,311 million. The table below gives details of the amount spent on larger projects. Some of the projects started in 2011 and others will continue in 2013.

| Projects   | Expenditure in 2012 R'000 | Total project cost to date R'000 | Source of funding   |
|--|---------------------------|----------------------------------|---------------------|
| New residence (250 beds)   | R26 978                   | R33 989                          | NWU                 |
| Upgrading of G19 for pre-clinical platform   | R18 094                   | R18 094                          | DST and NWU project |
| Construction of E block lecture hall complex (E5)  | R10 442                   | R36 482                          | NWU                 |
| New Metabolomics Centre  | R7 263                    | R7 943                           | NWU                 |
| Renewal of spaces for Health Sciences in G16 – undergraduate practical laboratories for Pharmacy | R6 374                    | R6 374                           | DHET project        |
| De Wilgers Kitchen and Dining Hall   | R3 650                    | R3 650                           | NWU                 |
| Equipment for the new Engineering complex  | R3 858                    | R3 858                           | DHET project        |
| Emergency Exit at G4   | R3 309                    | R3 658                           | NWU                 |
| Refurbishment of Chemistry 2nd year Laboratory   | R3 241                    | R3 424                           | NWU                 |
| Refurbish space for Life Science Physics practicals 2 and 3                                      | R1 727                    | R2 132                           | DHET project        |
| Refurbish space for Life Science Physics practicals 1  | R1 640                    | R2 225                           | DHET project        |



## Vaal Triangle Campus

On this campus, the total capital expenditure for 2012 came to R30,96 million. The table below gives details of the amount spent on larger projects regarding teaching-learning, sport and student facilities. Some of the projects already started in 2011 and others will carry on in 2013.

| Projects  | Expenditure in 2012 R'000 | Total project cost to date R'000 | Source of funding |
|---|---------------------------|----------------------------------|-------------------|
| New Library Building  | R17 658                   | R20 744                          | NWU               |
| Complex for Teachers Technical Training – final phase                                   | R4 998                    | R32 890                          | DHET project      |
| Convert Quest into an Applied Risk Management training facility                         | R3 208                    | R3 213                           | NWU               |
| Recreation halls and unit for students with disabilities at new postgraduate residences | R759                      | R1 036                           | NWU               |
| Convert previous cafeteria into temporary offices for Incubator                         | R611                      | R646                             | NWU               |

### • Smaller renovations and macro maintenance in 2012

Over and above the major capital projects undertaken, Physical Infrastructure and Planning oversaw a number of smaller projects and the general 10-year macro maintenance plan of the University. A total amount of R19,651 million was spent.

### • Looking ahead to 2013

The DHET allocated the new round of infrastructure funding for the cycle 2012 to 2015 in October 2012. The NWU received an allocation of R211,373 million.

The NWU Council approved a number of building projects in 2012 that will commence or continue in the coming academic year. Some of the approved projects will be funded from the DHET allocation, and the rest through a combination of NWU and external funding. Improvements are planned for all three campuses, as follows.

## Mafikeng Campus

DHET projects:

- The upgrading of facilities on the Molelwane farm will be completed in 2013 as the outcome of the Environmental Impact Assessment is still awaited.
- The upgrading of the James Maroka Residence will be completed in the first half of 2013.
- The construction of two new residences will be undertaken in phases.
- Construction will commence on the second phase of the Science Complex.
- Equipment will be purchased for the Disability Unit and research equipment will be acquired for the Faculty of Agriculture, Science and Technology.

The following projects will be financed by the NWU: internal alterations in the library, two reading laboratories for Academic Literacy and seven additional postgraduate units. The latter will be financed from the sale of Siege Court flats.

## Potchefstroom Campus

Funding was sought from the DHET for some projects and as this was not granted, these projects are being completed from university funds. These projects, which will be completed in 2013, include the construction of the Centre for Metabolomics and the expansion of Building F13 for the School of Social and Government Studies.

Projects that will be funded by the DHET are the construction of a new building for Pharmacy, due for completion in 2014, and the purchase of research equipment for the Faculty of Health Sciences.

Over and above these projects, the NWU plans to fund an extensive programme of improvements:

- The new men's residence building A8 will be completed at the end of April 2013 to accommodate 250 beds.
- Space will be refurbished to increase research space for the School of Pharmacy and HySA.
- The various residence facilities will be upgraded, especially the interior and exterior of Minjonet Residence.
- Various macro maintenance projects will be undertaken.

### **Vaal Triangle Campus**

The DHET has approved funding for the construction of additional student housing, which will be completed in 2013. Planning will commence for a new building housing African Languages and Humanities.

Three NWU-funded projects are planned. These are the completion in November 2013 of the new Library, the refurbishment of the Oewerspens Building to house the Marketing and Communication department and, if external funding is received, an additional rugby/soccer field will be developed.

### **• Institutional occupational health and safety**

The NWU is recognised as a leader in good governance in the higher education landscape of South Africa. The Institutional Occupational Health and Safety (IOHS) department contributed to this during 2012 by assisting Council and management to ensure compliance with Occupational Health and Safety legislation.

The following occupational health and safety milestones were reached in 2012:

- An Institutional Occupational Health and Safety (IOHS) department was established on 1 July 2012 to ensure effective management, coordination between campuses, implementation and maintenance of health and safety legislation at the NWU. The department operates under the direct control of the Executive Director: Finance and Facilities.
- Element one of the NWU OHS management system was compiled and finalised. Implementation is scheduled for the end of April 2013. Next, in October 2013, elements two to five of the OHS system will be finalised and implemented.
- A fire risk audit and assessment of all NWU buildings was successfully conducted and finalised early in 2012 on the Mafikeng, Potchefstroom and Vaal Triangle campuses. Corrective action fire plans will be compiled by the IOHS department and made available for implementation to the responsible persons during 2013. In the meantime, the IOHS department is overseeing the implementation of corrective action to ensure fire safety compliance of all NWU buildings.
- Legal compliance audits were conducted on all NWU gas installations and fume cabinets.
- Removal of hazardous waste in accordance with legislation. First, a survey was successfully conducted by the IOHS department. Needs and services were established and a hazardous waste removal contract was signed with a competent service provider, namely Oricol Waste Management. This function is managed and coordinated by the IOHS department, and records are available for perusal.

### **• Tax services**

The role of Tax Services is to contribute to the development of a model that assists the creditors department to establish possible links between the directors and members of juristic persons, ensuring more effective tax compliance and risk reduction in general, thereby preventing fraud, errors and irregularities.

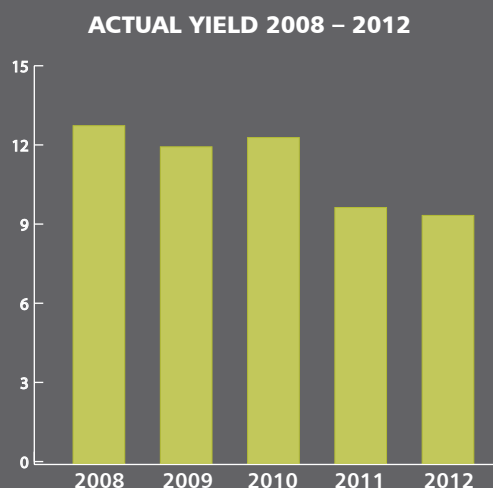
Legislative changes have resulted in a more hostile tax environment. Nevertheless, Tax Services still achieved substantial tax savings for the NWU by detecting and correcting VAT errors, and by implementing legislative changes that benefit the NWU and which had previously been overlooked or neglected.

During 2012, the department developed a checklist to improve the screening of independent contractors.

Another activity was rectifying invalid or incorrect VAT numbers on the NWU database by screening all the University's creditors.

- **Money market**

The Money Market Manager managed the University's cash flow on a daily basis in order to generate additional income. This resulted in a positive variance of 3,82% per annum between the actual yield and the benchmark yield, resulting in a "profit" of R30,8 million for the money market portfolio.



- **Business and enterprise development**

Various projects were investigated during the 2012 financial year. Consequently, the University entered into a formal agreement with Thinking Fusion. In terms of this agreement, the NWU will offer leadership training to public companies.

Mr Willie van der Merwe, the Manager of the Cachet Park Business Centre, retired after 14 years. He was succeeded by Ms Michelle Kroon.

Cachet Park generated a healthy surplus of R5 million for the year under review.

- **Internal Audit**

Internal Audit is an independent, objective assurance and consulting service department. It is responsible for evaluating the effectiveness of governance, internal controls, compliance and risk management, and also conducts special investigations into reported irregularities and fraud-related matters.

Internal Audit follows a risk-based approach towards addressing strategic, operational, financial and sustainability issues, and forms an integral part of the combined assurance model. It also provides an assessment of the effectiveness of the University's systems of internal control and risk management, which forms part of the integrated report, as required by King III.

The Institute of Internal Auditors requires independent reviews of the internal audit function every five years. An external quality assurance review of the division was performed during 2011 to assist management in assessing its performance in accordance with the international internal audit standards for the professional practice of internal audit and the Institute of Internal Auditors' Code of Ethics. Independent quality reviews are also a requirement of the King III Code.

Furthermore, internal quality assurance reviews are also performed on Internal Audit annually to ensure good efforts are made to comply with the requirements of the standards. High levels of reliance were placed by the external auditors on internal audit reviews performed.

## QUALITY

During 2012, the Institutional Quality Office reported to the Executive Advisor in the office of the Vice-Chancellor. The role of the office is, among others, to provide support for quality-related initiatives spelt out as strategic goals in the Institutional Plan.

One strategic goal is to give continual attention to the Improvement Plan that the NWU Council approved in 2010 after the Higher Education Quality Committee (HEQC) Quality Audit that was completed in 2009. The HEQC's verbal feedback on the Improvement Plan was received in 2011 and in 2012 the HEQC submitted written feedback on the Council-approved NWU HEQC audit progress report.

A further progress report is to be provided to the HEQC in the course of the first semester of 2013. In addition to the audit improvements, the Quality Office dealt with the so-called gaps project that emanated from the audit preparations reported on this to the Institutional Management.

Quality assurance work related to the support units or departments at the University progressed well:

- Various quality manuals were redeveloped, updated and placed on the intranet for ease of reference by all concerned. Several self-evaluations were conducted and some were followed by comprehensive peer evaluations, namely at Academic Administration on the Potchefstroom and Vaal Campuses. (Mafikeng Campus had already completed a similar evaluation in the previous year.) This detailed peer evaluation resulted in comprehensive reports with commendations and recommendations.
- Follow-up evaluations were conducted for Student Development at the Vaal Triangle Campus and Academic Services at the Mafikeng Campus.
- Soft reviews were conducted for the libraries situated at the Mafikeng and Vaal Triangle Campuses. (A comprehensive peer evaluation was completed for the Potchefstroom Campus library in the previous year.)
- As a first for the quality drive among support departments, an indaba on "Service delivery" was held. Based on the feedback obtained, this should be repeated every year.

Several processes managed by the Institutional Quality Office were redeveloped, consulted on with stakeholders, documented and implemented. All quality-related processes form part of the Quality Manual of the Institutional Quality Office and these were also made available on the staff intranet for easy access by all stakeholders.

## GOVERNANCE AND SECRETARIAT SERVICES

Institutional Governance and Secretariat Services ensures that the activities and processes of the Council, Senate, Institutional Forum and Institutional Management comply with the statutory requirements.

Among the highlights and main activities of the year were:

- The annual Council workshop on current trends in higher education and what transformation of the NWU's core business would be required. Dr Nico Cloete from the Centre for Higher Education Transformation (CHET) facilitated the workshop and gave an overview on international trends, the higher education sector in South Africa and the NWU's relative standing in it.
- Assisting Council and Senate in calling for nominations for honorary awards and this led to the approval of five honorary doctorates and four Chancellor's medals.
- Assisting the University's governance structures with the required processes and coordinating elections to fill vacancies in Council and its committees, as well as those in Senate and the Institutional Forum.
- Arranging a successful induction session for newly designated Council members and a function to honour Council members whose terms expired during 2012.
- Assisting Institutional Management and the Chairpersons of the various Council Committees and statutory structures with the compilation and submission of reports to Senate and Council.
- Scheduling activities and meetings of structures at institutional level and contributing to the compilation of the 2012 institutional calendar.

## ADMINISTERING INSTITUTIONAL FUNCTIONS AND RESPONSIBILITIES

Apart from their records management responsibilities, Records Management and Administration also supported the Institutional Registrar in fulfilling various other compliance and administrative responsibilities.

An important task was the coordination of the University's annual report for the 2012 academic year.

In 2012, the content of the annual report was further restructured in such a way that the Department of Higher Education and Training (DHET) could more readily access information of importance. Each section contained the appropriate reference from the Regulations on Annual Reporting.

Furthering the linkage between planning and reporting in higher education, the NWU annual report contained a detailed section on how the Institutional Plan's performance targets were met per Institutional Plan goal. This greatly assisted the external auditors, PWC, in their first audit of the Institutional Plan, which was undertaken in 2012.

Accordingly, a version of the annual report that complies with the legislative requirements was delivered to the DHET on 30 June 2012. The information gathered and collated for the DHET annual report also forms the basis for the stakeholder version of the report compiled by Corporate Affairs and Relations.

In 2012, Records Management and Administration dealt with the following policies as part of the policy management programme:

- four new policies/rules were approved;
- five policies were reviewed and approved;
- one policy was referred back by Council;
- two policies were edited to correct technical mistakes; and
- two policies were referred back to the policy owner before submission to Institutional Management.

The NWU currently has 52 Council-approved policies.

Other ways in which the department contributed to the smooth functioning of the NWU during 2012 were:

- ensuring that the 2013 institutional calendar was completed and approved by Council by June 2012;
- administering ex officio Commissioners of Oaths through 76 commissioners rendering services across the University; and
- dealing with 14 requests in terms of the Promotion of Access to Information Act, a slight decrease from 2011. The majority of requests are for research information carried by the Management Information of Student Administration Systems of the NWU. Some requests could not be accommodated due to the importance placed on the protection of privacy of our clients and our staff. As per the requirements of the Act, a PAIA report was delivered to the South African Human Rights Commission by 30 April 2012. The PAIA manuals also underwent their eighth revision.

## TECHNOLOGY TRANSFER AND INNOVATION SUPPORT

The Technology Transfer and Innovation Support Office continued to provide commercialisation leadership and support to the campuses. This took the form of technology transfer support, assistance with the protection of Intellectual Property, guidance with funding applications for projects and research chairs, the management of existing licensing agreements and the renegotiation of licensing agreements, among other activities.

The NWU has a comprehensive patent portfolio that spans 47 countries and generates third-stream income through license agreements, royalties and income from product sales, based on its own Intellectual Property.

### • Management of Intellectual Property rights

NWU inventors made six disclosures during the year, resulting in two provisional applications for the year 2012. The increased pressure on researchers to do research and to publish, as well as the teaching load, has resulted in a slight decrease in the disclosure rate. However, it is expected that this pressure on research output will lead to an increase in inventions in the future.

The table below indicates the main developments in patent filings and registrations.

| Disclosures, filings and registrations                    | 2004-2008 | 2009 | 2010 | 2011 | 2012 |
|---|-----------|------|------|------|------|
| Provisional applications                                  | 20        | 5    | 8    | 1    | 2    |
| Total number of RSA-patented inventions                   | 30        | 35   | 38   | 40   | 42   |
| Total number of first internationally patented inventions | 0         | 14   | 15   | 16   | 18   |
| Number of countries in portfolio                          | 47        | 47   | 47   | 47   | 47   |
| Patents terminated  | 0         | 0    | 0    | 13   | 8    |

It should be noted that inventions could be registered in many countries. This leads to a portfolio of more than 300 individual patent registrations, active and terminated, worldwide. The NWU has 11 USA-registered patents to date. More than 260 patenting transactions have been handled by this office in 2012. Each of these transactions required a decision on whether to and how to proceed with the patenting process.

The Technology Transfer and Innovation Support Office takes great care when deciding in which countries an invention should be registered. Patent disclosures are scrutinised more rigorously to prevent the registration of patents with insufficient commercial potential. A process that includes thorough patent searches, discussions with potential partners and the cost of patenting, is followed with each invention.

Existing patents were evaluated, which led to the termination of 21 patented inventions to date.

The NWU invests on average R3 500 000 per annum in patenting costs. The National Intellectual Property Management Office (NIPMO) supports the NWU by contributing up to 50% of these costs.

#### • Commercialisation activities

##### Contract support

The Technology Transfer and Innovation Support Office provided input for Intellectual Property Rights-related agreements and developed, in cooperation with the Legal Department, a range of template agreements which can be used to reduce the time taken to draft agreements.

##### Commercialisation of patents

The Technology Transfer Office invested R233 000 in seed and commercialisation projects in this period and earmarked an amount of R900 000 for the commercialisation of 12 patents in four research groups.

The following patents are being commercialised or supported by the Technology Transfer Office:

- Ignition systems: The NWU now has two new automotive ignition systems, which are being commercialised by Ambixtra (Pty) Ltd. The testing and collaboration with European first-tier manufacturers have started. Two automotive manufacturers have set important milestones for the first half of 2013, after which the future of the project will be determined. The total investment over eight years by the NWU and its partner amounts to more than R30 million.
- Hardware random number generator: A lack of resources delayed the testing. This has been resolved and testing will be done before May 2013.
- The chemistry set of Prof Corrie du Toit and Mrs Marié du Toit: It is doing very well in the market.
- The plant application of the Pheroid technology: It is starting to render a constant royalty income stream.
- Pheroids: A license agreement has been signed with a South African veterinary development and manufacturing company. No income has been generated yet.
- The distributed low-noise amplifier: It has been successfully demonstrated and a prototype is being prepared by the US for application in the Meerkat project. This project is on a slow growth path, depending on the progress of the SKA.
- The ozone generator: A new design is in progress for this generator and negotiation with an interested customer is in progress.

- The Nevirapine, Roxythromycin and Azithromycin patent: Marketing of this portfolio has commenced and an extended marketing campaign is planned for 2013, when most of the patents will have been examined and filed internationally.
- The Predictive Poleslip Protection system: It is still in the early stages, but progress is slow.

In summary, 20 of the 40 active patents are being commercialised actively by, or with strong support from, the TT&IS office.

The table below indicates the licensing and spin-off activities of the NWU. The income from these activities and royalties are also shown below.

#### Spin-off companies (independent, associated and subsidiaries)

|  | 2004-2008 | 2009 | 2010 | 2011 | 2012 |
|--|-----------|------|------|------|------|
| Total technology spin-offs since '99       | 15        | 16   | 16   | 16   | 16   |
| Technology spin-off companies still active | 12        | 13   | 13   | 13   | 13   |

#### Licensing, royalties and product sales

|  | 2004 - 2008 | 2009      | 2010      | 2011      | 2012      |
|--|-------------|-----------|-----------|-----------|-----------|
| New licence agreements                                     | 13          | 1         | 0         | 1         | 1         |
| Total active agreements                                    | 12          | 14        | 14        | 14        | 15        |
| Total income from royalties, invention-based product sales | 17 114 760  | 2 619 257 | 3 686 990 | 3 340 193 | 2 285 433 |

#### • Training and development

In total, 14 seminars and workshops, dealing with IPR management, commercialisation and entrepreneurship, were held on the three campuses. Some sessions included representatives from patent attorney firms. The attendees included undergraduate and graduate students, as well as support and research staff.

## COMMUNITY ENGAGEMENT AND SUSTAINABILITY

#### • Strategy and policy

Community engagement (CE) is defined as those activities, performed by the staff and students of the University, primarily aimed at uplifting (needy sectors of) society and or individuals in need of assistance or engagement. The primary aim is development, support and upliftment of society.

In September 2011, the NWU adopted a new community engagement strategy to replace the policy that had been in use since 2007.

The strategy also places emphasis on transdisciplinary development projects that are sustainable and have measurable impact. Such projects have to be aligned with the Millennium Development Goals, the National Development Plan and local Integrated Development Plans (IDP). In order to implement the strategy a new policy is under development, which will be submitted to Council for consideration in 2013. In addition to this, campus implementation plans were developed with the assistance of a special task team, to be implemented in 2013. Development of structures for implementation will follow and includes a recommendation for a campus coordinator for CE per NWU campus.

A new strategic initiative is the incorporation of King III reporting processes for all NWU activities. This includes reporting on and monitoring progress and impact in community engagement and sustainable development of all associated communities of the NWU. In addition, in the environmental context the first step in this process was an environmental legal compliance audit which was conducted on all NWU campuses. A final report of the audit (January 2013) will dictate and direct corrective measures and new environmental campus initiatives and innovations. An internal integrated report will be finalised by the middle of 2013.

## • Networks

### International-Talloires Network

The NWU is a member of the Talloires Network, which is a global alliance of higher education institutions that are deeply committed to strengthening the civic roles and social responsibilities of universities and colleges around the world. The University participated in the annual MacJannet competition for student driven community upliftment and global citizenship and was a second place winner among 72 nominations from 52 universities in 21 countries around the world.

The Student RAG Community Service (SRCS) is a registered non-profit organisation based at the NWU Potchefstroom Campus. SRCS was founded in 1977 and remains a completely student-run programme, from management to project leaders. About 66% of SRCS projects are orientated towards community development while 33% focus on community service. Many of the community development programmes involve long-term community partnerships. SRCS is active on a weekly basis in Potchefstroom and its surroundings with the aim of addressing the most pressing community needs. SRCS focuses on four main areas:

- Early Childhood Development – SRCS runs Pre-Schools and Day care Centres focusing on enhancing children's creativity, motor skills, and school readiness, as well as running teacher workshops.
- Child and Youth Development – These projects work with primary and secondary schools and focus on leadership development, sports, tutoring and personal development.
- Vulnerable Youth and Adults – These programmes focus on the elderly, people with disabilities, and the unemployed.
- Outreach Programmes – SRCS runs a feeding programme, homes for street children, disaster management and prevention, and fundraising for charitable organisations.

### South African Higher Education Community Engagement Forum (SAHECEF)

The NWU participates actively in the work of SAHECEF. Its community engagement director, Mrs B Bouwman, is an appointed SAHECEF board member and a member of the executive steering committee, and was the only executive member that was re-elected for another two years (2013-2015). The NWU also hosts and administers the SAHECEF website.

A SAHECEF workshop was hosted by NWU on 3-5 September 2012, where the Working Groups for Service Learning and Partners and Partnerships met. Additionally, a Talloires/Walmart Foundation workshop was held on the theme of "Livelihoods: Cooperatives, Access to Markets, Health and Wellness". This forms part of a series of workshops that will ultimately culminate in a SAHECEF proposal for Walmart Foundation for sponsorship of impactful CE projects in South Africa.

### Forum for Continuous Community Development (FCCD)

The NWU Forum for Continuous Collaboration in Development has been a core part of the NWU's community engagement infrastructure. This Forum aims to build capacity among non-governmental organisations (NGOs), especially in legal and regulatory compliance, financial reporting, strategy development and fundraising, among others. In the past year, advocacy visits to create awareness of capacity building programmes were made to several communities in the North West Province.

### NWU Community Development Trust

The NWU Community Development Trust is registered at Department of Social Development as a public benefit organisation with the PBO number 094-672-NPO. The strategy and purpose of the NWU Community Development Trust is to access CSI funding from corporate donors. To this end, the Trust places emphasis on integrated, sustainable community development (the triple bottom-line approach) and smart partnerships to ensure sustainable impact. Depending on the needs of the corporate donor and community, stakeholders, NWU personnel and students participate in project planning and implementation.

Donations amounting to R286 115,18 were recorded for the year ending 2012. This excludes the donations received by Mosaic (see below). The sponsors were the Department of Science and Technology, Dr Kenneth Kaunda District Municipality, Hollard Foundation, ABSA and various small and medium enterprises that sponsored 7socio-economic development projects for BBB EE scorecard points.



There are formally three projects that function through the NWU Trust. They are Mosaic, X2O and the Dr Kenneth Kaunda Resource Centre – and also some ad hoc projects that were managed by the NWU CDT.

A special goodwill project, to assist the Potchefstroom Campus with the building of a house for Mrs Sannah Makgoang, the mother of the student Thabang who tragically drowned in a campus swimming pool was initiated by the NWU Council. We are also assisting her with personal development and longer-term empowerment.

- **Recognition for excellence in community engagement**

The University includes community engagement as a category in the annual research awards. The Vice-Chancellor's Awards for Excellence in Community Engagement were awarded to:

(1) North-West University Environmental Impact Assessment Pro bono Office

Prof Francois Retief. The NWU Environmental Impact Assessment Pro bono Office provides environmental management consultancy services and advice as well as training and capacity building on a 'not for profit' / pro bono basis to municipalities in the North West Province.

(2) North-West University, Child Justice Unit, at the Law Clinic

Mr Schalk Meyer and team (Ms Endriette Barnard, Ms Hilary Clayton and Ms Mari Payne) The Child Justice Unit (CJU) forms part of the North-West University, Potchefstroom Campus, Law Clinic. They provide children with legal representation and advice to prevent violation of their rights and assist children in Children's Court proceedings in 27 towns in the North West Province. Another objective of the CJU is protection and promotion of children's rights.

- **National Lottery Distribution Trust Fund (NLDTF)**

We received Lotto funds for several arts and culture projects on the NWU's campuses, as well as for various sport and recreation projects. The CE office manages and administers the funding received from the National Lottery Development Trust Fund. In 2012 we received sponsorship for proposals in the Sport & Recreation Sector – 2012 NLDTF Project 49285 for an amount of R1 334 110,95 (2nd tranche) and NLDTF Project 32430 for an amount of R2 205 311,00 (2nd tranche) these funds have been transferred to the relevant projects at campus level.

R15 million in Lotto funding was allocated for the construction of a Velodrome in Potchefstroom in 2011 and a progress report was submitted to the NLDTF on this ongoing project.

## INTERNATIONALISATION

- **Networking facilitated by the International Office**

NWU continued to participate in activities to strengthen its international profile, including:

- Discussions with rating and ranking organisations, including
  - Quacquarelli Symonds Asia (Asia Pacific, Middle East & Africa) to discuss a wide range of services that QS offers to academic institutions, including the QS Stars rating system.
  - QS Stars Rating. NWU decided to participate in the QS Stars audit process. A report was submitted to QS Stars towards the end of 2012.
- A programme board meeting held between the eight university partners for the Intra ACP Mobility STREAM (Strengthening African Higher Education through Academic Mobility) project at the Potchefstroom Campus Sports Village, NWU, Potchefstroom.
- Intra-ACP STREAM Doctoral Mobility Scholarships Selection Meeting and Board meeting held in Windhoek, Namibia. The NWU was represented by Ms Tshego Phage (NWU STREAM Coordinator).
- **Eidos Institute:** NWU became a member of the Eidos Institute. Eidos is an independent, not-for-profit organisation, dedicated to the value of ideas and social change. Eidos consists of a network of a growing body of industry partners and 14 member universities from South Africa and Australia. This is an independent think tank which catalyses and mobilises ideas and turns them into concrete proposals for social change.

- NWU was invited to send a delegation to the G20 Youth Forum in Saint Petersburg, Russia from 17 to 21 April 2013. This is touted as the largest international event organised for young leaders in 2013 and over 1 500 young leaders, students and academics, representatives of the business world, governments and international organisations will be participating in it. To date, eleven delegates have been nominated and selected as representatives of the three campuses of the NWU.
- The North-West University has now become a full member of the SANORD consortium and was officially represented by Prof NPL Allen in this new capacity at this year's international symposium entitled: Strengthening the Role of Universities as Hubs of Development through the Southern African-Nordic University Centre. Prof NPL Allen was elected to form part of the SANORD working committee, which will now develop a strategy for SANORD with both short-term and long-term objectives. NWU attended the 3rd International SANORD Symposium held at Aarhus University in Denmark.
- Dr Theuns Eloff became a member of the IAUP (International Association of University Presidents). The IAUP consists of six hundred peer presidents, rectors and chancellors from more than seventy countries and collectively comprises the world's preeminent organisation of university leaders dedicated to promoting the influence and capacity of global higher education.

#### • **NWU Internationalisation Colloquium (held at Quest Conference Estate, Vanderbijlpark)**

The theme of this in-house colloquium was: *Sharing Best Practices for Internationalisation at the NWU*. Here, the various champions of internationalisation from the three campuses were afforded the opportunity to share their experiences and successes with interested NWU staff. In this regard, some 23 presentations were made including a keynote address by Dr Lavern Samuels (President elect of the International Education Association of South Africa (IEASA) and Mr Johan Govea (Director: London Office). In addition, the event served as an opportunity to share ideas as regards the future direction of internationalisation at the NWU as well as elicit feedback for the discussion document entitled: NWU Internationalisation Framework.

#### • **Memoranda of Understanding**

During the year, a number of memoranda of understanding were signed, including the following between:

- The University Of Nizwa (Oman) and the North-West University, in the area of pharmacy.
- The Tilburg University (the Netherlands) and the North-West University, in the areas of Law, Arts and Social and Behavioural Sciences.
- The University of Leipzig (Germany) and, North-West University, in the area of Health Sciences.
- The Department of Economic Development, Environment, Conservation and Tourism (North West Province) and the North-West University.
- The Duisenberg School of Finance (the Netherlands) and the North-West University in the area of Business Mathematics and Informatics.

## **INFORMATION AND COMMUNICATIONS TECHNOLOGY (ICT)**

The year 2012 marks the second year of Information and Communication Technology, as well as Management Information Services, forming part of the portfolio of the DVC: Research, Innovation, and Technology. The ICT Strategic Plan that was adopted at the end of 2011, to be executed during the following three years, delivered significant results during its first year. The ICT mission is to enable and support all aspects of university business through excellent and innovative development and deployment of ICT infrastructure, systems and applications, and the provision of high-quality information as the life-blood of an intellectual community.

#### • **Highlights**

- ICT made significant progress in achieving its goal, namely to enable and support all aspects of university business through excellent and innovative development and deployment of ICT infrastructure, systems and applications, and the provision of high-quality information as the life-blood of an intellectual community.
- The continued implementation of a new ICT strategic plan, aimed at positioning ICT as strategic differentiator. The strategy is aiming at providing abundance of ICT connectivity, bandwidth and quality ICT services to staff and students through a combination of demand-pull and technology-push strategies.
- The ICT Advisory Board with key representatives of management units as well as external members provides a broad platform to advise the NWU IM on matters related to ICT.
- The further development of the MIS data warehouse and tools for reporting and analyses to provide extensive management information to line managers.

### • Significant Strategic Gains

A number of significant ICT improvements, expected to have long-term benefits for the NWU IT community, were implemented during 2012. The improvements are visible across a broad spectrum of domains, including organisational structure, system and service portfolio expansion, the funding model, the user support model and infrastructure renewals and capacity improvements. Of the ten elements of the strategy, the following delivered the most visible and positive results:

- Creating an atmosphere of ICT abundance, demonstrated by significant increases in internet, storage and processing capacities, with the removal of the pay-per-use funding model. Although these capacities are still expensive to maintain, direct cost recovery is no longer applicable, largely removing end-user constraints on ICT resource accessibility and capacity. At this moment, the NWU has access to the largest international internet capacity of all SA universities, and all three campuses are now connected to the gigabit SANREN (national research and education network) backbone.
- Much progress has been made to enable mobile and social computing. The national Student Laptop Initiative was successfully implemented, allowing students and staff to purchase high-quality laptops at very competitive prices, including large discounts on Microsoft software. The general availability of WiFi networks across all three campuses also enabled mobile computing. Large numbers of students are now able to use mobile devices for communication, learning and social activities. At the end of the year, the NWU mobile application was also successfully launched for popular mobile phones.
- A new support model was implemented with the aim to allow more freedom of access by various non-standard computing devices and diverse software platforms, with greater reliance on self-support by users. In addition, the ICT support services to students were reviewed and expanded, notably by the establishment of a very popular walk-in service at the Potchefstroom Campus. Similar services are offered at the other campuses.
- Community collaboration has been extended to increase ICT participation in inter-university collaboration initiatives, local and international, such as Sakai, Kuali and ASAUDIT.
- Improved delivery, support and customer service: this entails exploring new delivery models and services so as to remove obsolete components, free up scarce resources for new developments, offer users more choices and increase the amount of bandwidth available.

In total, 44 ICT projects were completed in 2012. These delivered improvements for all three campuses, demonstrating the positive effect of the standardisation and integration of systems and infrastructure at the NWU.

The following table summarises the status of ICT projects in 2012.

| Summary: December 2012 ITC Project Status                       |      |   |       |
|---|------|---|-------|
| Total Full-Time Equivalent (FTE) staff cost of active projects: | 92,3 | Number of active projects:                        | 48    |
| Total FTE cost of completed projects:                           | 92,3 | Number of completed projects:                     | 44    |
| Number of requests still unplanned and not scheduled:           | 37   | Average completion percentage of active projects: | 34,5% |

### • Project highlights of 2012

#### Systems and Processes

The Business Systems Portfolio of the NWU consists of a broad range of highly integrated applications:

- Student Information Systems
- Financial systems
- Human Resource and Payroll
- Varsity Vending
- Kuali workflow systems
- Alumni and fundraising and a variety of smaller systems

Apart from general maintenance for sustainability and smaller enhancements some of the key implementation successes for 2012 were:

- Implementation of new Varsity Vending Vendors – ITC “walk-in” service, Pukki-winkel, HPI coffee shop, cafeteria in the new engineering building.
- Standardising and optimising of business processes to improve productivity e.g. HR elements, IDU extract for more productivity.
- Optimising “patch” implementation to improve change sustainability, e.g. test scripts, control reports, data verification.
- Improved documentation, prioritising and standardising maintenance and SLA processes with users and consultant groups.
- Business functionality, process and integration improvement, e.g. date-driven changes in HAT, search functionality to get access to data for ad hoc reporting, changes to improve the automation of the registration process, improve reconciliation reports in VSS and VV.
- Standardising to simplify current system infrastructure by upgrading to Oracle 11 on all Oracle databases, upgrade to SQL 2008 on Varsity Vending and Kidz environments and Rice 2.0 upgrade for Kuali workflow systems.
- Overall focus change to empower super users and end-users through agile supporting process and documentation.

#### • **System integration implementation**

Integration of NWU enterprise systems and enterprise data is one of the major assets of the University. Standardising on the Services Oriented Architecture (SOA) supports automation of business processes, reduces cost and complexity and increases effectiveness of administrative processes.

Currently 72 production processes and some 500 services are in production, enabling thousands of automated, inter-application transactions per day.

#### • **Implementation and standardisation development methodology**

During 2012, the Systems Development Group adopted a new application development strategy and implemented the popular Agile Development Methodology for all software development projects. This methodology is already implemented in current projects, e.g. ICAS automation, KOI (NWU renewal project for ERP: HR and ERP: FIN and in the collaboration projects with Kuali development. Quality of development of new solutions is expected to improve using this methodology.

#### • **Business process automation and Workflow technology implementation**

Implementation of business process and operational improvements across all business areas reduce service and process performance gaps, reduce cost, improve flexibility, sustainability and productivity and empower users.

In 2012, long-term projects were initiated to replace, improve and streamline ineffective and manual administrative system processes, remove bottlenecks and align processes over business areas. This is done by implementing workflow technology and integration between processes and systems using different web-service technologies (SOA, BPEL, and Kuali Rice).

Two major projects in this approach are:

- Automation of the time consuming ICAS administrative process to address the need of correctness and validation of data, workflow, transparency of the changes, cross-campus facilitation, audit trails of changes, supporting documentation and integration with current NWU Enterprise systems. Implementation end 2013.
- KOI Project – NWU Renewal project for ERP:HR and ERP:FIN.

The main objectives of these projects are to functionally align system and business processes to be more effective, reduce cost and frustrating bureaucracy, reduce unnecessary complexity, improve information integrity, improve support capability and sustainability, improve configurability and agility and to reduce total cost of ownership.

#### • **International software development – Kuali**

As from January 2011, the development of the Kuali Student project proceeded in such a way that the NWU team, including the OpenCollab resources, was recognised as an individual parallel development team. The quality of deliverables was highly commended by the Kuali project management, and at Kuali Days 2012 (Austin, Texas) the NWU team leader, Nina Gelderbloem received special recognition for her contribution to the Kuali Student project.

As part of the acceleration of the Quali Student project and to increase the resources needed for the project, the NWU was approached at the end of 2011 for a second SA team, which started in January 2012. This team was funded by the Quali project, thus earning income for the NWU. This contribution concluded at the end of November 2012.

- **Integrated reporting technology implementation**

The current trend in modern off-the-shelf application software is that no or very little reporting functionality and/or tools are provided, and the implementer needs to provide additional reporting solutions. Some of the new products and services already implemented at the NWU, and future applications that will be implemented, will also require extensive report development. At the same time, the current Student Information System utilises ageing reporting technology, which needs to be replaced.

During 2012, a new strategy for a central reporting environment was formed and approved. This central reporting environment is based on a central operation data store (ODS) with a reporting tool for formal, ad hoc and dashboard reporting facilities. The main objective of this environment is to be able to report information across different operational systems, to store transactional level data in a dimensional way to increase query and reporting performance, to serve as a staging area for data warehouse, to be able to run combined reporting for tactical and strategic decisions, to limit the possibility of conflicting report outputs and to improve accessibility and availability of relevant information.

- **Infrastructure expansion and renewal**

The telecommunications and IT infrastructure of the University have been substantially improved, with more bandwidth, network coverage and disk storage available to students and staff than ever before:

- ITC implemented of a 1Pb Tier 2 disk storage environment and increased each student and staff disk space allocation from 2 MB to 10 GB (4999% increase), which reduces storage cost from 20c/MB to 0,2c/MB (99% reductions in cost). This was the result of excellent innovation by ITC staff in the use and application of technology, making the NWU the only South African university to provide this cost effective solution/advantage to its users.
- The ICT infrastructure experienced exponential growth during 2012. We currently have 564 Servers (258 physical servers) and about 35 000 network terminals, making this one of the biggest centrally managed networks in higher education and South Africa. In terms of standardisation and replacement strategy, we only have 14 non-blade servers left.
- All blade server enclosures, except Mafikeng Campus, have been moved to water-cooled enclosures or HP Modular Cooling Systems (MCS), which will provide significant improvements in data centre power efficiency.

- **WiFi Statistics for 1/1/2012 to 07/11/2012**

- Number of NAC devices (WiFi+REsnet) = 6876
- Number of distinct WiFi Nac user (registered) = 5009
- Number of users with more than two WiFi devices = 1348
- Number of Resnet users = 4629

- **Student PC room expansion and upgrades**

- A new 300-seat PC lab was completed on the Potchefstroom Campus
- Mafikeng received 6 new labs with approximately 80 new PCs per lab.
- There are 19 PC labs on the Potchefstroom Campus, with 1 269 PCs. There were 3,69 million logins during 2012.
- At the Vaal Triangle Campus, 5 PC labs with a capacity of 385 PCs are in use. There were 926 000 logins during 2012.
- There are 22 PC labs on the Mafikeng Campus, with 1 057 PCs. There were 2,5 million logins during 2012.

- **User support, training and empowerment**

- A new support model for end-user devices was implemented. This is expected to facilitate the use of diverse devices like mobile phones and personal computers.
- The IT Service Catalogue was launched, describing the full service portfolio to end-users in a standardised and more user-friendly way, in one easy-to-find location.
- All content and assessments for the Basic IT Skill set were developed and will be launched in 2013.
- There are currently over 800 titles to choose from in the interactive ICT courses offered by ICT.
- In 2012, 79 ICT courses were presented on sixteen different topics, attended by 471 staff members.

- **Teaching and Learning Technology Support**

- A new, cost-effective card reading system for Multiple Choice questions was implemented.
- Experiments with Web forms for use as a student response system were initiated.
- Turnitin is providing a valuable anti-plagiarism service. 32 388 documents were submitted to Turnitin of which approximately 10% had a (75-100%) similarity to other documents.
- The SAKAI-based eFundi Learning Management System was upgraded to a newer version. eFundi is mainly used for communication, content delivery and assessment. The eFundi usage statistics show continuous growth and platform stability:
- More than 32 000 unique student users registered in eFundi.
- More than 2 000 simultaneous active users just about every weekday, with more than 3 000 simultaneous users on many weekdays and up to a 1 000 simultaneous users late at night, without any problems with downtime or response times.

- **Governance, management and structural optimisation**

As part of a new strategy to improve IT governance, the IT Advisory Board met regularly to ensure alignment of IT strategies to Institutional priorities.

Management Information Systems and the Potchefstroom Campus IT were successfully incorporated into the Institutional IT division, and have greatly improved their services to the management community.

Furthermore, the entire institutional IT structure was revised and optimised to ensure alignment with current strategies and required services. This was the first major revision in more than a decade (apart from the merger restructuring).

- **External collaboration**

The NWU has played a significant role in external collaboration, nationally as well as internationally. This includes involvement with:

- The Association of SA University Directors of Information Technology, which has registered as a non-profit company.
- The TENET and Rural Campus Connection Project, sponsored by the Department of Higher Education and Training, and overseen by Higher Education South Africa.
- OpenCollab, a software development company previously known as Psybergate Cape Town. The NWU had a minority shareholding in the company for 11 years. When it was transformed and renamed OpenCollab, the NWU purchased the majority share as a strategic investment to establish a South African community source support capability for institutions using Kuali or Sakai.

## **ADEQUACY OF STAFFING LEVELS, PARTICULARLY IN CRITICAL AREAS <sup>33</sup>**

The NWU is fortunate in having a work force that is not only adequate but also highly competent. We are carefully studying and management the needs of specific academic and support department to ensure adequate staffing that promotes functioning and expansion.

Employee statistics are as follows:

### **Staff complement of the NWU**

| <b>NWU employees</b> | <b>2011</b>  | <b>2012</b>  |
|----------------------|--------------|--------------|
| Permanent            | 3 160        | 3 300        |
| Temporary            | 3 757        | 3 845        |
| <b>TOTAL</b>         | <b>6 917</b> | <b>7 145</b> |

## Employment categories

| Category   | 2011  | 2012  |
|--|-------|-------|
| Teaching/research professional                   | 3 058 | 3 447 |
| Executive/administrative/management professional | 104   | 102   |
| Specialised/support professional                 | 490   | 586   |
| Technical  | 280   | 299   |
| Non-professional administration                  | 2 535 | 2 265 |
| Crafts/trades                                    | 31    | 31    |
| Service  | 419   | 415   |
| TOTAL *  | 6 917 | 7 145 |

\* Total includes temporary and permanent staff

## EXTENT TO WHICH EQUITY TARGETS HAVE BEEN MET <sup>34</sup>

### Workplace targets and desired change

| MAFIKENG CAMPUS | Blacks | Whites | Women  |
|-----------------|--------|--------|--------|
| Current         | 88,13% | 11,88% | 45,21% |
| Target          | 91,50% | 8,50%  | 47,10% |

Race: The Campus has reached its target in terms of race. Campus specific targets were set to increase the number of white employees as to diversify the staff complement.

Gender: In terms of gender a target was set to increase the number of females employed by the campus. This target has not been met yet.

| POTCHEFSTROOM CAMPUS | Blacks | Whites | Women  |
|----------------------|--------|--------|--------|
| Current              | 24,64% | 75,36% | 59,63% |
| Target               | 25,45% | 74,55% | 55,40% |

Race: Although this target hasn't been met yet, steady progress was made by the campus in increasing the employment of black employees.

Gender: In terms of gender a target was set to decrease the number of females employed by the campus. This target hasn't been met yet.

| VAAL TRIANGLE CAMPUS | Blacks | Whites | Women  |
|----------------------|--------|--------|--------|
| Current              | 35,04% | 64,96% | 63,82% |
| Target               | 34,10% | 65,90% | 54,00% |

Race: The Campus reached its target to increase the number of black employees.

Gender: In terms of gender a target was set to decrease the number of females employed by the campus. This target hasn't been met yet.

| <b>INSTITUTIONAL OFFICE</b> | <b><i>Blacks</i></b> | <b><i>Whites</i></b> | <b><i>Women</i></b> |
|-----------------------------|----------------------|----------------------|---------------------|
| Current                     | 21,31%               | 78,69%               | 58,24%              |
| Target                      | 20,90%               | 79,10%               | 55,70%              |

Race: The Institutional Office reached its target to increase the number of black employees.

Gender: In terms of gender a target was set to decrease the number of females employed by the Institutional Office. This target hasn't been met yet.

| <b>NORTH-WEST UNIVERSITY</b> | <b><i>Blacks</i></b> | <b><i>Whites</i></b> | <b><i>Women</i></b> |
|------------------------------|----------------------|----------------------|---------------------|
| Current                      | 35,22%               | 64,78%               | 57,72%              |
| Target                       | 37,02%               | 62,98%               | 53,05%              |

Race: Although this target hasn't been met yet, steady progress was made in increasing the employment of black employees.

Gender: In terms of gender a target was set to decrease the number of females employed. This target hasn't been met yet.

### Foreign Nationals

This is not included in the statistics above, as it has no influence on EE targets and profile.

| <b><i>Foreign Nationals</i></b> |                     |                         |
|---------------------------------|---------------------|-------------------------|
| <b><i>Foreign Nationals</i></b> | <b><i>Total</i></b> | <b><i>% Foreign</i></b> |
| 48                              | 3 163               | 1.52%                   |

| <b><i>Employees with Disabilities</i></b> |  |
|---|--|
| <b>0.75%</b>                              |  |

There are currently a total of 24 employees with disabilities registered with the NWU. This amounts to 0.75% of the total permanent workforce of the NWU. It is clear the NWU must make an effort to employ persons with disabilities, as the Commission for Employment Equity(CEE)'s Annual report for 2012/2013 shows a national average of 1,4% employment of persons with disabilities.

### IMPROVING THE EMPLOYMENT EQUITY PROFILE

To improve substantially the NWU's ability to attract and retain employees from the designated groups, the University has adopted a number of institutional strategies.

- **Capacity Building Fund**

The Fund, amounting to R15 million per annum, seeks to facilitate the appointment of people from the designated groups through bridging finance for a maximum period of three years to support capacity building and the Employment Equity Plan of the University. After the three-year period, the position would be funded through normal staff budgeting. During 2012, a total of 51 approved positions were funded from the Capacity Building Fund.

- **Cadet system**

The Faculty of Engineering on the Potchefstroom Campus awards bursaries to academically deserving students from the designated groups. During the period of their studies, the students are mentored, coached and developed to become academics in these very scarce and critical areas. After completing their studies, the students are appointed as lecturers within the Faculty. At the end of 2012, eight cadet-bursary students had been appointed in the schools for Mechanical, Electric and Electronic and Chemical Engineering.



- **Growing our own timber**

To improve further the University's employment equity profile, the Institutional Management approved a programme called "Growing our own timber" for implementation among all academic and support staff in 2013. This holistic programme will entail the following:

1. An undergraduate programme extending the cadet programme to other faculties where it has been a challenge to recruit people from designated groups with scarce skills.
2. A postgraduate development programme for top-performing graduate students from designated groups. Schools would identify and appoint these students on a three-year contractual basis, during which time they are required to complete a master's or PhD degree.
3. Succession planning programmes will provide further development opportunities for promising academic and support staff to equip them for senior and high-level leadership and management positions at the University. During the period under review, the Institutional Management approved the succession planning guidelines for implementation in 2013.
4. Support staff internship programme guidelines were also approved in October 2012. The programme is aimed at bridging the gap between academic study and competent performance in the workplace by offering a structured internship opportunity to NWU students and unemployed graduates. This will enable them to gain practical work experience over a maximum period of 12 months. The programme will be focused on clerical and administrative posts, and will prepare members of designated groups for entry-level administrative posts.

## **QUALITY OF INFORMATION AVAILABLE TO MANAGEMENT <sup>35</sup>**

- **Reliable corporate records**

In 2012, the Records Management department continued to implement a records management programme to enhance the quality, reliability and accuracy of the NWU's corporate records.

Record management milestones of the year included:

- testing and implementing the electronic records management platform of the NWU (INSINQ SHARE);
- providing formal records management training for NWU staff members and presenting information sessions on INSINQ SHARE to staff on the campuses and at the Institutional Office;
- continuing to provide basic records management information at the Institutional Course for New Lecturers (ICNL), introducing the basic records management principles for teaching-learning;
- ensuring safe and secure physical storage of records by commencing a storage area survey and assistance project which culminated in the decision to make use of an off-site storage facility company, starting in 2013;
- producing two records management newsletters, one in April and one in December 2012;
- creating a site on SHARE for all the documentation of the finance departments and organising the electronic space according to records management principles;
- on request of the Potchefstroom Campus, doing a combined presentation with a colleague from Teaching-Learning on the importance of keeping appropriate records of teaching-learning activities and providing access to those records for students in terms of the Public Access to Information Act;
- holding a SHARE workshop on the Vaal Triangle Campus to explain the benefits of SHARE and the basic principles, and
- on the Mafikeng Campus, continuing with the clean-up of various storage areas and the transfer of examination scripts to safe and secure storage in a central storage facility located near the Archives.

- **Management Information Systems (MIS)**

Highlights for 2012 include:

- MIS made significant progress in achieving its goal, namely to enable and support all aspects of university business through excellent and innovative development and deployment of ICT infrastructure, systems and applications, and the provision of high-quality information as the life-blood of an intellectual community.
- New improved and standardised Student Cohort Analysis within the HEDA community, accessible and configurable on different levels and requirements.
- Implementation of HEDA Performance Evaluation Agreements for Senior Management for the 1st time in NWU history. New improved Staff HEMIS reporting processes implemented and managed through the MIS Data Warehouse for the 1st time. Successful implementation of 2014-2019 Student Enrolment Plan-1st round.
- Final submission of Student HEMIS reporting for 2012 was successfully completed.

- **Maintaining archives and museums**

Institutional Archive and Museums continued its advocacy and outreach programmes to acquire NWU records of essential and historical value. New partnerships were explored to develop collaborative strategies that support teaching, learning and student success:

- Outreach programmes to various faculties were launched to raise the profile of the Archives as the custodian of essential records, such as signed minutes of meetings. In addition, workshops were held in collaboration with the Potchefstroom Campus Secretariat and Records Management on the importance of keeping minutes of meetings as a prerequisite for accountability and transparency. This initiative will be extended to the other two campuses in 2013.
- Various student bodies were informed about the compilation of their archival portfolios, and as a result of this the Archives received a rich source of miscellaneous records depicting student life on campus.
- The department's Facebook page has proved to be a successful marketing tool, especially among students. There has been a strong increase in the number of student visitors and a 50% increase in researchers to the Archives.
- Processing is at the heart of any archival programme. During 2013, the Archives completed the following:
  - processed 11 797 positive and digital photographs, which are now accessible;
  - photographed more than 3 300 museum items, to be linked to an existing database, and
  - made 218 linear metres of records accessible through various finding aids.

The Archives at the Vaal Triangle Campus launched a major outreach programme to highlight the importance of good records management and the archiving of essential records.

The Mafikeng Campus acquired over 2 500 digital photographs in 2012, in addition to acquiring their essential administrative records.

## **STUDENT SERVICES AND EXTRA-CURRICULAR ACTIVITIES <sup>36</sup>**

The department of Student Administrative Systems (SAS) supports the staff and students of NWU by developing, maintaining and training users in systems designed for student administration.

SAS was responsible for the capturing of valid PQM data on the systems used in the admission and registration of contact and distance students. The department provided support for new qualification applications, amendments to the existing qualifications and the alignment of qualifications to the Higher Education Qualifications Framework.

To support initiatives to reduce the NWU carbon footprint, the department reduced the number of printed academic calendars by providing students with an electronic format as alternative. Improvements in the online application and registration systems could lead to the further reduction of printed forms. The online academic enquiry portal is also an alternative to printing and posting of documents, and for improving access to information.

The department was involved in a project to improve student data reports and report formats to ensure valuable data reaches students and decision-makers. Work started on improving generic system-generated letters and extending the product to more departments and users.

Improvements were made to the short course administration system aim to support a broader range of users in the administration and record keeping of short course participants. Training of new system users was conducted on a regular basis throughout the year.

SAS participated in inter-university collaboration initiatives by being involved with the development of the Kuali Student system. Among others, the department is assisting with the Institutional Committee on Academic Standards system, which is being developed to support the approval of new qualification applications and the approval of changes to existing qualifications.

## **RELATIONSHIPS WITH THE COMMUNITY, ACADEMIC AND SERVICE <sup>37</sup>**

As is the case with universities worldwide, the NWU uses the knowledge and expertise created through academic activities to generate income through commercialisation and enhance the quality of life of the communities we serve.

The NWU made reasonable progress in implementing the new community engagement strategy that Council approved in September 2011. The new strategy emphasises trans-disciplinary development projects that are sustainable and have measurable impact. A draft policy is under development and will be submitted to Council in 2013.

In an important step towards implementing the university's community engagement policy, a special task team worked with the campuses during the year to develop campus implementation plans for 2013 onwards. The next step is to develop structures for implementation, probably comprising a community engagement coordinator for each campus.

The NWU's commitment to sound community engagement was underlined when the university won second place in the Talloires Network's annual MacJannet competition for student-driven community upliftment and global citizenship. The competition attracted 72 nominations from 52 universities in 21 countries.

For more information please see above heading [Community Engagement and Sustainability](#).

## **CHANGING PATTERNS IN THE PROVISION OF ACADEMIC COURSES <sup>38</sup>**

NWU proceeded smoothly and without any significant change in the provision of academic courses.

A number of policies and guidelines on teaching-learning matters have been revised and submitted to Senate for consideration and a recommendation to Council.

The university's admission requirements for 2013 were approved by Senate and Council during October and November 2012 respectively. Alongside the statutory admission requirements for entry into diploma and degree studies in terms of the National Senior Certificate (NSC), National Certificate Vocational (NCV) and other international matriculation examinations, the approved admission requirements determine additional criteria for specific qualifications and programmes in terms of the NSC and NCV level for specific subjects as well as the total Admission Points Score (APS).

The academic programme alignment process continued during 2012 and further impetus was gained through the HEQF alignment process. This is aimed at ensuring parity in programme outcomes across the three campuses.

For more information regarding ICAS approved courses please see the [Senate report](#).

## **STATEMENT OF SELF-ASSESSMENT OF THE ACHIEVEMENT OF THE VICE-CHANCELLOR <sup>39</sup>**

All NWU activities in 2012 were based on the Institutional Plan, which is a three-year rolling plan. The Institutional Plan constitutes the performance agreement between the Council and the Vice-Chancellor and, at the same time, is appropriately applied in the performance agreements of managers at all levels within the NWU. As Vice-Chancellor, I have performed my responsibilities in terms of my performance agreement with the support of Council through adequate reporting - and at the end of the year in an evaluation session - to the evident satisfaction of the Chairperson, the Deputy Chairperson of Council and the Chairperson of the Finance Committee.

37 R3.1.5 bullet 8  
38 R3.1.5 bullet 9  
39 R3.1.5 bullet 10

## CONCLUSION

In looking at key performance areas in this report, it is clear that the NWU's mission to become a balanced teaching-learning and research university is within reach.

I want to thank Council, the Chairperson of Council and the Executive Committee who has supported management to great lengths in a critical but constructive manner.



**DR T ELOFF**  
**VICE-CHANCELLOR**

# CAMPUS OVERVIEW – MAFIKENG



**PROF ND KGWADI**  
Campus Rector: Mafikeng

## INTRODUCTION

One of the best attributes of the Mafikeng Campus is the sense of common purpose and shared destiny between the campus and the communities it serves. There is an appreciation on the part of management, staff and much of the student body that the campus exists to serve and uplift the people of the region and the country through high-quality teaching-learning, relevant research and the implementation of expertise.

The affinity the campus has for its stakeholders was evident in all aspects of its operations in 2012, from the nature of research conducted to the partnerships formed for community engagement. The campus's research focus was mostly on rural development and poverty alleviation, reflecting local, regional and national priorities. Similarly, community engagement initiatives had a strong emphasis on enabling economic development, such as by assisting small-scale farmers to gain access to markets and improving animal husbandry practices in local communities.

The campus is making a growing contribution to skills development and knowledge transfer. During the year, 2 403 qualifications were conferred, which was 14% more than in the previous year.

Another important trend was the improvement in drop-out rates among first-year students entering university for the first time. For those registered for three-year qualifications, the drop-out rate in 2012 was 15%, compared to last year's 13%, while the rate for students enrolled for four-year qualifications was 11% against 12% in the previous year.

The campus's teaching staff are becoming more and more skilled, and 45% of academics had a doctoral degree in 2012 compared to 40% in 2011. The number of NRF-rated researchers grew more than 18% and there was a 40% increase in the number of postdoctoral fellows on campus.

In terms of research output, the campus had another highly productive year. Research output increased from 163 units to 197 units, a very respectable increase of 17,3%. This improvement confirms the effectiveness of the strategies that the five faculties have put in place to increase their output.

Students performed well on the sports field, bringing home impressive numbers of medals from USSA events, especially in body building and aerobics. The campus enjoyed an active cultural life and celebrated landmark occasions such as Africa Freedom Day.

All in all, 2012 was a satisfactory year for the Mafikeng Campus, which demonstrated the ability to effectively execute strategy and meet the targets set in the Campus Plan.

## STUDENT ENROLMENTS 2012

Total student numbers increased by 11%, from 9 211 in the previous year to 10 256, with the strongest growth in undergraduate, masters and doctoral enrolments. The table below gives a breakdown of student enrolments for 2012 across the six main enrolment categories.

|                                  |               |
|----------------------------------|---------------|
| Undergraduate                    | 8 686         |
| Occasional Students              | 14            |
| Honours                          | 481           |
| Postgraduate Diploma/Certificate | 242           |
| Master's                         | 639           |
| Doctoral                         | 194           |
| <b>TOTAL</b>                     | <b>10 256</b> |

## COMPOSITION OF UNDERGRADUATE STUDENTS IN 2012

Undergraduate students accounted for approximately 85% of the student body in 2012. The following table shows the distribution of undergraduate students between first-time entrants and seniors. The number of first-time entrants increased by 185 from 2 158 in 2011 and seniors by 766 from 5 591.

|   |          |       |
|---|----------|-------|
| <b>First-time Entering Undergraduates</b> | Contact  | 2 272 |
|   | Distance | 71    |
| <b>Seniors</b>                            | Contact  | 4 886 |
|   | Distance | 1 471 |

## DIPLOMAS AND DEGREES CONFERRED IN 2012

There was a 13,4% increase in the number of qualifications conferred in 2012, when 2 403 degrees and diplomas were awarded compared with 2 081 in 2011.

|                                  |              |
|----------------------------------|--------------|
| Certificates and diplomas        | 927          |
| Bachelor's degrees               | 1 056        |
| Honours degrees                  | 291          |
| Master's degrees (including MBA) | 115          |
| Doctorates                       | 14           |
| <b>TOTAL</b>                     | <b>2 403</b> |

*Graduation ceremonies were held on 11 May 2012 and 12 October 2012.*

## GRADUATES PER FACULTY IN 2012

Of the five faculties, the Faculty of Education produced the highest number of graduates, followed by the Faculty of Commerce and Administration. The following table gives a breakdown of the number of graduates per faculty.

|   |              |
|---|--------------|
| Faculty of Commerce and Administration        | 609          |
| Faculty of Education                          | 866          |
| Faculty of Law                                | 84           |
| Faculty of Human and Social Sciences          | 389          |
| Faculty of Agriculture Science and Technology | 455          |
| <b>TOTAL</b>                                  | <b>2 403</b> |

## TEACHING-LEARNING ACTIVITIES

The Mafikeng Campus strives to create an enabling academic environment in which students can discover their potential and staff can shape rewarding careers. In 2012, quality assurance, staff development and academic support for students were the main focus of teaching-learning activities.

- **Quality assurance**

Internal and external evaluations were conducted on various programmes. This went hand in hand with site visits by the professional bodies concerned:

- The South African Council for Social Service Professions (SACSSP) undertook a site visit in late July and early August 2012 to review the Social Work programme.
- The South African Veterinary Council (SAVC) conducted their follow-up site visit in September 2012. Generally, the panel was satisfied with the progress made since their last visit, especially at the 24-hour Animal Hospital.
- The Professional Board of Psychology conducted their site visit in October 2012 to evaluate the education and training programmes in Psychology.
- Post peer evaluation of Academic Services was conducted in August 2012 and it was found that progress had been made.
- A soft review of Library Services was successfully conducted in October 2012 and was found to be compliant.

- **Institutional Course for New Lecturers (ICNL Phase 2)**

The ICNL course introduces new lecturers to best practices in teaching and learning and refreshes the skills of experienced lecturers. During 2012, the Institutional Office presented three ICNL courses and 25 academics from different faculties attended phase 2 of ICNL at the Mafikeng Campus.

- **Institutional Teaching Excellence Awards (ITEA)**

In 2012, 20 lecturers from the campus participated in the ITEA process and 18 received ITEA awards, namely Dr Collins Ateba, Dr Olubukola Babalola, Ms Hunadi Rakhudu, Ms Kgomotso Direko, Ms Theriso Tsambo, Prof Bennet Mbenga, Dr Abigail Hlatshwayo, Dr Johannah Sekudu, Mr Joseph Modise, Dr Elbie Mwenesongole, Ms Inocentia Saane, Mr Mathews Makunye and Mr Andrew Mutsvangwa.

- **Rapport Top Lecturer Awards**

Perhaps more than any other factor, students are motivated to perform when they find their lecturers inspiring. During 2012, five lecturers, one from each faculty, were chosen as recipients of the Rapport Awards for the NWU's most inspiring lecturers. They were:

- Ms Jeanet Hanna of the School of Accounting Sciences, Faculty of Commerce
- Mr Andrew Mutsvangwa, School of Undergraduate Studies, Faculty of Education
- Ms Miama Erasmus, School of Social Sciences, Faculty of Human and Social Sciences
- Ms Kgomotso Direko, Nursing Sciences, Faculty of Agriculture, Science and Technology
- Advocate Koboro Selala, School of Undergraduate Studies, Faculty of Law

- **Supplemental Instruction (SI)**

All five faculties made use of Supplemental Instruction (SI) during the year, mainly to assist students in at-risk modules but also in some modules with pass rates higher than 50%. The Faculty of Commerce and Administration was the biggest user of SI, followed by the Faculty of Agriculture, Science and Technology.

- **Academic development and support**

Through the **Reading Laboratory**, the campus assists students to improve their reading speed at an acceptable level of comprehension. Reading assistance also empowers students for independent study and offers them the opportunity to improve their concentration and fluency in English.

The **Writing Centre** assists students across academic disciplines and study levels to improve their academic writing skills. A total of 279 students visited the centre in 2012.

Through **mentoring**, the campus creates a supportive environment for first-year students, empowering them to make a smooth adjustment from high school to university, both academically and socially. The programme started in 2011 and continued in 2012. In this initial stage, it is being piloted in the Faculty of Commerce and Administration and the Faculty of Agriculture, Science and Technology, targeting students in the first year of the extended degree programme.

First-year students were informed about **eFundi** during the orientation programme and basic eFundi training was conducted in February and March 2012. The aim was to define, explore and test various functionalities (tools) used for particular course sites, ensuring that students understand the basic terminology and are able to use the learning system effectively. The following table shows the extensive use made of eFundi in 2012.

**Klickers** introduces students to basic computer literacy (end-user) skills, enabling them to work on eFundi and do the assignments or other activities set by their lecturers. The students learn to create PowerPoint presentations, send and receive email, submit their assignments and complete online tests. The course prepares them well for the Academic Literacy module, AGLE 121, which is conducted online in its entirety. During 2012, a total of 2 344 students participated in the programme.

The Mafikeng Campus continued to deploy multimedia technology in **lecture rooms**; a total of 16 lecture rooms were equipped during 2012. Training workshops were held to ensure lecturers were able to operate the multimedia equipment effectively for teaching-learning.

As part of the **professional development of lecturers**, 13 workshops were held on pertinent research and teaching-learning topics, including study guide writing, university teaching dynamics, research supervision and publication writing, assessment and moderation, and supervision skills.

- **Teaching-learning indaba**

The Law Faculty held a teaching-learning indaba for staff and students in September 2012, providing a platform for open debate on the core business of teaching-learning, research and community engagement.

- **Drop-out rates**

First-time entering undergraduate first years:

| Qualification duration | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 |
|------------------------|------|------|------|------|------|------|------|
| 3 years                | 16%  | 16%  | 15%  | 14%  | 16%  | 13%  | 15%  |
| 4 years                | 18%  | 11%  | 12%  | 7%   | 7%   | 12%  | 11%  |

## RESEARCH ACTIVITIES

In recent years, the Mafikeng Campus has been steadily increasing its research output and building the research skills of academics and postgraduate students. The results of this are evident in the increase in the number of NRF-rated researchers on campus, the participation of staff as speakers at national and international conferences, and the recognition that researchers have received, such as Prof Eno Ebenso's 2012 award for International Leadership in Research.

- **Research Support**

In August 2012, the Office of the Vice Rector: Academic invited Prof Johann Mouton from the Centre for Research on Evaluation, Science and Technology (CREST) at Stellenbosch University to conduct a research workshop at the Mafikeng Campus. Some 30 staff members from all the faculties attended the workshop, which focused on postgraduate supervision.

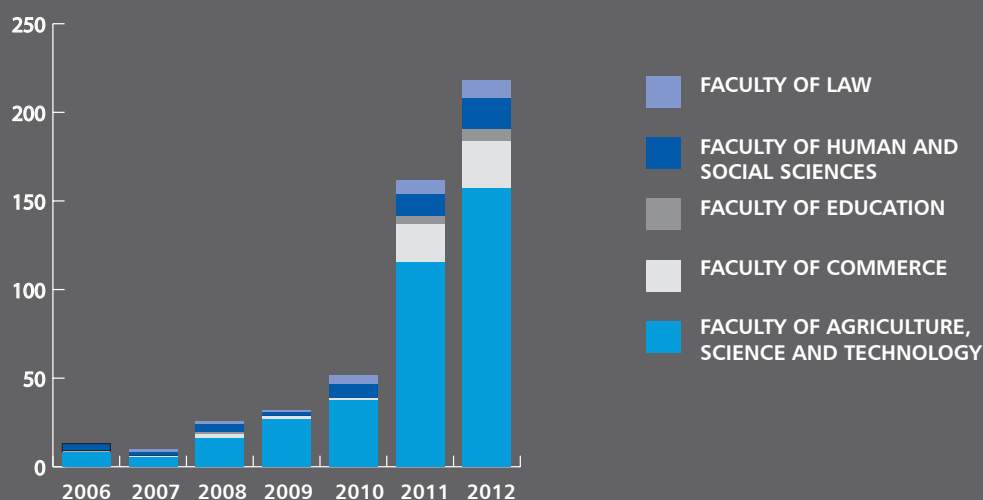


- Research outputs

The table below shows the research output for 2012:

| Accredited Journals | Conference Proceedings | Books/Chapters |
|---------------------|------------------------|----------------|
| 172,03              | 17,85                  | 6,84           |

It is clear from the graph below that research output substantially grew in 2011 and 2012 with all five faculties contributing. In 2012 the research output per faculty increased evidently.



- Postdoctoral fellows

The number of postdoctoral fellows increased with 9 in 2012.

| 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 |
|------|------|------|------|------|------|------|
| -    | 1    | 2    | 3    | 6    | 14   | 23   |

- NRF-rated researchers

The table below gives details of rated researchers per category:

| Category     | 2009     | 2010     | 2011     | 2012      |
|--------------|----------|----------|----------|-----------|
| B            | -        | -        | 1        | 1         |
| C            | 1        | 2        | 6        | 10        |
| L            | 1        | 1        | 1        | 0         |
| Y            | 1        | 1        | 1        | 2         |
| <b>TOTAL</b> | <b>3</b> | <b>4</b> | <b>9</b> | <b>13</b> |

- Research entities

A new research focus area was approved, namely MaSIM (Material Science Innovation and Modelling)

The research entities at the Mafikeng Campus as at 31 December 2012 were:

| Title   | Status     |
|---|------------|
| MaSIM (Material Science Innovation and Modelling)   | Focus Area |
| Population and Health                               | Niche Area |
| Food security and safety in the North West Province | Niche Area |

## IMPLEMENTATION OF EXPERTISE

The Mafikeng Campus shared expertise and collaborated extensively with other institutions, statutory bodies and stakeholders in government and industry during the year. A number of substantial tenders, ranging in value from R500 000 to approximately R10 million, were awarded to the campus.

The School of Agricultural Sciences participated in the Mafikeng Farmers Market in the Ngaka Modiri Molema District. This was partnership with the Provincial Department of Agriculture and Rural Development (DARD), Mahikeng Municipality and Megacity Shopping Complex. The market is intended to assist small-scale farmers around the Mahikeng and surrounding areas to gain access to market opportunities. A second market was launched in the Dr Ruth Segomotsi Mompati District and is known as Taung Farmers Market. The School of Agricultural Sciences is also a partner, together with the DARD and Greater Taung Municipality. The market provides some experiential training for students of Agricultural Economics and Extension, Crop and Animal Science.

The Department of Chemistry was involved in water research in collaboration with the University of KwaZulu-Natal. This is funded by the Water Research Commission.

Animal Health collaborated with insurance company Santam to assist the nearby communities with primary animal care and animal husbandry practices.

The Community Law Centre provided legal services for indigent people, serving a vast clientele not only in Mafikeng but in the neighbouring communities of Atamelang, Coligny, Lehurutshe and Vryburg.

During 2012, the centre provided back-up legal services to the paralegal advice offices beyond the magisterial district of Molopo. Staff from the centre visited these offices every second month, interviewing clients who require legal assistance. The North West Access to Justice Committee provided R20 000.00 in funding, with the rest of the funding coming from the university.

Three visits were conducted to schools to hold street law workshops with learners, in conjunction with the NWU Mafikeng Student Chapter of Law Students for Social Justice. In addition, five community workshops were held to address issues of concern to the surrounding communities.

## MARKETING AND RECRUITMENT ACTIVITIES

The Faculty of Agriculture, Science and Technology, in partnership with the Marketing Department, was involved in recruitment activities such as school visits, open days, career exhibitions, science festivals and the National Science Week.

In Gauteng, 200 top-performing learners in Mathematics and Science attended an open day, and 134 learners in Limpopo attended a similar event.

In April 2012, the campus hosted its first open week for grade 12 learners. Approximately 5 000 learners from 47 schools attended the event, which featured a careers exhibition and a campus tour.

Later, in July, the campus hosted a Winter School for 1 050 Grade 12 learners. In addition, the department contributed to the Ikateleng project for Grade 12s on Saturdays.

During the year, 254 articles about the Mafikeng Campus appeared in the print, broadcast and online media, and 46 advertisements were placed in newspapers, magazines and yearbooks.

The department coordinated and hosted 33 events and functions on the campus, such as the official opening, inaugural lectures, a golf day, graduations, the Winter School, a Golden Key event, alumni functions and long-service awards.

The campus Facebook page attracted 6 000 new "likes" for the year and was successfully used to market the campus to students, prospective students and the general public.

After only one year on air, the radio station NWU FM (105.5) succeeded in attracting 56 000 listeners.

## STUDENT AFFAIRS ON CAMPUS

### • Student governance

On 23 June 2012, the Institutional SRC held a special seating on assessing the possibility of approving the house rules for the Potchefstroom and Vaal Triangle campuses. However, the Mafikeng Campus Constitution (house rules) was considered to be in good standing.

From 25 to 27 June 2012, student leaders from universities across South Africa met in Cape Town at the Cape Peninsula University of Technology to discuss issues such as national elections, services rendered by student affairs departments and student financial aid. The ISRC chapter of the Mafikeng campus represented the NWU at this gathering. The delegates were the Campus SRC president, academic affairs officer, deputy secretary general and the treasurer general.

An induction session was held in November 2012 for the newly elected Campus SRC and its substructures. The Vice-Rector: Teaching, Learning and Research advised the student leadership about the expectations management has of the Campus SRC. The group also learnt more about issues close to the hearts of students, such as registration, admissions and the Academic Rules. The campus rector gave a comprehensive address on where the campus stood and where it was heading, and the acting dean of students spoke about teamwork and leadership.

### • Sport activities and achievements

Athletes from the campus put in some powerful performances in 2012:

The aerobics team brought home five gold medals, two silver medals and two bronze medals from the USSA Institutional Aerobics Competition at the University of KwaZulu-Natal. The club also won second place in the Garankuwa aerobics marathon at the Tshwane University of Technology in April 2012.

The Mafikeng Campus hosted the 2012 USSA Body Building Championships and won two gold medals, two silver medals and a bronze. The NWU team also won the overall title. In April 2012, the body building team participated in the North West Body Building SA Novice competition in Rustenburg, where they won a gold medal, two silver medals and three bronze medals.

The ladies' chess team took fourth place at the USSAS Chess Tournament held at the Nelson Mandela Metropolitan University in Port Elizabeth. Ms Omphile Ratlhong was selected to attend a USSA Chess closed tournament for the final selection of the USSA Chess team.

The karate team won a silver and bronze medal at the USSA Institutional Karate competition hosted by the University of Johannesburg. The team also attended the SAJKA National championships in Johannesburg in May.

At the USSA Institutional Competition, the mixed doubles table tennis team took fourth position overall, as did the ladies' team. The team also ended in third place at the Easter Classic Vaal Tennis tournament and in second place in the Mafikeng Inter club Championships.

Itumelang Mpa represented the North West Province at the U/23 National Athletic Championships in Germiston in April. He received a silver medal for the 4 x 400m relay event and was selected to represent the province at the Senior National Athletic Championships in Port Elizabeth.

Six players were selected for the USSA Basketball trials held in April at Wits University and six netball players represented the North West region at the SA Netball championships held in East London.

The rugby club hosted the Leopards Development league in May 2012.

In October 2012, the Department of Sports in conjunction with All Sports Council (ASC) hosted the annual campus Sports Awards Gala Dinner.

### • Cultural activities and achievements

The Campus celebrated Africa Freedom Day on 24 and 25 May 2012, the theme of which was "Past, present and future". The festivities included a presentation by the MEC of Sports, Arts and Culture, Tebogo Modise, on the history and importance of Africa Freedom Day. Other speakers were Prof S Gutto from Unisa's Centre for African Renaissance Studies and Rre Molema from Barolong Boora Tshidi Traditional Authority.

Africa Freedom Day celebrations served as a forum for Africans to reflect deeply on their history as it relates to their present life conditions and to posterity.

After a sterling performance at the African National Congress's centenary celebrations, the Mafikeng Campus Choir received a standing ovation.

- **Wellness and Counselling**

The Health Centre provided a range of primary health care services such as family planning, voluntary testing for HIV and tuberculosis, and the treatment of minor ailments.. Many staff members made use of preventive services such as Pap smears and showed interest in the men's health campaign.

A mentoring programme provides each first-year student with a supportive environment that allows a smooth transition from high school to university, both academically and socially, forming an environment of guidance and support. The aim of the Student Academic Development section is to offer academic development and support to students at all levels. This aim is achieved through activities in the following programmes: Supplemental Instruction (SI), Reading laboratory, Writing centre and Research support. In addition, individual consultations also play a vital role.

Peer helpers continue with assisting the department to be emotional buddies to other students. They have already referred students with problems to the unit.

The campus Health Centre offers a range of healthcare services, including voluntary testing for HIV and tuberculosis. During the year, more than 130 students on campus underwent voluntary testing and counselling. Other services provided were treatment of minor ailments and family planning.

- **Orientation programme for first years**

The Vaal Campus SRC and the Institutional SRC were part of the welcome celebrations for the Mafikeng campus first-year students.

- **Anti-crime awareness campaign**

During May 2012, in consultation with the SAPS Mmabatho Crime Prevention Unit, the campus noted a sharp increase in criminal attacks against students residing in the broader Mahikeng area. Students enrolled at Taletso FET and Mafikeng College of Nursing had also been targeted

In collaboration with the student representative councils and students of these institutions, as well as political movements, the religious community and broader civil society, the campus convened a successful anti-crime awareness march. The stakeholders signed a pledge to combat crime and submitted a petition to the Speaker of the North West Provincial Legislature and the Premier of the province.

## **PRINCIPAL MANAGERIAL/ADMINISTRATIVE ACHIEVEMENTS MUST BE MEASURED IN TERMS OF THE PLANS, GOALS AND OBJECTIVES FOR 2012 – CAMPUS PLAN ACHIEVEMENTS**

Some of the campus achievements in relation to strategic objectives are:

A new focus area called "Material Science Innovation and Modelling" was approved for FAST from the favourable recommendations from external reviewers/IRSC. The application was originally for a Niche Area on the Mafikeng Campus under the leadership of Prof Eno Ebenso (with an NRF rating of C1). The IRSC was satisfied that the application easily meets all the criteria for a Research Focus Area. The proposed Focus Area consists of 24 members, including three NRF-rated researchers (B2, C1, C2), a further 12 members with a PhD qualification and eight postdocs. The group has a very strong focus and the research outputs of the previous three years were outstanding. This research entity is very relevant and has long-term viability because the area of materials research and innovation is very important in the scientific world today. This entity has a lot of societal relevance in all the subthemes. Strong innovation and strategic thinking capacity is present in the proposed research entity.

Food Security & Safety in the North West Province Niche Area: Two members of the entity were rated by the NRF. One maintained his C2 rating (Prof SA Materechera) while the other (Prof O Babalola) was awarded a C3 rating.

The campus has been increasing its research output every year. Last year it increased from 163 to 197 units. That translates into 0,73 to 0,83 units per academic staff. The target of 0,83 units per academic set for 2012 by the campus was achieved.

The number of academic staff members with doctoral degree as highest qualification increased from 41% in 2011 to 45% in 2012.

One of the objectives of the campus was to increase the number of postdoctoral fellows to 18. The campus exceeded that number by seven and had a total of 25 postdoctoral fellows.

The pass rate was kept stable at 84%.

Financially the campus did well by increasing the third income stream and decreasing the student debtors.

Increased unity: the campus has been the main participants of the inter-campus sport. 217 staff members participated in 2012, compared to 111 in 2011.

Marketing and recruitment strategy was finalised and more effort was put in the recruitment of the minority students. The numbers of white, Indian and Coloured students are increasing every year.

## **MANAGERIAL/ADMINISTRATIVE ASPECTS OF THE OPERATIONS OF THE CAMPUS INCLUDING NEW SENIOR APPOINTMENTS**

- The campus appointed Prof Mashudu Maselesele as the Vice-Rector: Teaching, Learning and Research. Prof Maselesele, who has been the Dean of the Faculty of Agriculture, Science and Technology (FAST) since 2009, commenced her new role from the beginning of October 2012.
- The Dean of Education Dr Dawid Gericke was promoted to Professor. Prof Gericke was reappointed as Dean for a three-year term.

## **OTHER CAMPUS HIGHLIGHTS**

- Three academics received national awards for their outstanding contributions in their fields. Dr Lebohang Katata was named the Most Influential Woman in Science in South Africa, Ms Annah Rakhudu received the HELTASA Outstanding Teaching/Learning Award and Prof Eno Ebenso won the 2012 award for International Leadership in Research.
- A number of other staff members, as well as some postgraduate students, received awards, grants or other forms of recognition:
  - Prof Nicolene Barkhuizen from the Department of Industrial Psychology.
  - Ms Kgomotso Mahole, a postgraduate student, won the 2013 Nelson Mandela-Cecil John Rhodes postgraduate scholarship.
  - Prof Nehemiah Mavetera and Ms Chipo Mavetera received the Best Paper Award at the 19<sup>th</sup> International Business Information Management Association (IBIMA) conference in Spain.
  - Ms Dinke De Waal, a doctoral student, was awarded the NRF Innovation Scholarship for Doctoral Studies for 2011 to 2013.
- In October 2012, Justice Bess Nkabinde of the Constitutional Court delivered an inspiring paper to the Annual Law Students Conference on "Sustaining Constitutional democracy, use of force, State liability and popular resistance".
- PricewaterhouseCoopers (PwC) donated R25 000 to the School of Accounting for a boardroom and Honours Board.
- In October 2012, two law students, Mr Brewsters Soyaphi and Ms Sharon Dzwauro, led by Adv Mandisa Lefenya, participated in the 21<sup>st</sup> African Human Rights Moot Court Competition at the Universidadé Eduardo Mondlane in Maputo, Mozambique. The NWU students won all their rounds.
- Leading academics from the campus addressed major national and international conferences:
  - Prof Jamshid Moori was the main speaker at a conference in Iran on Group Theory, and main speaker at the Combinatorial Conference at Florida Atlantic University. He also ran a three-day workshop at the annual congress of the South African Mathematical Society.
  - Prof Thebe Medupe was the key speaker at the Human Science Research Council (HSRC) conference on African Astronomy in Pretoria in September 2012, and was also an invited speaker at the SA-German Year of Science and

Technology in Cape Town in April 2012.

- Prof Eno Ebenso was a plenary speaker at the 2nd International Conference for Computation in Science and Technology at Nigde, Turkey.
- Leading scholars from institutions outside South Africa visited the campus. Among them was Ms Margaret Bennett, Director of the Centre of Enterprise Development, Polytechnic of Namibia, who visited the Department of Industrial Psychology to discuss and establish collaborative working relationships for research projects and curriculum and short course development. The Geography and the Nursing departments also hosted visitors from abroad.
- The Campus honoured two musicians for their contribution to the music industry and their role in promoting human rights, equity and reconciliation, social justice and the rights of disabled people, among others, through music. They are Advocate Steve Kekana and Mr Babsy Mlangeni.
- In collaboration with the SABC and Medi Publishing, the Mafikeng Campus launched a new monolingual Setswana dictionary titled Tlhalosi ya Medi ya Setswana, compiled by Prof Thapelo J Otlogetswe.

## CONCLUSION

One of the greatest success stories at the Mafikeng Campus in the past few years has been the significant increase in research output. This has been increasing every year and in 2012, it increased from 163 to 197 units. That can be translated into an increase in individual output from 0,73 units to 0.83 units per academic staff member. This meant the target of 0,83 units per academic set for 2012 was achieved.

The campus took another major stride forward when the number of academic staff members with doctoral degree as the highest qualification increased from 41% in 2011 to 45% in 2012.

Particularly good progress was made against the target for appointing postdoctoral fellows. By the end of the year, the postdoctoral fellows increase from 14 in 2011 to 23 in 2012.

Yet another positive development was increased unity and pride in the campus among staff and students. In fact, the campus was a key player in inter-campus sport, with 217 staff members participating in 2012 compared to 111 in 2011.

On all fronts, from research and academics to sport and financial performance, 2012 was an excellent year for the Mafikeng Campus.



**PROF ND KGWADI**  
**CAMPUS RECTOR: MAFIKENG**

# CAMPUS OVERVIEW – POTCHEFSTROOM



**PROF HD VAN SCHALKWYK**

Campus Rector:  
Potchefstroom

## INTRODUCTION

With over 42 000 students, 34 academic schools and 25 research entities, the Potchefstroom Campus is large and diverse. Its smooth, coordinated functioning depends in no small measure on the ability of its constituent components to see themselves as part of a greater whole, all working towards common objectives. The Campus Plan is the compass that provides the overall guidance and direction needed to produce well-balanced results across the campus's extensive operations.

In 2012, using the Campus Plan to navigate, the campus delivered a solid, all-round performance and met or exceeded most of its targets for teaching-learning, research and the implementation of expertise.

A record number of students, 42 338, were enrolled in 2012, of whom just over 30 000 were undergraduate students. Of these, approximately 3 700 were first-year students entering university for the first time. It is these students who are typically the most vulnerable academically and who struggle most to adapt to the demands of university life. For this reason, the campus devotes significant resources to support them by providing Supplemental Instruction, reading and academic literacy support and study guidance, among others.

These interventions are bearing fruit. The drop-out rate for first-time students has been declining steadily and, in 2012, stood at 10% for students enrolled for three-year programmes and 7% for those studying four-year qualifications.

It was another good year for research on the campus. Two new NRF research chairs were awarded to the campus, which also established several new research entities. The campus achieved a healthy increase in research output.

Implementing its expertise commercially and in the service of communities is a long-standing strength of the Potchefstroom Campus. In 2012, schools and centres actively contributed their expertise to business, industry and government partners in a host of fields, from disaster management to biodiesel development, pharmaceuticals and cosmetics testing, Bible translation and components manufacturing.

The Student Representative Council strengthened student governance by restructuring certain portfolios and evaluating each and every residence tradition.

In the sports arena, four athletes and one coach from the campus were involved in the 2012 Olympic Games and the Paralympic Games in London. At USSA events, teams from the campus did exceptionally well in athletics, rugby, karate, ladies' hockey and cycling and golf, to mention just a few.

Culturally, 2012 was an exciting year, especially for the symphony orchestra and various campus choirs and music groups.

Based on the all-round performance of the campus, 2012 was a record-setting year and we have reason to be extremely proud of our talented and innovative staff and students. The campus reached many milestones and received numerous awards, while continuing to make progress towards becoming a research-directed campus where teaching-learning and research are mutually reinforcing.

## STUDENT ENROLMENTS 2012

Student enrolments for the year stood at 42 338, comprising 71% undergraduate students. The following table shows the distribution of students across the six enrolment categories.

|                                  |               |
|----------------------------------|---------------|
| Undergraduate                    | 30 312        |
| Occasional Students              | 121           |
| Honours                          | 7 573         |
| Postgraduate Diploma/Certificate | 1 603         |
| Master's                         | 1 986         |
| Doctoral                         | 743           |
| <b>TOTAL</b>                     | <b>42 338</b> |

## COMPOSITION OF UNDERGRADUATE STUDENTS IN 2012

First-time students entering university accounted for approximately 11% of undergraduate students in 2012. There was a slight decrease in the number of first-time entrants, from 4 008 in 2011 to 3 733. The following table shows the ratio of first-time entrants to seniors.

|   |          |        |
|---|----------|--------|
| <b>First Time Entering Undergraduates</b> | Contact  | 3 484  |
|   | Distance | 249    |
| <b>Seniors</b>                            | Contact  | 10 724 |
|   | Distance | 15 974 |

## DIPLOMAS AND DEGREES CONFERRED IN 2012

The campus conferred 11 055 degrees and diplomas in 2012, compared to 11 792 in the previous year. Although there was a decrease in the number of certificates, diplomas, honours and master's degrees awarded, there were substantial increases in the number of bachelor's and doctoral degrees conferred. The following table gives a breakdown of the qualifications awarded in 2012:

|                                  |               |
|----------------------------------|---------------|
| Certificates and diplomas        | 5 265         |
| Bachelor's degrees               | 2 975         |
| Honours degrees                  | 2 183         |
| Master's degrees (including MBA) | 507           |
| Doctorates                       | 125           |
| <b>TOTAL</b>                     | <b>11 055</b> |



## GRADUATES PER FACULTY IN 2012

Of the eight faculties on the campus, Education Sciences delivered the most graduates in 2012, followed by Health Sciences and then Economic and Management Sciences. The following table shows the number of graduates per faculty.

|  |               |
|--|---------------|
| Faculty of Arts                            | 319           |
| Faculty of Law                             | 309           |
| Faculty of Natural Science                 | 594           |
| Faculty of Theology                        | 127           |
| Faculty of Educational Sciences            | 6 420         |
| Faculty of Economic and Management Science | 1 433         |
| Faculty of Engineering                     | 301           |
| Faculty of Health Science                  | 1 552         |
| <b>TOTAL</b>                               | <b>11 055</b> |

## GRADUATION CEREMONIES WERE HELD AS FOLLOWS IN 2012:

| Date                   | Place                      |
|------------------------|----------------------------|
| 23 February            | Upington                   |
| 27 February – 16 March | Potchefstroom              |
| 23 March               | Cedar College of Education |
| 23 – 25 May            | Potchefstroom              |
| 19 – 20 July           | Potchefstroom              |
| 23 July                | Polokwane                  |
| 25 July                | White River                |
| 27 July                | Durban                     |
| 30 July                | East London                |
| 1 August               | Cape Town                  |
| 12 September           | Potchefstroom              |
| 14 September           | Potchefstroom              |
| 4 October              | GST London UK              |
| 13 November            | Namibia (Ongwediwa)        |
| 15 November            | Namibia (Windhoek)         |

## TEACHING-LEARNING ACTIVITIES

To create an enabling environment for students and staff, the campus focused on continuously delivering outstanding teaching-learning programmes while renewing and improving processes to ensure efficacy and quality.

The three-year strategic rolling plan for teaching-learning was used to launch focused academic support projects, notably those on teaching-learning technology for students and staff, academic scholarship, open distance learning and the Higher Education Qualification Framework (HEQF).

The throughput rate of undergraduate students, as well as postgraduate students in coursework Master's programmes, was used as a measure for determining the effectiveness of teaching-learning activities. Lecturer performance was measured through the excellence in teaching-learning awards process, and the campus's most inspiring lecturers were identified and rewarded.

A campus task group completed its work on the implementation of a process for managing community involvement and submitted their report to management.

- **Quality assurance**

A number of formal internal programme and external programme evaluations were completed at schools on the campus. Furthermore, measures were taken in specific environments to improve general quality, such as in the Unit for Environment Sciences in the Faculty of Natural Sciences where short courses are presented.

Faculties continued with measures to improve general quality. These were based on improvement plans compiled after the evaluations, according to a schedule approved by a Senate Committee.

The internal programme evaluations for the BTh in Pastoral Counselling and for all the MA (Theology) and MTh programmes proceeded successfully, as did the external programme evaluation for the MTh in the New Testament. The plans of action to follow up the recommendations are being executed.

The master's degrees in Social Work and the BCom for Chartered Accountants were also externally evaluated.

- **Institutional Course for New Lecturers (ICNL phase 2)**

The annual Institutional Course for New Lecturers was presented to newly appointed academics and additional training was conducted on topics such as assessment and moderation. In 2012, 72 lecturers from the Potchefstroom Campus attended ICNL phase 1 and 2.

- **Institutional Teaching Excellence Award (ITEA)**

Further staff development took place through the annual Institutional Awards for Teaching Excellence (ITEA). In 2012, a total of 34 lecturers participated in the ITEA process, 10 more than in the previous year, and 150 contact sessions were held for them during the evaluation process. Of the 34 lecturers who participated, 31 received ITEA awards.

- **Rapport Top Lecturer Awards**

During 2012, 24 lecturers were chosen as recipients of the Rapport Awards for the NWU's most inspiring lecturers.

They were:

- Prof Anél du Plessis, Faculty of Law
- Ms René Koraan, Faculty of Law
- Dr Hein Lubbe, Faculty of Law
- Prof Jorrie Jordaan, Faculty of Theology
- Prof Francois Viljoen, Faculty of Theology
- Mr Abie van Oort, Faculty of Health Sciences
- Mr Frikkie Conradie, Faculty of Engineering
- Mr Frikkie van der Merwe, Faculty of Engineering
- Mr Dewet Wolmarans, Faculty of Health Sciences
- Dr Colin Read, Faculty of Natural Sciences
- Ms Minnet du Preez, Faculty of Health Sciences
- Prof Gert Breedts, Faculty of Theology
- Mr GP van Rheede van Oudtshoorn, Faculty of Arts
- Ms Anita Lubbe, Faculty of Educational Sciences
- Dr Maryna Reyneke, Faculty of Educational Sciences
- Mr Rudi van de Venter, Faculty of Educational Sciences
- Mr Werner Kaiser, Faculty of Engineering
- Prof Johnnie van den Berg, Faculty of Natural Sciences
- Dr Alfred Henrico, Faculty of Economic and Management Sciences
- Dr Leonard Santana, Faculty of Natural Sciences
- Mr Henro Erasmus, Faculty of Economic and Management Sciences
- Mr Herman van Dyk, Faculty of Economic and Management Sciences
- Mr Charl Blignaut, Faculty of Arts
- Ms Carina Grobler, Faculty of Arts

- **Supplemental Instruction (SI)**

At-risk modules were identified based on examination results and management information, and then addressed through Supplemental Instruction. In some faculties, such as Engineering and Education Sciences, additional lectures were scheduled and mentors or tutors appointed to support students.

For students, the focus of academic support was on reading and learning skills, and on supplemental instruction (SI), which was available in 176 modules. In all, 14 807 students participated in 4 315 sessions.

- **Academic development and support**

The Teaching-Learning Technology Task Team sought to provide direction on the **use of technology** in academia by encouraging and assisting the faculties to harness technology. This included presenting a three-day Excellent Teaching-Learning and Innovative Technology conference on the use of technology in the classroom.

The **Reading Laboratory**, which assists students to develop their reading and learning skills, dealt with 3 576 students. Students can receive reading training in English or Afrikaans.

The **throughput rate** was regularly monitored in all faculties; where deviations from faculty norms were identified, this was followed up and remedied.

The Faculty of Engineering registered the first group of Grade 12 learners for the Science, Engineering, Technology and Health (SETH) Academy where professionals and lecturers present special afternoon programmes. The intention is to help produce students with better Grade 12 marks in science and mathematics. In addition, the campus is recruiting senior students to do small-group **facilitation** for first-year students who experience academic problems.

The Faculty of Natural Sciences started **designing two new Agriculture programmes**, namely Agronomy and Agriculture Economy.

The space allocation at the **Ferdinand Postma Library** building is under review by a spatial architect. In phase 1 of the project, the Research Commons will be introduced to support research through the provision of a tailor-made environment for all postgraduate students. Boloka, the NWU's digital archive, was widely used. Boloka's Top Ten Most Viewed research material included titles from the 550 research outputs published in 2010 and was reflected in the user statistics provided by Google Analytics. The revamped library web page supports OCLC WorldCat Local, making global searching possible by entering the search terms once only. In the 2012 OCLC Annual Report, the NWU's implementation of the WorldCat Local system was highlighted as example of OCLC's collaboration with South African university libraries. The Ebsco Discovery Service was also deployed as a one-search facility tailored for in-depth searching on all subscribed electronic databases by postgraduate students and researchers.

- **Unit for Open Distance Learning (UODL)**

Distance education in South Africa, and especially at the NWU, is entering an exciting new phase with the establishment of the Unit for Open Distance Learning (UODL) on the Potchefstroom Campus. This unit will position the NWU as a leader in distance education in South Africa and will begin to function officially from 1 January 2013.

In preparation for the establishment of the UODL, a call was made to all faculties to expand the delivery of open distance learning programmes. Natural Sciences, Law, Arts and Economic and Management Sciences all undertook to develop programmes for online and distance delivery, and this commitment was included in the campus's enrolment plan. Education Sciences, which leads the campus in distance education delivery, will gradually decrease the number of distance students, paving the way for an increase in students in the other faculties.

Technological innovation is critical in teaching-learning, whether this takes place through contact methods or distance delivery. To this end, the UODL will be using interactive white board technology to present lectures that will be broadcast to study centres around South Africa.

Other priority areas in the campus's distance delivery strategy are quality assurance, the expansion of programmes to Southern African Development Community countries, cooperation with the NWU's two other campuses and plans to develop a uniform academic administration system for all distance students.

- **Drop-out rates**

First-time entering undergraduate first years:

| Qualification duration | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 |
|------------------------|------|------|------|------|------|------|------|
| 3 years                | 10%  | 10%  | 11   | 11%  | 12%  | 9%   | 10%  |
| 4 years                | 11%  | 8%   | 11%  | 12%  | 9%   | 8%   | 7%   |

## RESEARCH ACTIVITIES

During 2012 the Potchefstroom Campus focused strongly on becoming a research-directed campus where excellence in teaching-learning and research is mutually reinforcing. The campus's research output for the year was higher than in 2011, with significant increases in journal types and citations.

- **Research Support**

During 2012, strategic funds were allocated for researchers going on sabbatical leave abroad and also for international visiting scientists. Additional bursaries were made available for international Master's and doctoral degree students, especially international students from Southern African Development Community (SADC) countries.

Two Research Chairs and candidates were approved by the Department of Science and Technology (DST)/National Research Institute (NRI) and NRF. These were the chairs in Hypertension in Africa (Prof Alta Schutte of the Faculty of Health Sciences) and Coal Research (Prof John Bunt of the Faculty of Engineering).

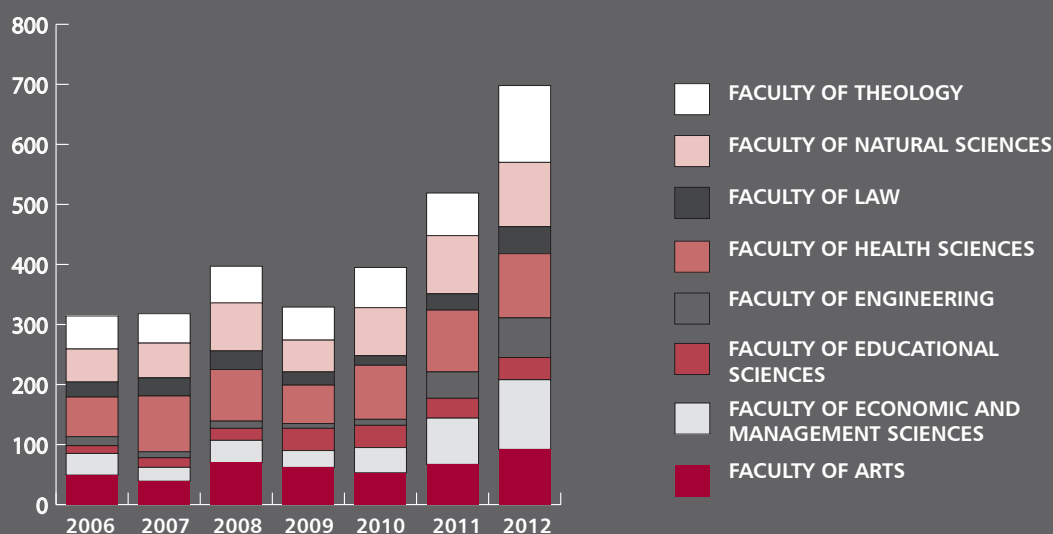
An Eskom chair in Emission Control was approved to the amount of R3,5 million per year, with Prof Stuart Piketh and Prof Ray Everson as chair occupants from 2012. Furthermore, the Chair in Nuclear Engineering was approved for a further term and Prof Markus Boettcher from the USA was appointed to the Chair in Astrophysics and Space Science.

- **Publication outputs**

The table below shows the research output for 2012:

| Accredited Journals | Conference Proceedings | Books/Chapters |
|---------------------|------------------------|----------------|
| 539,34              | 66,71                  | 41,44          |

It is clear from the graph below that research output substantially grew in 2012.



- **Postdoctoral fellows**

The number of postdoctoral fellows increased from 71 in 2011 to 88 in 2012.

| 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 |
|------|------|------|------|------|------|------|
| 18   | 32   | 35   | 42   | 58   | 71   | 88   |

- **NRF-rated researchers**

The table below gives details of rated researchers per category at the Potchefstroom Campus as at 31 December 2012.

| Category     | 2009       | 2010       | 2011       | 2012       |
|--------------|------------|------------|------------|------------|
| A            | 2          | 2          | 2          | 2          |
| B            | 12         | 11         | 13         | 15         |
| C            | 70         | 70         | 74         | 79         |
| L            | 3          | 3          | 2          | 2          |
| P            | 1          | 1          | -          | 1          |
| Y            | 20         | 20         | 16         | 17         |
| <b>TOTAL</b> | <b>108</b> | <b>107</b> | <b>107</b> | <b>116</b> |

- **Research entities**

In July 2012, the NWU Council approved the establishment of a Preclinical Drug Development Platform (DST/NWU PCDDP). As part of this platform, large-scale upgrading of the Vivarium was completed.

The Centre for Water Sciences and Management was established after being approved by the NWU Council in March 2012. The Benchmarks Centre for Corporate Social Responsibility was formally launched during February 2012, as was the Centre for Governance, which examines the governance in government, especially local government.

A new research focus area was approved, namely INSINQ (Quality in Nursing and Midwifery) and a new niche area, namely TRADE (Trade and Development).

The research entities at the Potchefstroom Campus as at 31 December 2012 were:

| Title   | Status     |
|---|------------|
| Centre of Excellence for Nutrition (CEN)                                    | CoE        |
| Centre of Excellence for Space Physics                                      | CoE        |
| Unit for Drug Research and Development                                      | CoE        |
| Unit for Energy systems   | Unit       |
| Unit for Reformed Theology and the Development of the South African Society | Unit       |
| Unit for Business Mathematics and Informatics                               | Unit       |
| Unit for Languages and Literature in the South African context              | Unit       |
| Unit for Environmental Sciences and Management                              | Unit       |
| Unit for Development in the South African Constitutional State              | Unit       |
| Africa Unit for Transdisciplinary Health Research (AUTHer)                  | Unit       |
| WorkWell: Research Unit for People, Policy and Performance                  | Unit       |
| Chemical Resource Beneficiation   | Focus Area |
| Sustainable Social Development  | Focus Area |
| Teaching-Learning organisations   | Focus Area |
| Hypertension in Africa Research Team (HART)                                 | Focus Area |
| Physical Activity Sport and Recreation                                      | Focus Area |
| Tourism Research in Economic Environs and Society (TREES)                   | Focus Area |
| INSINQ (Quality in Nursing and Midwifery)                                   | Focus Area |
| Educational Technology for Effective Teaching, Learning and Facilitation    | Niche Area |
| Musical Arts in SA: Resources and Applications                              | Niche Area |
| Medicine Usage in SA (MUSA)   | Niche Area |
| TRADE (Trade and Development)   | Niche Area |

## IMPLEMENTATION OF EXPERTISE

Most research conducted on campus contains a significant component of community involvement. In this way, the campus not only adds to the body of knowledge in the disciplines it covers but also contributes to the development of surrounding communities.

During 2012, a wide variety of projects were undertaken to serve and uplift communities:

The Centre for Text Technology (CTeT<sup>®</sup>) donated 1 700 language learning software units for isiXhosa, isiZulu, Afrikaans and Setswana to African Health Placements (AHP) as part of its corporate social responsibility programme. AHP places medical practitioners in rural areas, where language barriers are often a problem

The African Centre for Disaster Studies (ACDS) continued with the “Girls in Risk Reduction” leadership (GIRRL) project in Orkney and Potchefstroom in 2012, enabling young people to learn about disaster management. The ACDS was also involved in a USAID project with a budget of R10 million.

Seven members of staff of the Faculty of Theology participated in the Bible Society’s New Source Language-directed Afrikaans Bible translation project as exegetes, source language experts and editors in chief.

The Faculty of Law continued to assist the Rooigrond community to realise their socio-economic rights by directing requests from the community to the Premier of the North-West government, to the chairperson of the Portfolio Committee on Human Settlements in Parliament and to the Minister of Water and Environment Affairs.

The Centre for Advanced Manufacturing (CFAM) at the Faculty of Engineering worked on a biodiesel project that will be providing diesel for the vehicles in the commuting service on the campus. The plan is to deliver the first fuel in 2013. Furthermore, the Bio-beneficiation system group has established a super-critical CO<sub>2</sub> extraction launching plant. The CFAM also developed and built the largest twin screw extruder in South Africa. It was manufactured for Feedpro, an agricultural company.

The Africa Unit for Trans-disciplinary Health Research (AUTHeR) has a community involvement component in which postgraduate students are trained. The same applies to community development programmes such as “Farm Labour and General Health” (FLAGH) and HIV stigmatisation in which Master’s and doctoral students are involved. Similarly, the Sympathetic Activity and Ambulatory Blood Pressure in Africans (SABPA) project of the Hypertension in Africa Research Team (HART) has made a contribution to community involvement since 2008, and indeed among black and white teachers in the Potchefstroom area. Direct feedback about cardiovascular health, as well as stress handling workshops, is presented for these teachers.

The Potchefstroom Business School’s Small Business Advisory Bureau (ABSB) concluded a cooperation agreement with the Afrikaanse Handelsinstituut (AHI) to train members of chambers of commerce to present the ABSB programme in Entrepreneurship Skills. The ABSB has also been contracted to do fuel price research in South Africa, Botswana and Namibia.

The Cosmetic Effectiveness Laboratory (CEL) undertook its first commercial project by evaluating the effectiveness of products that influence the colour of African skin. This will support the cosmetics industry to market safer and more effective skin products. Furthermore, CEL was nominated as preferred service provider for CANSA in evaluating sun screen products in South Africa.

The Research Institute for Industrial Pharmacy (RIIP), incorporating the Centre for Quality Assurance of Medicines (CENQAM)], maintained its ISO 17025 accreditation status during a follow-up visit in June. This laboratory is the largest accredited pharmaceutical test laboratory in South Africa, as well as the only one of its kind associated with a South African university.

Following an audit by the World Health Organisation (WHO), the RIIP/CENQAM was confirmed as a WHO prequalifying laboratory for monitoring the quality of medicine for the WHO’s Prequalification programme.

Two patent applications of the Unit for Drug Research and Development were approved internationally.

The Centre for Traffic Training (SENVO) at the Faculty of Education Sciences presented driving training to learner drivers, and the Faculty of Economic and Management Sciences presented short learning programmes across South Africa, as well as in Namibia and Botswana. In addition, the Law Clinic presented external training to attorneys and paralegals.

## MARKETING AND RECRUITMENT ACTIVITIES

A well-structured student recruitment plan was implemented, consisting of a Grade 9 parent evening, career exhibitions, Grade 11 and 12 visits, individual visits and an open day. This programme contributed to the campus receiving more than double the number of applications from Grade 12 learners than the enrolment objective in the Campus Plan.

The Ikateleng project is one of the most successful programmes for Grade 12 learners in the country. This project aims to improve the overall examination results of historically disadvantaged learners through additional classes in Science, Mathematics and English, thus making tertiary education accessible to them.

The campus received 513% more media coverage than in the previous year. Besides a weekly diary of campus events in the local press, 21 media articles were published about the campus's community projects. Campus community involvement programmes were also mentioned on two television programmes.

In 2012, the brand name ambassador Pukki was successfully launched. Pukki focuses mainly on the student market and has proved invaluable in gaining student support for projects such as the energy-saving programme at campus residences.

The Alumni Office hosted 27 gatherings in 2012. Of these, the highlight was the reunion of first-year students from the class of 1962 (50 years ago). Another memorable event was the rector's farewell to all departing students at the vice-chancellor's home.

## STUDENT AFFAIRS ON CAMPUS

### • Student governance

During 2012 the Student Council worked hard to improve the quality of student life and activities. For the SRC, a priority was to approve their House Rules and to become a legal and fully functional body.

Other projects that warrant special mention are the following:

- A new portfolio, internal coordinator, was created. Its aim is to maintain the House Rules of the SRC and any other legislative requirements that affect the students.
- The SRC initiated the Green Campus project to highlight the importance of conserving the earth's natural resources.
- The RAG Committee was restructured for greater efficiency and cost-effectiveness.
- The Human Rights Committee of the SRC evaluated every residence tradition and gave feedback to every House Committee.

The new SRC for 2012/2013 was announced. It is noteworthy that only five of the 15 newly elected SRC members are men. Mr Janco Jordaan was elected the new chairperson of the Campus SRC for the 2012/2013 term.

Ms Chrisna Kraaij, the outgoing SRC chairperson, was nominated by the Trustees of the Abe Bailey Trust as a recipient of the Abe Bailey Travel Bursary to the United Kingdom. Ms Kraai also won the 2012 Campus Rector's Medal for her outstanding leadership and hard work in the student community.

### • Sport activities and achievements

The campus is renowned for its sports facilities and achievements, and for the enthusiastic participation of students. For rugby alone, the campus had 41 teams competing in 2012. Other highly popular sports were cricket with 18 teams and netball with seven full teams and 54 residence teams.

At the Indoor Sports Centre, 264 teams competed throughout the year in all the different sport codes.

The campus was privileged to have four athletes and one coach involved at the 2012 Olympic Games and Paralympic Games in London. They were Sunette Viljoen (Javelin), Casper Schutte (Javelin), André Olivier (800 metres), Sulette Damons (Hockey) and Terseus Liebenberg (Coach).

At the campus's sports acknowledgement function, Sunette Viljoen was named Sportswoman of the Year while the Sportsman of the Year award went to André Olivier (athletics).

The junior awards went to Zandré Kruger (netball) and John-Roy Jenkinson (rugby).

No fewer than 25 sportspeople from the campus received their national colours in 2012 for a wide spectrum of sports, from track, cross-country and javelin to the triple jump, archery, hockey, netball and karate.

Very good results were achieved overall at the USSA tournaments of 2012:

- The campus rugby team finished in second place at the Sevens Rugby Tournament and the USSA 2012 Tournament, and played in the semi-finals of the Varsity Cup Tournament.
- For the tenth time in 19 years, the Traumeel NWU PUKKE Athletics Club won the USSA Athletics tournament and brought home 14 gold medals.
- At the USSA 2012 hockey tournament in July, the ladies' team won first place and the men's team came eighth. The second ladies' team was placed third in the B division.
- In cycling, the NWU PUK ladies won the competition and the Yellow- and Green Jersey division, and finished second in the Queen of the Mountain Competition.
- The karate team won the USSA tournament for the 13th consecutive time.
- The squash team took second place at the USSA 2012 tournament.
- The campus's golf team finished third in the USSA 2012 golf tournament. Other teams that took third position in their sporting codes were the badminton, rock climbing and gymnastics teams.

#### • Cultural activities and achievements

The campus continued its rich and vibrant tradition of supporting the arts, from choral, orchestral and pop concerts to musicals, art exhibitions, debating competitions and talent contests.

NWU PUK Arts and the Institute for Arts Management and Development (Artéma) presented a very successful production of the musical *Grease*. Seven weeks of intensive rehearsals culminated in four sold-out performances of this popular musical.

The NWU PUK Serenaders, a well-known campus choir, participated in the national Old Mutual Choir Festival in Durban. The choir won the category for best conductor of a large choir, best conductor of a standard section and best African choir in the standard category. They were placed third overall in the national competition.

During the Aardklop Arts Festival, the NWU PUK Choir sang with the Johannesburg Festival Orchestra and choir in the production of the *Stabat Mater* by Rossini. The conductor was the well-known Richard Cock.

In July the NWU Gallery presented a very special exhibition of the work of the internationally known artist Roger Ballen.

The NWU PUK Symphony Orchestra played three concerts during the year. The first was under the baton of the then artistic director Colin Campbell, and the second was a concert in the Amphitheatre. The third concert was presented at the School of Music, and featured the talented concert pianist and newly appointed member of the School of Music, Dr Tinus Botha.

The *Pukki* Talent Contest was staged for the 29th consecutive year, and again showcased the talents of the campus's student artists. Students were able to participate in 13 different categories, with the Artéma band accompanying all the light music participants.

Other artistic and cultural highlights of 2012 were:

- The inter-university national debating competition that was held on the campus. The University of Stellenbosch won first prize.
- The appointment of a new choir conductor, Kobus Venter, after 36 years under the baton of Prof Awie van Wyk.
- The presentation of *Musica*, an annual choir festival in Potchefstroom, organised by the NWU PUK Choir.
- The two community arts management courses that Artéma held during the year: one in Oudtshoorn during the KKNK National Arts Festival and the other during the Aardklop National Arts Festival in Potchefstroom. Artéma also presented a course for 30 officials from the North-West provincial Department of Arts and Culture.
- A new arts project, the dean's variety show, was initiated by the Dean: Student Affairs. All performing arts groups on campus were well represented, including the new vocal group NWU PUK Amici. The dean himself played the violin during the performance of the symphony orchestra.



- **Wellness and Counselling**

Student Counselling Services' (SCS) objective is to establish relevant cost-effective counselling, development and consultation services. The focus is to facilitate the total development of the individual and the student community with the aim of equipping students for the demands of the labour market and the world of work.

The SCS supports students to make sound study and career choices, presents workshops on study and life skills, and supports students with disabilities to participate fully in the educational and other facilities available on campus.

In July 2012, the Potchefstroom Campus appointed an HIV and AIDS programme coordinator, demonstrated renewed commitment to raising awareness and preventing infection among staff and students. Voluntary counselling and testing was available to the campus community through the Health Care Centre, which provides a one-stop primary healthcare service and employs qualified healthcare professionals, including a medical doctor, social worker and psychologist.

The InGryp (intervention) Centre offered crisis intervention and counselling services, including HIV counselling and testing. The 24-hour crisis line is becoming well known and is functioning very well, ensuring that emergencies are dealt with professionally.

- **Orientation programme for first years**

The Reception and Introduction (R&I) programme is an annual event during which first-year students are introduced to the NWU's Potchefstroom Campus. R&I kicked off on 14 January 2012 and ended on 4 February 2012. During these 16 days the first years were introduced to various aspects of the Potchefstroom Campus, including academic orientation and exposure to the unique student life on the campus.

## **PRINCIPAL MANAGERIAL/ADMINISTRATIVE ACHIEVEMENTS**

Most of the goals of the Potchefstroom Campus as outlined in the Campus Plan were achieved in 2012. One of the major achievements was the establishment of the Unit for Open Distance Learning.

Overall, the Potchefstroom Campus met or exceeded almost all its research and teaching-learning targets for 2012. This is a fine achievement considering the "stretch" targets set in the Campus Plan, meaning these were attainable but only with hard work and with a considerable amount of effort.

The 2012 focus for the Potchefstroom Campus was:

- Continuing roll-out of the campus plan by reaching stretch objectives;
- Cooperation with our sister campuses to enhance and expand;
- Improving external relationships with national, provincial and local governments and the business sector;
- More effective internal communication to identify stumbling blocks timeously and to celebrate our successes in an appropriate manner;
- Minimising/removing bureaucratic red tape; and
- For 2013, we have added a daring approach.

A firm foundation has been laid to achieve the Potchefstroom dream, and a very positive climate for further achievements has been created. It is a privilege to lead such a committed team and I am convinced 2013 will bring even better results.

Overall, it was a very good year for the Potchefstroom Campus, which benefited from a well-crafted Campus Plan, effective execution and coherent cross-faculty teamwork.

We believe that the Potchefstroom Campus has the foundation in terms of its students and skilled, motivated staff to achieve its goals.

## MANAGERIAL/ADMINISTRATIVE ASPECTS OF THE OPERATIONS OF THE CAMPUS INCLUDING NEW SENIOR APPOINTMENTS

Various new appointments were made:

- Following two separate processes of advertising and recruitment, Prof Awie Kotzé (the former director of the School of Pharmacy) was appointed from 1 July 2012 as the dean of the Faculty of Health Sciences. Prof Marlene Viljoen, who has been in the position since March 2008, retired at the end of June 2012.
- The Dean of the Faculty of Engineering, Prof Johan Fick, resigned. Prof LJ Grobler was appointed as the new dean. Prof Jan de Kock acted as dean before the appointment.
- The Dean of Students, Prof Hendré Reyneke, retired at the end of 2011 and Prof Rikus Fick was appointed as the new Dean: Student Affairs. He assumed office on 1 January 2012.
- Prof Nicola Smit was appointed as the new Dean of the Faculty of Law and will assume her duties on 1 January 2013, after almost 17 years at the University of Johannesburg. Prof Francois Venter will retire at the end of 2012 after being in the position since 2004.
- Prof Elsabé Loots, the Dean of the Faculty of Economic and Management Sciences, has resigned to take up a position as dean at the University of Pretoria. Prof Susan Visser, Director of the School of Accounting Sciences on the Potchefstroom Campus, was appointed as the new Dean of Economic and Management Sciences from 1 December 2012 to 31 December 2017.
- Mr Ben Zaiman was appointed Director of Commercialisation Support on the Potchefstroom Campus.
- Ms Dorothy August resigned as Campus Registrar and Dr Tom Larney, the former Director of Library Services, was appointed as Acting Campus Registrar.
- Mr Johann Mooi was appointed Director of Facilities and Technical Services.
- Mrs Marelize de Lange was appointed as new Director of Finance.
- The Director of Academic Support Services on campus, Mr Pierre Volschenk, retired at the end of 2012 after being in the position since 2004. Dr Gerhard du Plessis was appointed as the new Director and will assume his duties on 1 January 2013.
- Mr Theo Bekker was appointed Director Strategic Projects in the Office of the Rector on the Potchefstroom Campus.

## OTHER CAMPUS HIGHLIGHTS

- The Benchmarks Centre for Corporate Social Responsibility was officially launched on 23 January 2012 to benefit communities in the mining sector.
- An academic, scientific and cultural cooperation agreement was signed with the Mackenzie Presbyterian University in São Paulo, Brazil, during an NWU visit to that university.
- The Student Rag Community Service won second place in the MacJannet Prize for Global Citizenship and received \$5 000 to support their programmes and activities. The MacJannet Prize is organised by the Talloires Network at Tufts University in the United States.
- The NWU Solar Car team from the Faculty of Engineering was announced joint winner of the SASOL Solar Challenge, together with Tokai University, the current world champions. The team also won the SASOL Solar Challenge and numerous other awards, and broke two national and two international records for the furthest distance travelled per day and total distance overall.
- The Potchefstroom Business School (PBS) received the Business School Leadership Award at the 2012 World Education Congress in Taj Lands End in Mumbai, India.
- Prof TT Cloete, a well-known poet, writer and honorary professor, donated a number of his original manuscripts to the Ferdinand Postma Library. A database of his manuscripts was compiled and will be made available to users for research purposes.
- Prof Louis du Preez of the School of Environmental Sciences discovered five new flatworm parasites in different species during a research visit to the rain forests of South America.

- The NWU gave Swimming South Africa (SSA) a R360 000 sponsorship to enable the 25-strong team to represent the country at the FINA World Short Course Championships in Istanbul, Turkey, in December.
- Prof LJ Grobler, dean of the Faculty of Engineering, was the winner of the 2012 Green Industry Leader category of the Green Supply Chain Awards. The awards recognise individuals or organisations making genuine efforts to minimise the environmental impact of supply chain processes and improve environmental performance.
- In January 2012, the School of Environmental Sciences successfully hosted the 9th 2012 Combined Congress of the Soil Science Society of South Africa, the South African Society of Crop Production and the Southern African Weed Science Society. The theme was Education and research feed agriculture that feeds humanity.
- R115 000 was raised through a fund-raising concert, "20 hands, 1 heart", held in February 2012 for alumnus and former Alabama member Christa Steyn, who had been battling cancer. Ms Steyn decided to donate R10 000 of this to the local CANSA branch in Potchefstroom. Sadly, she passed away in June 2012.
- Terseus Liebenberg, NWU athletics coach, was nominated SA Athletics Coach of the year (2011) for the second consecutive year by the SA Association of Athletics Statisticians (SAAS).
- The Faculty of Education Sciences promoted postgraduate studies by awarding four bursaries for PhD studies and four for Master's studies. Six of these were brand-new bursaries.

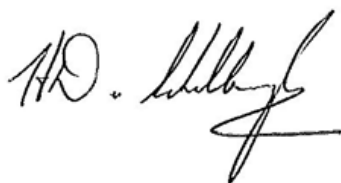
## CONCLUSION

All in all, it was a very good year for the Potchefstroom Campus, which benefited from a well-crafted Campus Plan, effective execution and coherent cross-faculty teamwork. Unnecessary red tape was removed wherever possible and, through more effective internal communication, stumbling blocks to delivery were identified and cleared. We made a point of celebrating our successes.

While meeting or exceeding the majority of our own stretch objectives, the campus placed a premium on cooperating with our sister campuses. Another strong focus was on improving relationships with national, provincial and local government, as well as the business sector.

The campus is looking forward to the challenges of 2013, which include expanding the Unit for Open Distance Learning, extending our efforts to be more relevant and research direct, optimising the use of infrastructure, smoothing out bottlenecks and strengthening performance management.

A firm foundation has been laid to achieve the Potchefstroom dream, and a very positive climate has been created for further achievements. It is a privilege to lead such a committed team and I am convinced 2013 will bring even better results.



**PROF HD VAN SCHALKWYK**  
**CAMPUS RECTOR: POTCHEFSTROOM**

# CAMPUS OVERVIEW – VAAL TRIANGLE

## INTRODUCTION

Through first-class education, pioneering research and pertinent community engagement we are led to ask critical questions about the ever-changing world we find ourselves in. Our commitment towards serving the socio-economic needs of our diverse region guides us to look at challenges in a scientific manner and to use expert knowledge to make a profound impact. In 2012 we once again took up the baton of excellence to ensure sustainable regeneration and growth by focusing not only on knowledge transfer but also on the implementation of expertise and by vigorously engaging in local conversations about challenges and opportunities. It is through this ongoing dialogue that the campus contributed to the search for knowledge. In short: innovation enabled change.

The year in review was successful on all fronts – in terms of management, student life, sporting prowess, growth and transformation. This climate of accomplishment also permeated the campus's academic operations. Teaching-learning activities proceeded smoothly throughout the year, which culminated in improved student success rates.

Over the past nine years since the merger, the Vaal Triangle Campus has evolved into a dynamic campus of choice where functional multilingualism is practised and multiculturalism celebrated. The Campus continued to provide a student-centred service that supported the promotion of diversity while concurrently raising the stature of teaching-learning so that we could produce well-rounded, successful students. These trends demonstrate that the teaching-learning part of the campus's core business is resilient and able to contribute to the positive positioning of the campus within the field of higher education in South Africa.

The campus is proud to report that the average pass rate for all modules presented was 82%. This achievement was due to the concerted efforts of the academic staff and the impact of targeted interventions and academic support services. Through the activities of the different divisions, an effort was made to have a holistic and integrated approach to quality teaching and learning, student success and student wellness.

During the year in review, the campus continued to promote a culture in which all students can feel at home, knowing they have the support they need to lead a constructive student life, participate to the full in collective activities and be a part of a vibrant academic setting.



**PROF TJ MARIBA**

Campus Rector: Vaal Triangle

## STUDENT ENROLMENTS 2012

Student enrolments for the year were 10% higher than in 2011, increasing from 5 536 to 6 158. Undergraduate students comprised approximately 87% of all students enrolled for the year. The following table shows the distribution of students across the six enrolment categories.

|                                  |              |
|----------------------------------|--------------|
| Undergraduate                    | 5 363        |
| Occasional Students              | 45           |
| Honours                          | 314          |
| Postgraduate Diploma/Certificate | 122          |
| Master's                         | 203          |
| Doctoral                         | 111          |
| <b>TOTAL</b>                     | <b>6 158</b> |

## COMPOSITION OF UNDERGRADUATE STUDENTS IN 2012

First-time students entering university accounted for approximately one third of undergraduate students in 2012. There was a substantial increase in the number of first-time entrants, from 1 384 in 2011 to 1 787 in 2012. The following table shows the ratio of first-time entrants to seniors.

|                                    |          |       |
|------------------------------------|----------|-------|
| First Time Entering Undergraduates | Contact  | 1 787 |
|                                    | Distance | 0     |
| Seniors                            | Contact  | 3505  |
|                                    | Distance | 115   |

## DIPLOMAS AND DEGREES CONFERRED IN 2012

The campus conferred 1 211 degrees and diplomas in 2012, which was very close to the previous year's figure of 1 221. The following table gives a breakdown of the qualifications awarded in 2012.

|                                  |              |
|----------------------------------|--------------|
| Certificates and diplomas        | 218          |
| Bachelor's degrees               | 740          |
| Honours degrees                  | 190          |
| Master's degrees (including MBA) | 48           |
| Doctorates                       | 15           |
| <b>TOTAL</b>                     | <b>1 211</b> |

Graduation ceremonies were held on 8-11 May 2012 and on 11 and 12 October 2012.

## GRADUATES PER FACULTY IN 2012

The Faculty of Economic Sciences and Information Technology recorded a 15% increase in degrees and diplomas conferred in 2012 compared to 2011, while there was a decrease of about 10% in graduates from the Faculty of Humanities. The following table shows the graduates for 2012.

|   |              |
|---|--------------|
| Faculty of Humanities                                   | 753          |
| Faculty of Economic Sciences and Information Technology | 458          |
| <b>TOTAL</b>  | <b>1 211</b> |

## TEACHING-LEARNING ACTIVITIES

The new academic year saw a record number of students join the Vaal Triangle Campus. The Deputy Minister of Higher Education and Training, Prof Hlengiwe Mkhize, visited the campus during the admission and registration period, which went very smoothly. The success of the registration process can be attributed to a concerted drive to ensure a professional, student-centric service.

One intervention was an academic screening process during which all potential students were advised of their post-school education and training opportunities. For those who did not meet the minimum requirements for admission to the university, the introduction of the extended BSc and BCom programmes has opened new avenues to higher education. No fewer than 400 students who would otherwise not have been admitted have benefited from these degree programmes.

- **Quality assurance**

Quality assurance remained a priority at the Vaal Triangle Campus and the following evaluations were conducted:

Two statutory body evaluations of academic programmes, namely:

- the South African Institute for Chartered Accountants, which evaluated the CA programme;
- the South African Council for Social Service Professions, which evaluated the Social Work programmes.

A comprehensive follow-up visit from the Association of MBAs (AMBA), a London-based accreditation body, took place. This was in preparation for the international accreditation of the MBA programme that is offered at the Potchefstroom and Vaal Triangle campuses.

- **Institutional Course for New Lecturers (ICNL phase 2)**

ICNL introduces new lecturers to best practices in teaching and learning and refreshes the skills of experienced lecturers. During 2012 17 lecturers from the Vaal Triangle Campus attended ICNL phase 1 and 2.

- **Institutional Teaching Excellence Award (ITEA)**

Ten lecturers received Institutional Teaching Excellence Awards (ITEA) awards:

- Ms Irene Muller, a lecturer in the School of Education Sciences, obtained an A rating in the ITEA process and was also the campus winner.
- Dr Elrie Botha from the School of Behavioural Sciences and Dr Mirna Nel from the School of Education Sciences received awards for the second time.

- **Rapport Top Lecturer Awards**

For the second time, students had the opportunity to vote for the most inspirational lecturer. The winners, who received R50 000 each, sponsored by the national Sunday newspaper *Rapport*, were Mr Daniel Meyer from the Faculty of Humanities and Ms Daleen Gerber from the Faculty of Economic Sciences and Information Technology. For the second year, the honour of most inspirational lecturer in the faculty was bestowed upon Ms Gerber.

- **Supplemental Instruction (SI)**

The Supplemental Instruction (SI) programme experienced growth in 2012, not only in terms of the number of SI leaders, but also the number of modules supported by SI. A total of 218 SI leaders were employed in 170 modules (105 in the Faculty of Humanities and 65 in the Faculty of Economic Sciences and IT).

The strongest growth in the number of SI leaders was in the Faculty of Humanities, and the sharpest increase in the number of modules supported by SI was in the School of Education Sciences. SI supported 71% of all at-risk modules and adequate proof was gathered that students who attend supplemental instruction perform on average about 10% better than the other students. Some 83% of the students who attended SI passed the module, compared to a pass mark of 69% for those who did not attend SI.

- **Academic development and support**

One of the strategic priorities for 2012 was to utilise technology in the classroom to improve teaching-learning outcomes. The Academic Development and Support (ADS) directorate joined forces with the Faculty of Economic Sciences and Information

Technology to host a very successful teaching-learning conference with the theme, "Technology integration and innovation in higher education". The conference was designed in such a way that lecturers attended interactive workshops while focusing on best practices in technology use. Furthermore the Faculty of Economic Sciences and Information Technology launched an "Innovative teaching, learning and technology" competition to promote innovative learning methods and enhance the use of technology in the classroom. The outcome of the competition was that nine of the most innovative lecturers attended the online EDUCAT International Conference on Technology Supported Learning and Training that took place in Berlin, Germany.

Another initiative to explore the impact of technology usage within the teaching-learning environment was the **lecture-capturing pilot project**. Video clips explaining difficult concepts were placed on eFundi and extensively used by the students.

Following the success of the 2011 pilot **programme for peer mentoring** in the residences, the programme was extended to include all on-campus and off-campus residences. Senior students (mentors) and first year students (mentees) were matched on gender and study programme. Although the programme is voluntary, only 4.23% of the first-year students in the residences did not attend the mentoring sessions. Although the purpose of the mentoring programme is to render academic support to first-year students, the mentors are also supporting first-year students with the transition from school to university.

An allocation of R1.1 million from the strategic funds enabled the **Campus Library** to expand its E-resources and prescribed textbooks. The electronic full text and database resources now include access to 73 000 titles via the A-Z journal list. The library participated in the international LibQUAL survey in an effort to benchmark the quality of the services rendered. The results of the survey indicated an overall improvement in the quality of the library services and their utilisation. The LibQUAL survey also indicated that the current library facility no longer fulfils in the needs of the campus community. Fortunately, the new ultra-modern library facility, due to be completed in August 2013, will improve the delivery of services in terms of the physical infrastructure and accessibility. An extensive stocktaking project was undertaken in the library, followed by "weeding", to keep the library collection current, relevant and in a good condition.

#### • Drop-out rates

First-time entering undergraduate first years:

| Qualification duration | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 |
|------------------------|------|------|------|------|------|------|------|
| 3 years                | 18%  | 17%  | 14%  | 15%  | 16%  | 13%  | 18%  |
| 4 years                | 16%  | 18%  | 16%  | 8%   | 10%  | 10%  | 17%  |

## RESEARCH ACTIVITIES

The Vaal Triangle Campus further consolidated and strengthened its research portfolio in 2012. Through a dedicated research focus, the campus is able to contribute to the advanced knowledge economy by undertaking research in cooperation with institutions in the public and private sectors. The campus has a clear strategic intent to focus on quality research as opposed to quantity.

#### • Research Support

An awards function was held to recognise the research output of the researchers, and Prof Linda Theron received the award for the most productive researcher of the year.

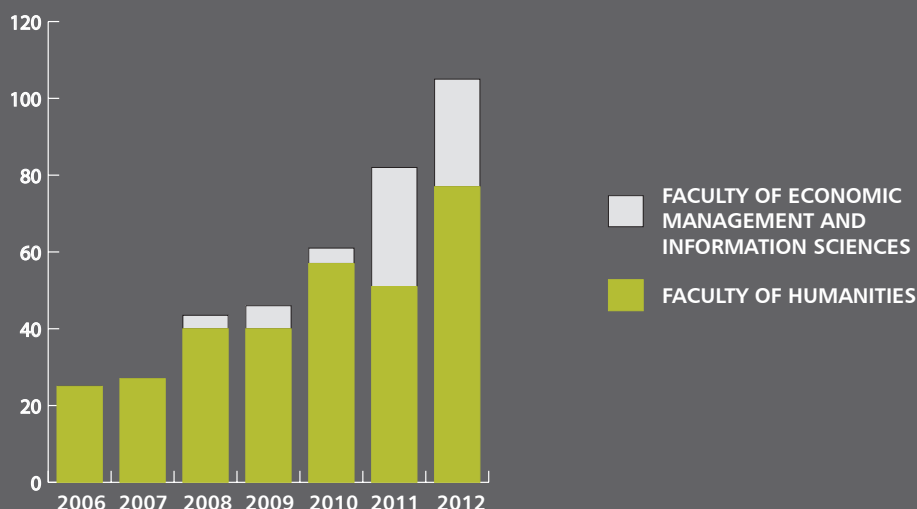
Initiatives to build the research capacity of the faculties were implemented. The target is to have 40% of the academic staff as research-active staff within two years and then increase the number to 50% of the academic staff. Capacity-building initiatives were implemented, which include mentoring junior researchers, research collaboration agreements with other universities and the appointment of subject experts as extraordinary professors. Emerging researcher funding was made available to staff members who were in the process of completing a Master's or PhD.

- **Publication outputs**

The table below shows the research output for 2012:

| Accredited Journals | Conference Proceedings | Books/Chapters |
|---------------------|------------------------|----------------|
| 77,1                | 12,99                  | 6,36           |

It is clear from the graph below that research output substantially grew in 2012.



- **Postdoctoral fellows**

The postdoctoral fellows decreased by one in 2012.

| 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 |
|------|------|------|------|------|------|------|
| -    | 1    | 1    | 3    | 5    | 4    | 3    |

- **NRF-rated researchers**

The table below gives details of rated researchers per category at the Vaal Triangle Campus as at 31 December 2012.

| Category     | 2009     | 2010     | 2011     | 2012      |
|--------------|----------|----------|----------|-----------|
| B            | -        | -        | 1        | 1         |
| Y            | 3        | 3        | 2        | 2         |
| C            | 2        | 3        | 5        | 8         |
| <b>TOTAL</b> | <b>5</b> | <b>6</b> | <b>8</b> | <b>11</b> |

- **Research entities**

A new research focus area was approved, namely OPTENTIA (Optimal Expression of Individual, Social and Institutional Potential) and a new niche area, namely MuST (Multilingual Speech Technologies)

The Vaal Triangle Campus research entities as at 31 December 2012 were:

| Title   | Status     |
|---|------------|
| Understanding and processing language in complex settings (UPSET)               | Focus Area |
| OPTENTIA (Optimal Expression of Individual, Social and Institutional Potential) | Focus Area |
| MuST (Multilingual Speech Technologies)   | Niche Area |



## IMPLEMENTATION OF EXPERTISE

At the Vaal Triangle Campus, as on the other campuses, implementation of expertise has two elements, one being community service and the other the commercialisation of expertise. In 2012, this campus achieved success for both components.

For community engagement, primary themes were poverty alleviation, the utilisation of technology for educational purposes, eco wellness and socio-economic empowerment.

The Enterprise Development Centre (EDC), housed within the Faculty of Economic Sciences and Information Technology, offered support and training to local start-up and established entrepreneurs with potential. The core objective of the EDC is to incubate successful businesses. This initiative reflects the university's mission to not only deliver high-quality graduates but also to proactively bridge the gap between the academic and business world by engaging the local business fraternity. The Faculty of Economic Sciences and Information Technology launched the Centre for Applied Risk Management (UARM), situated at the Quest Conference Estate. The centre will provide specialised education for professionals who seek a better understanding of risk management at postgraduate level. The centre has a strong working relationship with the Vrije Universiteit in Amsterdam (VU) as well as the Professional Risk Managers' International Association (PRMIA).

A third initiative hosted within the Faculty of Economic Sciences and Information Technology is the Serious Games Institute-South Africa (SGI-SA) initiative, which is the only one of its kind in the country. Games for education range from single-layer or small-group card and board games to massive multiplayer online games and alternate reality games.

The SGI-SA serves to show people that there are valuable opportunities in teaching and learning through gaming, be it in terms of academic inquiry or commercial ventures; but the greatest potential of games for learning lies in their ability to foster collaboration, problem-solving and procedural thinking. SGI-SA aims to establish a universal footprint and become the respected leader in the development of virtual learning solutions. As an affiliate of the international Serious Games Institute, based at the Coventry University in the United Kingdom, SGI-SA hosted several workshops during the course of 2012.

## MARKETING AND RECRUITMENT ACTIVITIES

The Department of Marketing and Communication plays a key role in supporting student recruitment, managing alumni activities and promoting the image of the campus.

Highlights of 2012 include:

- A very successful implementation of a mini-open day strategy. Two mini-open days were held through the course of the year. This strategy is informed by a targeted recruitment campaign.
- The annual open day attracted more than 2 000 prospective students.
- The Alumni Office hosted a prestigious annual reunion and two business breakfast forums.

In a strategic effort to enhance corporate giving the Alumni Office, in conjunction with the Fundraising Office, launched the Alumni Feather Fund.

## STUDENT AFFAIRS ON CAMPUS

### • Student governance

The 2012/2013 CSRC and House Committees were elected during August. The student leaders attended various training camps to prepare them for their leadership role and to foster group cohesion and team spirit.

The Home Coming Programme, a community outreach initiative, highlighted the campus's commitment towards the university's Institutional Plan (IP) by cultivating a spirit of charitable giving and community involvement. A total of 1 834 students took part in the project. Apart from raising much-needed funds, the students took part in various community engagement initiatives. Charities and institutions that benefited from the project included the Johan Heyns Clinic, the Mathwala Orphanage and four health care centres in Boipatong.

The CSRC organised a very successful Youth Day Celebration at the Groenpunt Correctional Service.

- **Sport activities and achievements**

The unifying power of sport should never be underestimated, as the Vaal Triangle Campus is demonstrating. Sport on the campus is going from strength to strength and the number of competitive sporting codes has grown from only five in 2008 to a total of 13 in 2012. Participation in the residence and competitive leagues has also increased.

The strategic objectives for 2012 of the Sport Department included improving student participation in both recreational and competitive sport, increasing the number of sporting codes and empowering the student sport council by transferring the organisation of the residence league to the council. Other objectives were to maintain the 2011 position in the USSA league and to improve the staff capacity in the department. All these objectives were achieved.

Campus teams in the following sporting codes participated in the USSA tournament: dance, chess, rugby, rugby sevens, cricket, hockey, soccer (both men and women), bodybuilding and netball. The best achievements were in body building, netball, rugby and cricket. Specifically, the body building team maintained its first position in the USSA league and won the award for the best-performing team in the tournament. The netball team was promoted to the A division, while the rugby team won the C division and was promoted to the B division. The cricket team maintained their position in the A division.

The staff capacity was improved with the appointment of two full-time organisers, for the ladies' sport codes and for soccer, respectively.

Great headway has been made with the sporting facilities available. The campus has three fields, used for soccer and rugby, three netball courts, three cricket fields, two hockey fields and two fully equipped gymnasiums.

- **Cultural activities and achievements**

A cultural festival was hosted with the theme "Celebrate your roots – your culture, my culture, our culture" and saw the campus community experiencing other cultures by spending time researching the various indigenous traditions and customs. The event coincided with the national celebration of Heritage Month.

In a first for the campus, a Mr and Miss NWU Vaal pageant was hosted. The winners, Marissa van den Heever and Olivier Tshimbide, represented the campus at the Mr and Miss SA Campus pageant and came second and first respectively. They will now represent South Africa in an international student pageant.

The subject group Labour Relations Management and Industrial Psychology within the Faculty of Humanities hosted the fourth "Diversity in the South African workplace" presentation. During this annual event, the focus is placed on diversity in the corporate sphere and how the increasingly competitive and global world economy has changed the face of organisations. Using interactive role-play scenarios, students illustrated the challenges associated with diversity within the world of work.

Four students joined their peers from all over the globe in attending the 29<sup>th</sup> international summit of the Golden Key International Honour Society in Atlanta, Georgia. The theme of the summit was, "Stand out. Stand up. Stand together", and encouraged participants to stand up for causes they believe in and by doing so, make a difference in their communities.

The student online newspaper, *Student 24/7*, continued to be a popular communication vehicle and celebrated its second year of existence. A licence for the campus radio station, *River FM* was approved and more than 100 students attended the auditions for the selection of presenters. The aim is to have at least 30 students working as presenters. Both the student newspaper and the radio station are important in-service training units, especially for students in languages and communication sciences.

- **Wellness and Counselling**

To deliver well-rounded graduates, the Vaal Triangle Campus enables students to develop their talents in sport, culture, community service and student leadership. Such opportunities abounded during 2012 and, to their credit, were seized by students. The campus has put in place a comprehensive array of support systems and structures to cater for students' well-being and to assist them in making informed choices.

Apart from the day-to-day delivery of primary health care services, the clinic hosted several Wellness Days for staff and students. NGOs and primary health care providers that participated were HEAIDS, the SA Epilepsy Association, SA Organ Donor Association, SANCA, SA National Blood Service, Gauteng Department of Health and CANSA.

To commemorate World Aids Day, the campus hosted an event, "Be a hero, stay a zero". HIV counselling and testing were offered, together with other health-related screening services.

The Vaal Triangle Campus joined organisations from 60 countries across all seven continents and celebrated World Happy Day on 11 February 2012. The campus was one of only three venues in South Africa chosen to participate in the event, which the OPTENTIA research programme oversaw.

- **Orientation programme for first years**

The orientation programme for first-year students was redesigned to incorporate a more academic focus. Students were introduced to the student support services and given access to an academic preparatory programme. A mathematics bridging course was offered for all BSc and BCom students registered for a mathematics module as part of their programmes.

## **PRINCIPAL MANAGERIAL/ADMINISTRATIVE ACHIEVEMENTS MUST BE MEASURED IN TERMS OF THE PLANS, GOALS AND OBJECTIVES FOR 2012 – CAMPUS PLAN ACHIEVEMENTS**

As a campus we had a few strategic priorities, besides the guiding Institutional Plan, to direct our actions.

One of the actions on our list was to formulate and implement a strategy for closer collaboration between academic schools and the Department of Marketing and Communication. Although not fully capitalised on, this action resulted in the realisation of three very successful mini open days with a focused target market in identified fields of study.

The financial objective was to increase the third stream income, decrease student debtors, exercise financial discipline in everything we do and not exceed the approved budget. With no sacrifice of the extent or quality of the services, these financial objectives were achieved, but not without the support of a strong financial system.

The objective for the year was to maintain an overall pass rate of 82%. The pass rate was 81,70%, compared to 82,80% in 2011.

Another campus strategic priority was the need to increase and improve the use of technology in the classroom and the use of innovative teaching and learning methods. The iTLT initiative launched by the Faculty of Economic Sciences and IT is commendable and demonstrated how the utilisation of technology in the teaching and learning environment can improve the learning experience of students. The Serious Games Institute co-operated with the Centre for Applied Risk Management and the School of Educational Sciences to develop games that aid in teaching. The lecture capturing pilot project and video clips on eFundi also contributed to the progress made with this priority.

In 2012 the Vaal Triangle Campus was driven by the determination to achieve nothing less than excellence in all its activities, whether within the scope of its academic pursuit, performance on the sports field, commitment to the Vaal Triangle region or the scale of its investment in students. This contributed towards the reinforcement of the campus's position as a regional asset in Gauteng, proudly acting as a catalyst for sustainable growth and regeneration, a safe campus with well-maintained facilities, which offers well-maintained, affordable student accommodation and committed, service-oriented staff.

## **MANAGERIAL/ADMINISTRATIVE ASPECTS OF THE OPERATIONS OF THE CAMPUS INCLUDING NEW SENIOR APPOINTMENTS**

A Director: Finance, Mr Herman Steyn, was appointed with effect from 1 July 2012.

## **OTHER CAMPUS HIGHLIGHTS**

- The campus enjoyed unprecedented growth in student numbers and during 2012 registered a total of 6 260 students. The campus is furthermore home to more than 70 international students, representing 20 countries. This growth demonstrates the significant steps taken towards developing into a preferred centre for business sciences, a recognised force in teacher training, and an emerging and innovative Information Technology hub.

- In the spirit of responsible corporate citizenship, the campus launched a very successful programme to save electricity across all of its operations and constituted a Green Committee to oversee all environmental sustainability projects.
- An academic peer mentoring programme was extended to all residences, both on-campus and off-campus.
- The teaching-learning target for 2012 was to maintain the overall pass rate of 82%. The achieved pass rate of 81,70% was accomplished through the concerted efforts of the academic staff and the positive impact of targeted interventions and academic support services.
- During the year, significant investments were made in improving the quality of student life by constructing or renovating academic buildings, student residences, sports facilities and computer centres, among others.
- The campus won several coveted awards, including a PMR Business Award (Golden Arrow) and the Global Business Round Table Award, and the International Calvary Community Church Award for Excellence in Community Engagement was awarded to the Campus Rector.
- More than 10 000 names have been included in the campus alumni database. In 2012 an Alumni Advisory Committee was established to strengthen interaction with alumni.
- The campus launched the first iTLT (innovate Teaching and Learning with Technology) competition in 2012. A total of eight staff members had the opportunity to attend Online Educa in Berlin, Germany.
- The campus officially opened the Centre for Applied Risk Management (UARM).
- OPTENTIA was established as a research focus area in the Faculty of Humanities.
- Multilingual Speech Technology (MuST) was established as a research niche area in the Faculty of Economic Sciences and Information Technology.

## CONCLUSION

The Vaal Triangle Campus is optimally positioned as a regional asset in Gauteng, proudly acting as a catalyst for sustainable growth and regeneration.

Looking back at the achievements of 2012 it is clear that much has been accomplished to realise the strategic goals set for teaching-learning, research and the implementation of expertise. At the same time there are still a number of challenges to be addressed in moving towards the ultimate goal of becoming a balanced teaching-learning and research university.

Primarily, to assure the continued success of our endeavours, we must engage proactively with the entire South African education system, from early childhood education upwards and particularly in the subject areas of mathematics and science, as well as language proficiency. Without excellence at every level of our system, we cannot hope to have well-prepared university entrants. In light of this the campus will continue to expand the programme and qualifications mix, especially in science, engineering, technology, management and business.

Similarly, to meet the national need for educators and social workers, the campus will continue to create an enabling environment for those academic schools to deliver well-rounded graduates to the market in the minimum period required.

To date, the Vaal Triangle Campus has been highly responsive to the skills challenges and socio-economic realities of the students and communities served. By introducing extended BSc and BCom programmes, the campus has made studies in these fields more accessible to a wider spectrum of school-leavers. At the same time, having invested intensively in language proficiency programmes, the campus is assisting students to develop or improve the crucial language and literacy skills that underpin academic performance. Moving forward, we will continue working closely with stakeholders in business, government and communities to strengthen the relevance of our programmes, help address skills shortages and make quality higher education accessible to more citizens.



**PROF TJ MARIBA**  
**CAMPUS RECTOR: VAAL TRIANGLE**

# REPORT OF INTERNAL ADMINISTRATIVE/OPERATIONAL STRUCTURES AND CONTROLS<sup>40</sup>



**MS M CLAASSENS**  
Chairperson: Audit, Risk and Compliance Committee

The North-West University maintains a system of internal control over financial reporting and the safeguarding of assets against the unauthorised acquisition, use or disposal of such assets. Such systems are designed to provide reasonable assurance to the University and the Council regarding an operational environment that promotes the safeguarding of the University's assets and the preparation and communication of reliable financial and other information.

This includes documented organisational structures setting out the division of responsibilities, as well as established policies and procedures, including a code of ethics that is communicated throughout the university to foster a strong ethical climate and the careful selection, training and development of its people. All policy-related documents, which include the code of ethics, are monitored by Institutional Management and the Records Management Division for regular updates when applicable, and in accordance with an update schedule. After the reviewed document is approved by Council, it is communicated to and available on the intranet to all employees of the University.

Information systems utilising modern information technology are in use at the University. Core systems have been developed and implemented according to defined and documented standards to achieve efficiency, effectiveness, reliability and security. Accepted standards are applied to protect privacy and ensure control over all data, including disaster recovery and "backup" procedures. Password controls are strictly maintained, with users required to change passwords on a monthly basis, except where otherwise approved. There are regular reviews to ensure that there are no clashes in user access rights and that the basic internal control concept of division of duties is maintained. Where for capacity reasons an occasional clash does occur, sufficient manual controls are in place to ensure that these clashes are mitigated. Systems are designed to promote ease of access for all users and the systems are sufficiently integrated to minimise duplication of effort and ensure minimum manual intervention and reconciliation procedures. The development, maintenance and operation of all systems are under the control of competently trained staff.

In utilising electronic technology to conduct transactions with third parties and with staff, control aspects receive close scrutiny, and procedures are designed and implemented to minimise the risk of fraud or error.

Internal auditors monitor the operation of internal control systems and report findings and recommendations to management and the Audit, Risk and Compliance Committee. Corrective actions are taken to address control deficiencies and other opportunities for improving systems when identified. The Council, operating through its Audit, Risk and Compliance Committee, provides oversight of the financial reporting process.

There are inherent limitations to the effectiveness of any system of internal control, including the possibility of human error and the circumvention or overriding of controls. Accordingly, even an effective internal control system can provide only reasonable assurance with respect to financial statement preparation and the safeguarding of assets. Furthermore, the effectiveness of an internal control system can change according to circumstances.



**MS M VAN DER MERWE**  
Director: Internal Audit

The University believes that, as at 2012-12-31, its systems of internal control over its operational environment, information reporting and safeguarding of assets against the unauthorised acquisition, use or disposal of assets met the criteria for effective control over financial reporting.

The University conducted a review of its risk assessment document and, in conjunction with the internal auditors, developed a programme of internal audits to examine the systems, procedures and controls in those areas considered as high risk.

The Audit Committee reviewed this *Report on internal administrative/operational structures and controls* for the 2012 financial year under review at its meeting of 28/05/2013, which was a quorated meeting, and the documentation for approval by the Committee was circulated with the meeting agenda in advance, with due notice.



**MS M CLAASSENS**  
**CHAIRPERSON: AUDIT, RISK AND COMPLIANCE COMMITTEE**



**MS M VAN DER MERWE**  
**DIRECTOR: INTERNAL AUDIT**

Date: 28 May 2013

# REPORT ON ASSESSMENT OF RISK EXPOSURE AND RISK MANAGEMENT<sup>41</sup>



## **PROF IJ ROST**

Institutional Member Assigned  
With Risk Responsibility

The basis on which the statement on risk should be prepared is to identify the two primary categories of “financial” and “non-financial” risk and the managerial procedures that must be in place in order to be able to prepare this report on risk.

Risks are managed by the Institutional Management Committee of the University and all managers in their specific areas of responsibility. On Institutional Management level minutes are kept during their formal meetings, and include and specifically address risk issues. The members of Institutional Management include two deputy vice-chancellors, three executive directors, three campus rectors and the institutional registrar.

The Executive Director Finance and Facilities was assigned the line function with the remit of determining the identification and interpretation/assessment of risks, as well as intervention measures and all aspects of the management of risk affecting the University.

The Audit, Risk and Compliance Committee has an oversight responsibility for risk management at the University, which include both external and internal members. These members qualify and are appointed in accordance with the Statute, paragraph 4(1) and the committee’s approved Charter.

The Compliance Committee and Combined Assurance Forum were established as structures approved by Institutional Management and the Audit, Risk and Compliance Committee to assist with the assessment of most significant risks. Significant risks are included in the risk register of the University.

Institutional Management and the Combined Assurance Forum have input in the risk assessment review coordinated by the Executive Director Finance and Facilities and the Internal Audit function. The report is approved by the Audit, Risk and Compliance Committee for recommendation to Council.

## **IDENTIFICATION AND ASSESSMENT OF RISK**

Risk can be defined as “a potential threat or possibility that an action or event will adversely or beneficially affect an organisation’s ability to achieve its objectives”. Events and actions that are potential risks must be identified and the likelihood of their occurrence and their anticipated impact assessed. In every organisation there is a need to balance its opportunities and risks if economic progress is to be maintained.

Some risks have direct financial implications and others will not have immediate financial implications. These are differentiated from each other as “financial risks” and “non-financial risks”. “Non-financial risks” might have serious financial implications, and are therefore also identified and managed during the risk management process.



## **MS M CLAASSENS**

Chairperson: Audit, Risk and  
Compliance Committee



Risk profiles are controlled within the normal organisational internal control structures and procedures. Despite these structures and procedures, the potential exists that adverse events may occur and will affect the results of normal operations throughout the institution at all levels of activity. It is therefore essential that, first, the exposure to such specific "risk events" be identified, and secondly, the likelihood of any one of these events occurring, as well as its potential impact, be assessed.

Ratings for impact, probability, control effectiveness and residual risk were developed and applied to determine the priority for the identified risks and to manage these risks accordingly. Responsible persons are linked to each risk and feedback on the progress to minimise the risk for the University and are monitored and updated regularly on the risk register.

Finally, and most importantly, the University has identified, through defined responsibility and accountability for management, significant risk events, conditions or risk abatement strategies for these risk areas. A risk register is maintained and updated on a regular basis.

The scope of the duties of risk management within the University is clearly defined in the Audit, Risk and Compliance Committee's Charter and the Framework for Risk Management at the University. The Director Internal Audit reports to the Audit, Risk and Compliance Committee, and through them to Council, and has unrestricted access to the chairpersons of the Audit Committee and of Council and to the ViceChancellor. The Combined Assurance Forum, which includes members from various specific operational divisions, contributes to the identification and assessment of risks and the updating of the risk register. The Audit, Risk and Compliance Committee submits a biannual comprehensive report on key significant risks facing the University to be reviewed by Council.

## **MANAGEMENT AND CONTROL OF CONSEQUENCES OF RISK (INTERVENTION AND PHYSICAL/FINANCIAL CONTROL)**

Potential risk consequences were identified and evaluated and, by appropriate management, the conditions arising within which such risks are constantly controlled and monitored. Methods of minimising adverse consequences were employed, based on cost-effectiveness analysis. For this reason the risk register is regularly updated.

The proper management of such conditions are therefore a matter of which the governance of the University is assured and on which abatement strategies are received. The responsibility and accountability for the identification and management of risk events and risk areas are assigned and managed by Institutional Management.



**PROF IJ ROST**  
**INSTITUTIONAL MEMBER ASSIGNED WITH RISK RESPONSIBILITY**



**MS M CLAASSENS**  
**CHAIRPERSON: AUDIT, RISK AND COMPLIANCE COMMITTEE**

Date: 28 May 2013



# REPORT OF THE CHAIRPERSON OF THE FINANCE COMMITTEE AND EXECUTIVE DIRECTOR: FINANCE AND FACILITIES<sup>42</sup>



**PROF IJ ROST**

Executive Director: Finance and Facilities



**MR JJ KITSHOFF**

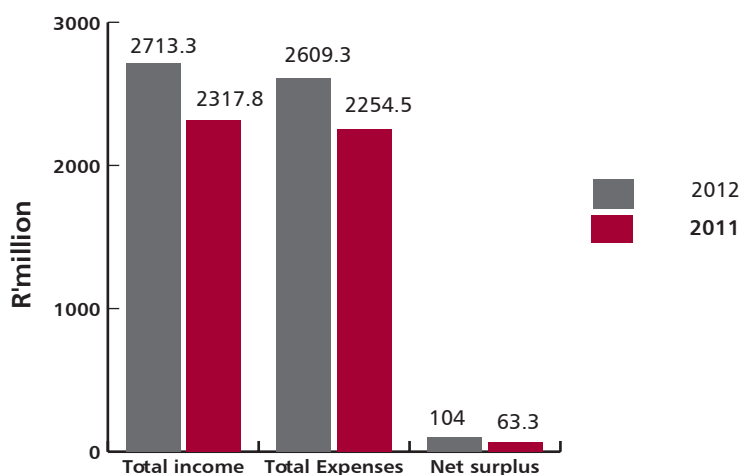
Chairperson: Finance Committee

The financial review for the year ended 31 December 2012 is presented under the following headings:

- **Profitability and growth**

The University's accumulated reserves improved in the 2012 financial year due to a net surplus of R104,0 million (2011: R63,3 million), which represents 3,8% (2011: 2,7%) of the total income. The total income of the University increased by 17,1% to R2 713,3 million, while the total expenses increased by 15,7% to a total expenditure of R2 609,3 million for the 2012 financial year.

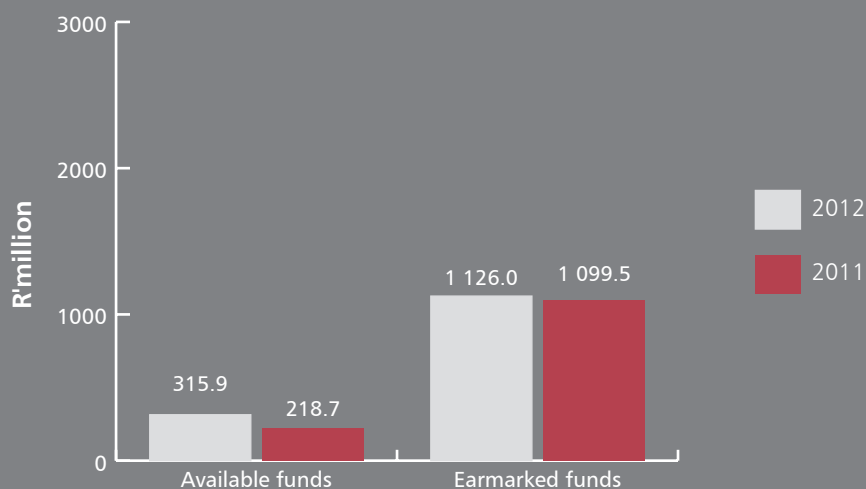
## TOTAL (EXCLUDING OTHER COMPREHENSIVE INCOME)



The available funds increased to 21,9% (2011: 16,6%) of total equity, mainly due to the increase in the surplus and comprehensive income, as well as an increase in funds available for additions to and renewals of property, plant and equipment.

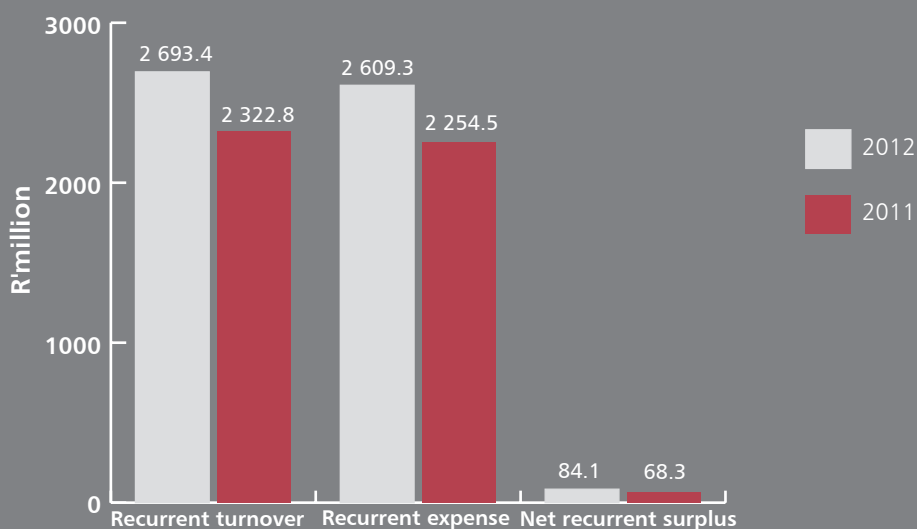
<sup>42</sup> R3.1.7

#### AVAILABLE FUNDS: EARMARKED FUNDS



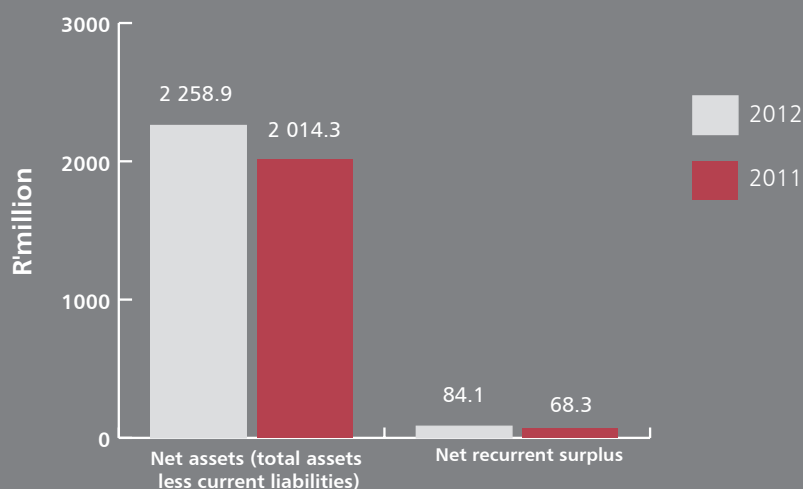
The total income of the University from recurrent activities (excluding disposal of PPE, disposal of investments and other comprehensive income) increased by 16,0% to a total income of R2 693,4 million, while the total expenses from recurrent activities increased by 15,7% to a total expenditure of R2 609,3 million for the 2012 financial year. The surplus of the 2012 financial year from recurrent activities represents 3,1% (2011: 2,9%) of the total recurrent income.

#### RECURRENT ACTIVITIES



The University's return (from recurrent activities) on capital employed (total assets less current liabilities) increased to 3,7% (2011: 3,4%). This is mainly due to an increase of 23,1% in the recurrent surplus attributable to an overall increase in all sources of income and an increase of 12,1% in capital employed. The latter is mainly due to an increase in property, plant and equipment and long-term investments.

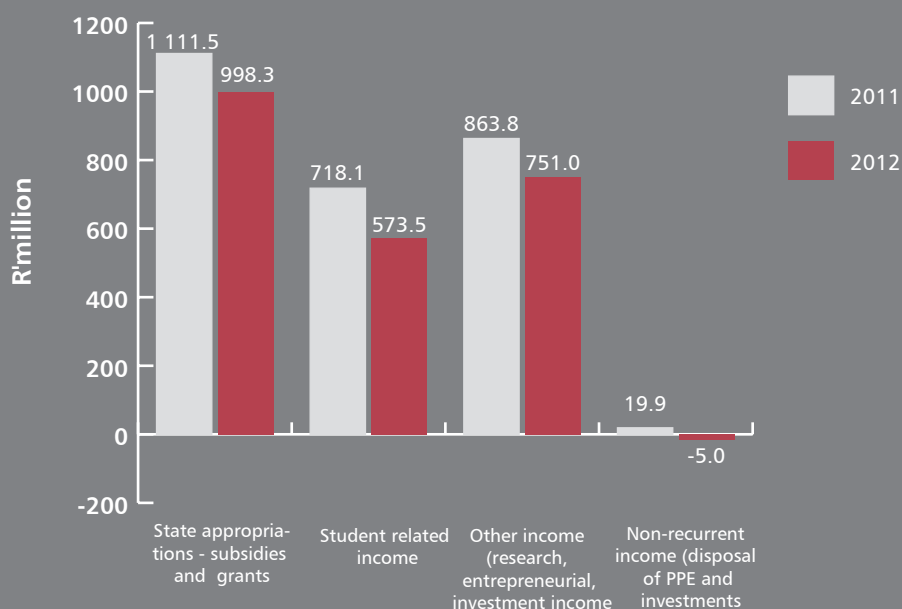
## RETURN ON CAPITAL EMPLOYED



The University's income from state subsidy represents 41,0% (2011: 43,1%) of the total income. The reason for the decrease in this percentage is attributable to an on average higher increase in all the other main sources of income.

The student-related income increased by 25,2% for the 2012 year (2011: 21,4%). This can be attributed to the annual increase in tuition fees of 9,6%, the increase in student numbers, as well as an increase in modules enrolled for. The total student-related income represents 26,5% (2011: 24,7%) of the total income.

## TOTAL INCOME PER CATEGORY



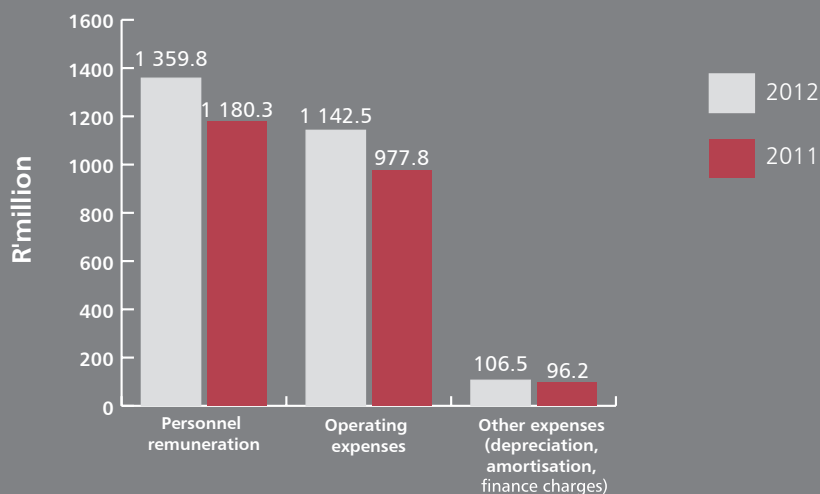
Total expenditure increased by 15,7% (2011: 14,8%).

Personnel remuneration increased by 15,2% (2011: 13,9%). The total cost of personnel expenditure was 50,1% (2011: 50,9%) of total income. The decrease is mainly due to a higher increase in income of 17,1%.

Operating expenses increased by 16,8% (2011: 17,0%) and represent 42,1% (2011: 42,2%) of total income. The increase can be attributed to the additional expenses to generate the increase in other sources of income, as well as a few specific budgeted expenses of which the main items are bursaries (R21,5 million) and water and electricity (R11,0 million).

Other expenditure relating to depreciation, amortisation and finance charges increased by 3,9% (2011 4,2%), which is attributable mainly to depreciation due to the large investment in property, plant and equipment financed via the DHET infrastructure and efficiency earmarked funding project.

#### TOTAL EXPENSES PER CATEGORY



#### • Added value

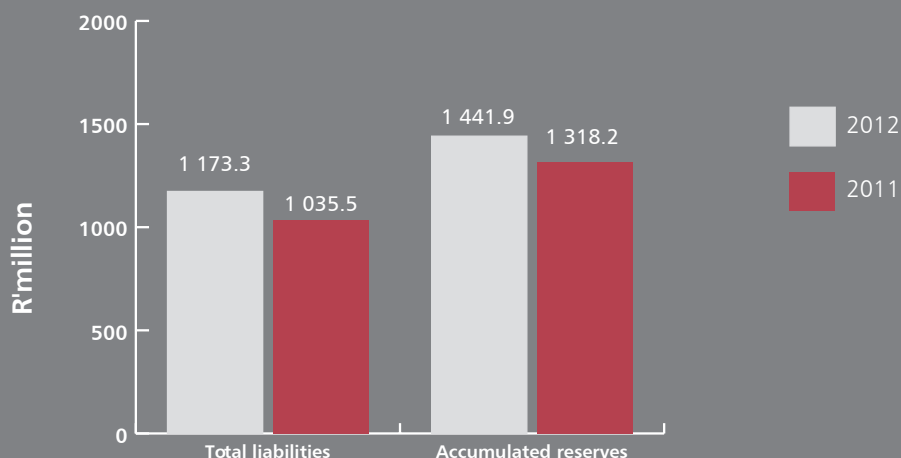
With regard to the University as a tertiary institution with the core business of teaching-learning, research and implementation of expertise (including community service), the NWU again added material value to the economy, and the following can be highlighted:

- 14 669 (2011: 15 093) students received degrees and diplomas during 2012.
- R120,1 million (2011: R98,6 million) was awarded as bursaries to students from own funds, which represents an increase of 21,8% (2011: 24,8%).
- The investment in Property, Plant and Equipment amounts to R277,9 million (2011: R242,8 million), which is mainly attributable to the DHET infrastructure and efficiency funding received for the period 2010 – 2012, as well as a new cycle of funding for 2012 – 2015.

#### • Solvability

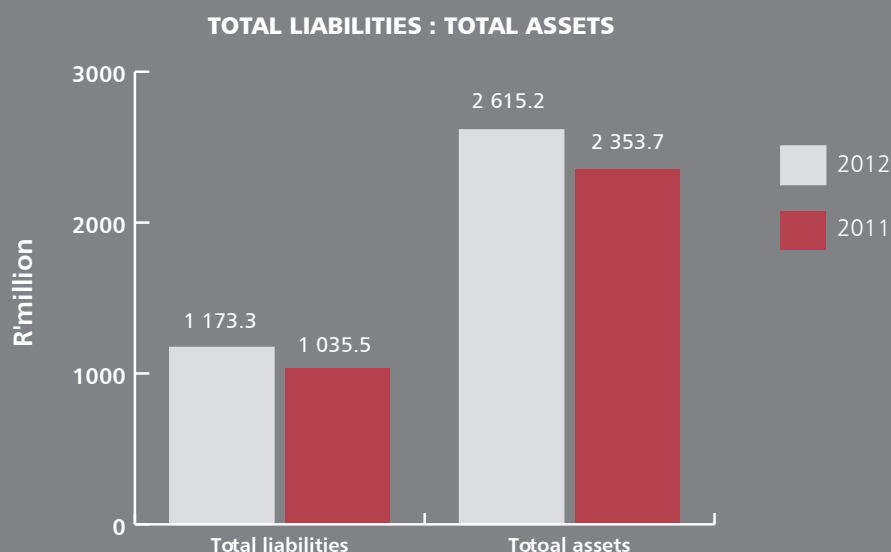
The total liabilities (R1 173,3 million) expressed over accumulated reserves (R1 441,9 million) indicate that the University's ratio of debt to funds available increased to 0,81 (2011: 0,79). This is attributable to an increase of 24,1% (R68,6 million) in deferred income, and an increase of 7,1% (R20,4 million) in trade/other payables and income in advance.

#### TOTAL LIABILITIES: ACCUMULATED RESERVES



The total liabilities expressed over total assets increased to 0,45 (2011: 0,44) for the 2012 financial year. The total liabilities are covered 2,23 times (2011: 2,27) by total assets.

Solvency ratios continue to indicate clearly that the University is solvent and able to meet both its long-term and its short-term obligations.

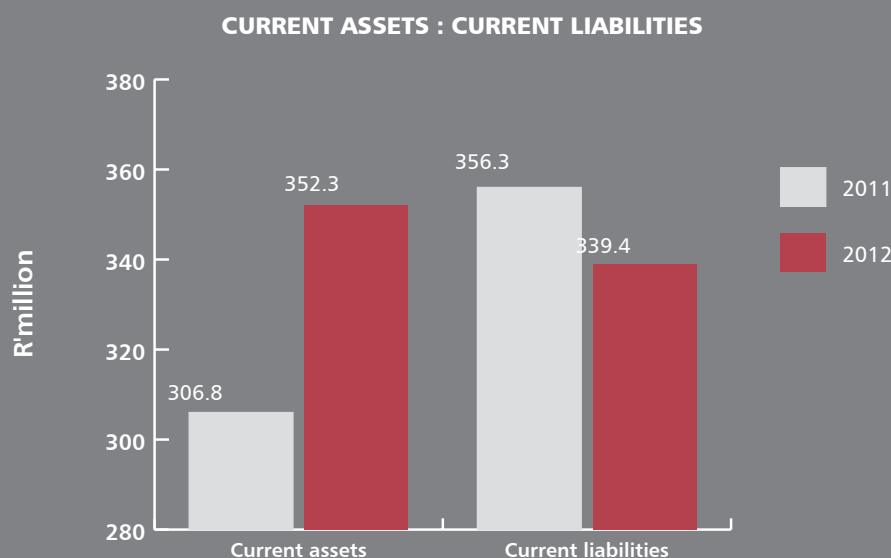


#### • Liquidity

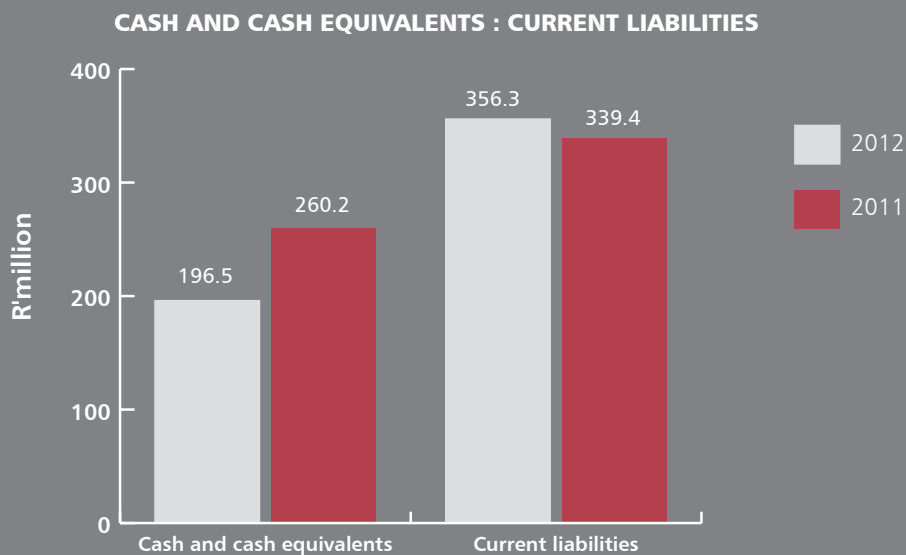
The working capital ratio indicates that the current liabilities are covered 0,86 times (2011: 1,04 times) by the current assets. If the analysis is expressed in rand value, the current assets decreased by R45,5 million for the 2012 financial year, whilst current liabilities for the same period increased by R16,9 million.

The main reason for the decrease in the current assets is a decrease in cash and cash equivalents, which is mainly due to the investment in property, plant and equipment (mainly attributable to the DHET infrastructure and efficiency funding grant condition that stipulates that the University should contribute a material percentage of the total investment from its own funds in order to receive the grant, the so-called co-funding principle) and also due to cash that was transferred to long-term investments (which increased by R102,8 million, net of revaluation, while 81,7% of the investment income was reinvested). The main reasons for the increase in current liabilities are an increase in trade and other payables (R28,9 million), and a decrease in deposits and prepaid income received (R8,5 million).

The cash flow situation is monitored closely in order to achieve an optimal balance between long-term and short-term investments to optimise investment income without compromising flow of business.



The University's ratio of cash and cash equivalents to current liabilities decreased from 0,77 in 2011 to 0,55 during the 2012 financial year, which was mainly due to the transfer of cash and cash equivalents to long-term investments and investment in property, plant and equipment (PPE).

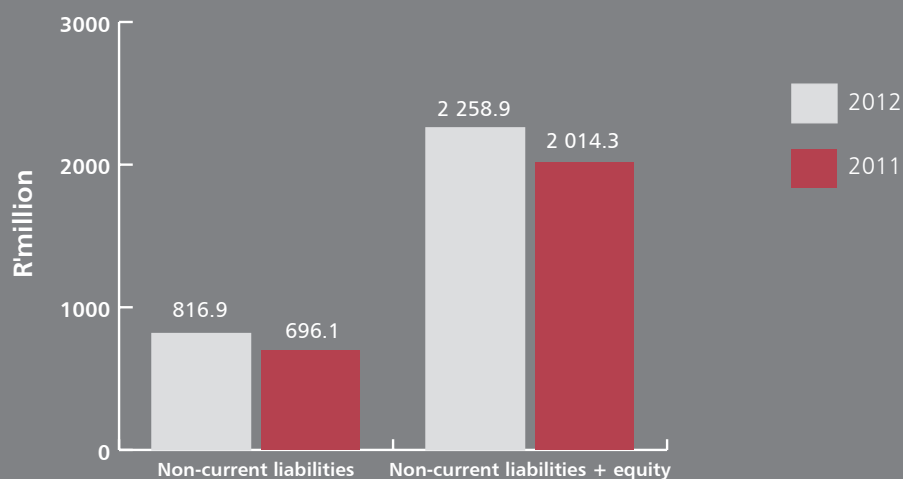


- **Gearing ratios**

Gearing ratios analyse the extent to which long-term finance is used as a source of financing. It is a longer-term indication of liquidity.

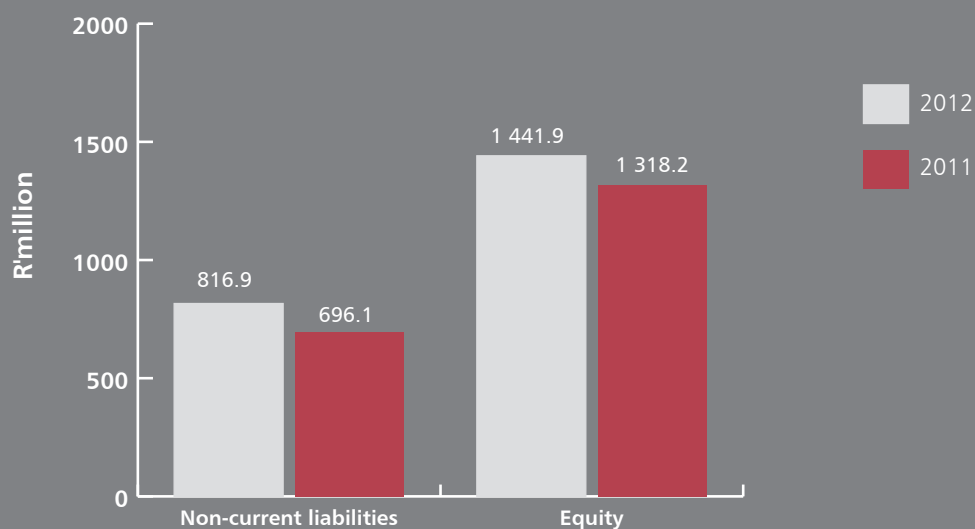
Non-current liabilities represent 36,2% (2011: 34,6%) of total funds employed.

**NON-CURRENT LIABILITIES : NON-CURRENT LIABILITIES + EQUITY**



The total non-current liabilities expressed over equity for the 2012 financial year increased to 56,7% (2011: 52,8%).

## NON-CURRENT LIABILITIES : EQUITY



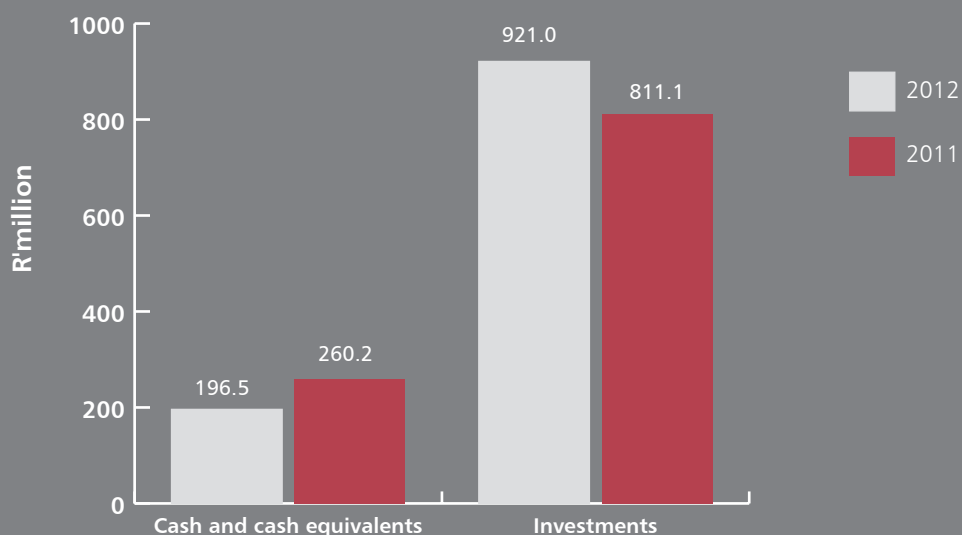
The increase in non-current liabilities is mainly attributable to an increase of 27,3% (R72,2 million) in deferred income (which is mainly earmarked subsidy received for investment in PPE) and an increase in post-employment benefits/obligations of 15,4% (R55,4 million).

### • Cash flow

#### Surplus generated relating to cash flow

The University generated a surplus of R104,0 million for the 2012 financial year, and the net cash flow from operating activities amounted to R314,8 million. The total net cash flow decreased by R63,7 million for the same financial year due to a transfer of cash and cash equivalents to longer term investments (R102,8 million), as well as investment in property, plant and equipment (R277,9 million). For the 2011 financial year the net cash flow decreased by R117,9 million. The NWU is still in a viable cash flow situation.

## CASH AND CASH EQUIVALENTS & INVESTMENTS



- **Conclusion**

The University was able to achieve the following financial goals during the 2012 financial year:

- To increase total assets by 11% (2011: 15%) by investing the grant for infrastructure received from the Department of Higher Education and Training as well as own funds in property, plant and equipment while increasing long-term investments.
- To increase the net surplus from recurrent activities to 3,1% (goal: between 3% and 6%) as a result of an overall increase in all sources of income, as well as to maintain a sound solvency position and optimal liquidity levels during the 2012 financial year to ensure that the NWU remains a going concern.
- To increase bursaries awarded to students (bursaries were increased by 21,8%).
- To decrease the dependency on state subsidy income to 41% (goal: less than 40%).

Council and Management are jointly committed to managing the NWU in such a way that the sound financial position will be maintained in 2013.



**MR JJ KITSHOFF**  
**CHAIRPERSON: FINANCE COMMITTEE**



**PROF IJ ROST**  
**EXECUTIVE DIRECTOR: FINANCE AND FACILITIES**





# CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012 <sup>43</sup>

**PREPARED IN THE FORMAT REQUIRED BY SECTION 41 OF THE  
HIGHER EDUCATION ACT  
(ACT 101 OF 1997, AS AMENDED)**

## **INSTITUTIONAL OFFICE**

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Web address: <http://www.nwu.ac.za>  
Telephone: +27 (0) 18 299-4942  
Fax: +27 (0) 18 299-4910  
South Africa

## **CAMPUSES**

Mafikeng  
Potchefstroom  
Vaal Triangle

### Auditors

PricewaterhouseCoopers Inc.  
Mafikeng  
South Africa

# **NORTH-WEST UNIVERSITY**

## **CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012**

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## **INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL OF THE NORTH-WEST UNIVERSITY**

### **REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS**

#### **Introduction**

We have audited the consolidated financial statements of the North-West University, which comprise the consolidated statement of financial position as at 31 December 2012, the consolidated statement of comprehensive income, statement of changes in equity and the statement of cash flows for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information, as set out on pages 6 to 63.

#### **Council's responsibility for the consolidated financial statements**

The Council is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the International Financial Reporting Standards ("IFRS") and the requirements of the Higher Education Act, 1997 (Act No. 101 of 1997) of South Africa, as amended, and for such internal control as the Council determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

#### **Auditor's responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Public Audit Act, 2004 (Act No. 25 of 2004) of South Africa ("PAA"), the *General Notice* issued in terms thereof and International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the University's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

#### **Opinion**

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the North-West University as at 31 December 2012, and its financial performance and cash flows for the year then ended in accordance with IFRS and the requirements of the Higher Education Act, 1997 (Act No. 101 of 1997) of South Africa, as amended.

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Africa Senior Partner: S P Kana  
Management Committee: H Boegman, T P Blandin de Chalaïn, B M Deegan, J G Louw, P J Mothibe, N V Mtetwa, T D Shango, S Subramoney, A R Tilakdari, F Tonelli  
The Company's principal place of business is at 2 Eglin Road, Sunninghill where a list of directors' names is available for inspection.  
Reg. no. 1998/012055/21, VAT reg.no. 4950174682

## **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

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

### **Predetermined objectives**

We performed procedures to obtain evidence about the reliability of the information in the Ministerial Statement on Student Enrolment Planning 2011/12 to 2013/14 as set out on pages 67 to 68 of the annual report.

The reported performance against predetermined objectives was evaluated against the overall criterion of reliability. The reliability of the information in respect of the selected objectives is assessed to determine whether it adequately reflects the facts (i.e. whether it is valid, accurate and complete).

There were no material findings on the Ministerial Statement on Student Enrolment Planning 2011/12 to 2013/14 concerning the reliability of the information.

### **Compliance with laws and regulations**

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

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

### **Internal control**

We considered internal control relevant to our audit of the financial statements, Ministerial Statement on Student Enrolment Planning 2011/12 to 2013/14 and compliance with laws and regulations.

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

## **OTHER REPORTS**

### **Agreed-upon procedures engagements**

As requested by the University, engagements were conducted during the year under review on the following:

- DHET Infrastructure Funding Project. The report covered the period 1 April 2012 to 28 February 2013 and was issued on 28 March 2013.
- DHET Research Development Grant. The report covered the period 1 April 2012 to 31 March 2013 and was issued on 16 April 2013.
- DHET Hydrogen Project. The report covered the period 1 April 2012 to 31 March 2013 and was issued on 29 April 2013.
- DHET Research Outputs (submission of journals). The report covered the period 1 January 2012 to 31 December 2012 and was issued on 23 May 2013.



- DHET Clinical Training Project. The report covered the period 1 April 2012 to 31 March 2013 and was issued on 29 April 2013.
- DHET Earmarked Funding for Veterinary Science Programmes. The report covered the period 1 April 2012 to 31 March 2013 and was issued on 29 April 2013.
- DHET Interest and Redemption on Capital loans. The report covered the period 1 January 2012 to 31 December 2012 and was issued on 14 January 2013.
- National Research Foundation Projects. The report covered the period 1 January 2012 to 31 December 2012 and was issued on 14 March 2013.
- DHET Financial Data. The report covered the period 1 January 2012 to 31 December 2012 and was issued on 24 June 2013.
- DHET Student and Staff statistics. The report covered the period 1 January 2012 to 31 December 2012 and was issued on 14 June 2013.
- DHET Teaching Development Grant. The report covered the period 1 April 2012 to 31 March 2013 and was issued on 18 June 2013.

#### **Donor funding**

As requested by the University, a donor funding engagement was conducted during the year under review on Incubation and Curriculum innovation in the Faculty of Economic Science and Information Technology on the Vaal Triangle Campus. The report covered the period 1 January 2012 to 31 December 2012 and was issued on 6 May 2013.

A handwritten signature in black ink, appearing to read 'PricewaterhouseCoopers' followed by a stylized signature.

PricewaterhouseCoopers Inc  
Director: Gert Odendaal  
Registered auditor  
24 June 2013

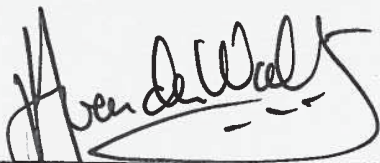


**NORTH-WEST UNIVERSITY****COUNCIL'S STATEMENT OF RESPONSIBILITY AND APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS**

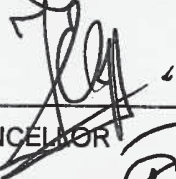
The Council is responsible for the preparation, integrity and objectivity of the consolidated financial statements and related financial information included in this report, which is a fair presentation of the activities of the University at the end of the financial year. In order to meet this responsibility, they are assisted by management, the Audit, Risk and Compliance Committee of the Council, the Finance Committee of the Council, and the internal and external auditors of the University. Both the internal and external auditors have unrestricted access to all documents, minutes, records and information and no limitations have been placed on the audits. The external auditors are responsible for reporting on the consolidated financial statements. Internal controls and administrative systems, which have been designed to provide reasonable assurance regarding the integrity of the financial statements and that assets have been protected and transactions carried out in terms of the University's policy and procedures, are in place and are properly maintained on a cost-effective basis.

The consolidated financial statements comply with International Financial Reporting Standards (IFRS), including full and responsible disclosure in accordance with the University's accounting policies, and in the manner required by the Minister of Higher Education and Training in terms of Section 41 of the Higher Education Act (Act 101 of 1997 (as amended)). The consolidated financial statements are prepared on the going concern basis and all indications are that the University will continue in existence for the foreseeable future. The accounting policies have been applied consistently and are supported by reasonable and prudent judgements and estimates.

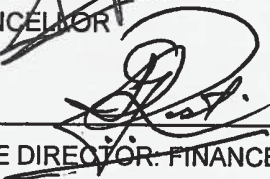
The consolidated financial statements for the year ended 31 December 2012 as set out on pages 6 to 63 have been approved by the Council on 21 June 2013 and are signed on behalf of the Council by:



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CHAIRPERSON OF THE COUNCIL

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VICE-CHANCELLOR

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EXECUTIVE DIRECTOR: FINANCE AND FACILITIES

**NORTH-WEST UNIVERSITY**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER**

| CONSOLIDATED<br>STATEMENT OF FINANCIAL POSITION         |  | NOTE | 2012<br>R     | 2011<br>R     |
|---|--|------|---------------|---------------|
| <b>ASSETS</b>   |  |      | 2 615 195 430 | 2 353 713 422 |
| <b>NON-CURRENT ASSETS</b>                               |  |      | 2 308 378 070 | 2 001 443 986 |
| PROPERTY, PLANT AND EQUIPMENT (PPE)                     |  | 6    | 1 192 723 761 | 1 006 808 177 |
| INVESTMENT PROPERTIES                                   |  | 7    | 21 814 596    | 22 311 841    |
| INTANGIBLE ASSETS                                       |  | 8    | 7 320 218     | 8 000 821     |
| INVESTMENTS   |  | 9    | 920 915 452   | 811 091 352   |
| INVESTMENTS IN ASSOCIATES                               |  | 10   | 41 827        | 24 398        |
| DEFERRED INCOME TAX ASSETS                              |  | 35   | 62 216        | 66 397        |
| PENSION FUND  |  | 18   | 126 744 000   | 120 123 000   |
| DISABILITY RESERVE FUND                                 |  | 18   | 38 756 000    | 33 018 000    |
| <b>CURRENT ASSETS</b>                                   |  |      | 306 817 360   | 352 269 436   |
| INVENTORIES   |  | 13   | 21 338 345    | 19 764 833    |
| TRADE AND OTHER RECEIVABLES                             |  | 14   | 88 983 699    | 72 334 562    |
| STUDENTS' FEES  |  |      | 35 520 329    | 39 706 994    |
| ADVANCES AND PREPAYMENTS                                |  |      | 7 701 020     | 7 486 627     |
| OTHER DEBTORS   |  |      | 45 762 350    | 25 160 941    |
| CASH AND CASH EQUIVALENTS                               |  | 15   | 196 495 316   | 260 170 041   |
| <b>EQUITY AND LIABILITIES</b>                           |  |      | 2 615 195 430 | 2 353 713 422 |
| <b>EQUITY</b>   |  |      | 1 441 913 839 | 1 318 201 787 |
| <b>NON-DISTRIBUTABLE RESERVES</b>                       |  |      | 958 331 084   | 952 679 198   |
| PROPERTY, PLANT AND EQUIPMENT (PPE)                     |  |      | 885 696 604   | 887 447 798   |
| NON-CURRENT INVESTMENTS REVALUATION                     |  |      | 72 634 480    | 65 231 400    |
| <b>RESERVE FUNDS</b>                                    |  |      | 483 268 636   | 365 332 620   |
| RESTRICTED USE FUNDS                                    |  |      | 167 359 685   | 146 642 508   |
| STUDENT LOAN FUNDS                                      |  |      | 1 696 311     | 14 340 022    |
| STUDENT RESIDENCES FUNDS                                |  |      | 48 662 495    | 29 874 098    |
| OTHER - EDUCATION AND GENERAL                           |  |      | 117 000 879   | 102 428 388   |
| HELD FOR INVESTMENT IN PPE                              |  |      | 70 727 837    | 47 390 268    |
| UNRESTRICTED-USE FUNDS - EDUCATION AND GENERAL          |  |      | 245 181 114   | 171 299 844   |
| NON-CONTROLLING INTERESTS                               |  |      | 314 119       | 189 969       |
| <b>NON-CURRENT LIABILITIES</b>                          |  |      | 816 944 743   | 696 066 620   |
| BORROWINGS - INTEREST-BEARING                           |  | 17   | 86 535 763    | 93 267 316    |
| POST-EMPLOYMENT BENEFITS/OBLIGATIONS                    |  | 18   | 393 334 761   | 337 933 033   |
| DEFERRED INCOME   |  | 19   | 337 074 219   | 264 866 271   |
| <b>CURRENT LIABILITIES</b>                              |  |      | 356 336 848   | 339 445 015   |
| TRADE AND OTHER PAYABLES                                |  | 20   | 255 674 773   | 226 803 198   |
| CURRENT INCOME TAX LIABILITY                            |  | 35   | 3 710         | 71 428        |
| CURRENT PORTION OF BORROWINGS - INTEREST-BEARING        |  | 17   | 10 698 949    | 10 320 913    |
| CURRENT PORTION OF POST-EMPLOYMENT BENEFITS/OBLIGATIONS |  | 18   | 20 731 479    | 20 943 880    |
| CURRENT PORTION OF DEFERRED INCOME                      |  | 19   | 15 929 409    | 19 558 426    |
| STUDENT DEPOSITS AND PREPAID INCOME                     |  | 21   | 53 298 528    | 61 747 170    |

The notes on pages 11 to 63 are an integral part of these consolidated financial statements.



**NORTH-WEST UNIVERSITY****CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEARS ENDED 31 DECEMBER**

| <b>CONSOLIDATED<br/>STATEMENT OF COMPREHENSIVE INCOME</b>                    | <b>NOTE</b> | <b>2012<br/>R</b> | <b>2011<br/>R</b> |
|--|-------------|-------------------|-------------------|
| <b>INCOME</b>  |             | 2 713 286 494     | 2 317 760 621     |
| REVENUE  |             | 2 571 226 797     | 2 215 648 848     |
| OTHER INCOME   |             | 142 059 697       | 102 111 773       |
| <b>EXPENDITURE</b>   |             | 2 608 812 843     | 2 254 382 149     |
| PERSONNEL REMUNERATION   | 24          | 1 359 764 213     | 1 180 333 159     |
| OPERATING EXPENSES   | 25          | 1 086 554 373     | 930 581 752       |
| DEPRECIATION AND AMORTISATION  | 6, 7, 8     | 92 181 059        | 83 382 537        |
| OTHER EXPENSES   | 28          | 55 976 634        | 47 220 639        |
| FINANCE CHARGES  | 27          | 14 336 564        | 12 864 062        |
| <b>NET SURPLUS BEFORE INCOME TAX</b>   |             | 104 473 651       | 63 378 472        |
| INCOME TAX EXPENSE   | 35          | 523 682           | 87 787            |
| <b>SURPLUS FOR THE YEAR</b>  |             | 103 949 969       | 63 290 685        |
| <b>OTHER COMPREHENSIVE INCOME</b>  |             | 19 762 080        | 2 325 072         |
| PENSION FUND - SURPLUS/(DEFICIT)   | 18          | 6 621 000         | (8 966 000)       |
| DISABILITY RESERVE FUND - SURPLUS/(DEFICIT)                                  | 18          | 5 738 000         | (1 368 000)       |
| NET VALUE GAIN/(LOSS) ON AVAILABLE-FOR-SALE FINANCIAL ASSETS<br>(NET OF TAX) | 9           | 7 403 080         | 12 659 072        |
| <b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>                               |             | 123 712 049       | 65 615 757        |

The notes on pages 11 to 63 are an integral part of these consolidated financial statements.

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEARS ENDED 31 DECEMBER**

(as required by Section 41 of the Higher Education Act (Act No. 101 of 1997, as amended))

| STATEMENT OF COMPREHENSIVE INCOME   | NOTE  | EDUCATIONAL & GENERAL                            |  |               |             | STUDENT & STAFF ACCOMMODATION: RESTRICTED R | 2012 TOTAL R  | 2011 TOTAL R |
|---|-------|--|--|---------------|-------------|---|---------------|--------------|
|   |       | COUNCIL-CONTROLLED: UNRESTRICTED OR DESIGNATED R | SPECIFICALLY FUNDED ACTIVITIES: RESTRICTED R | SUB-TOTAL R   |             |   |               |              |
| RECURRENT ITEMS   |       | 26 794 281                                       | 17 084 400                                   | 43 878 681    | 40 666 065  | 84 544 746                                  | 68 400 332    |              |
| INCOME  | 22    | 2 280 879 460                                    | 191 962 528                                  | 2 472 841 988 | 220 515 601 | 2 693 357 589                               | 2 322 782 481 |              |
| STATE APPROPRIATIONS - SUBSIDIES AND GRANTS                               | 23    | 1 111 363 452                                    | 0  | 1 111 363 452 | 106 231     | 1 111 469 683                               | 998 269 619   |              |
| TUITION AND OTHER FEES  |       | 7 18 082 110                                     | 0  | 7 18 082 110  | 0           | 7 18 082 110                                | 573 491 401   |              |
| INCOME FROM CONTRACTS   |       | 29 739 050                                       | 153 686 950                                  | 183 426 000   | 0           | 183 426 000                                 | 143 047 238   |              |
| FOR RESEARCH  |       | 29 739 050                                       | 152 390 322                                  | 182 129 372   | 0           | 182 129 372                                 | 141 682 183   |              |
| FOR OTHER ACTIVITIES  |       | 0  | 1 296 628                                    | 1 296 628     | 0           | 1 296 628                                   | 1 365 055     |              |
| SALES OF GOODS AND SERVICES   |       | 292 153 885                                      | 15 626 842                                   | 307 780 727   | 220 409 370 | 528 190 097                                 | 474 205 363   |              |
| PRIVATE GIFTS AND GRANTS  |       | 12 524 612                                       | 17 534 295                                   | 30 058 907    | 0           | 30 058 907                                  | 26 635 227    |              |
| SUB-TOTAL   |       | 2 163 863 109                                    | 186 848 087                                  | 2 350 711 196 | 220 515 601 | 2 571 226 797                               | 2 215 648 848 |              |
| INVESTMENT INCOME   | 26.1  | 117 016 351                                      | 5 114 441                                    | 122 130 792   | 0           | 122 130 792                                 | 107 133 633   |              |
| EXPENDITURE   |       | 2 254 085 179                                    | 174 878 128                                  | 2 428 963 307 | 179 849 536 | 2 608 812 843                               | 2 254 382 149 |              |
| PERSONNEL REMUNERATION  | 24    | 1 297 048 793                                    | 34 470 775                                   | 1 331 519 568 | 28 244 645  | 1 359 764 213                               | 1 180 333 159 |              |
| ACADEMIC PROFESSIONAL   |       | 706 276 546                                      | 14 431 047                                   | 720 707 593   | 0           | 720 707 593                                 | 621 683 293   |              |
| OTHER PERSONNEL   |       | 590 772 247                                      | 20 039 728                                   | 610 811 975   | 28 244 645  | 639 056 620                                 | 558 649 866   |              |
| OTHER CURRENT OPERATING EXPENSES  | 25    | 801 479 127                                      | 139 428 397                                  | 940 907 524   | 145 646 849 | 1 086 554 373                               | 930 581 752   |              |
| CAPITAL EXPENDITURE EXPENSED  | 28    | 52 949 243                                       | 1 099 226                                    | 54 048 469    | 1 928 165   | 55 976 634                                  | 47 220 639    |              |
| DEPRECIATION  | 6 & 7 | 91 336 562                                       | 0  | 91 336 562    | 0           | 91 336 562                                  | 79 435 098    |              |
| AMORTISATION  | 8     | 844 497  | 0  | 844 497       | 0           | 844 497                                     | 3 947 439     |              |
| SUB-TOTAL   |       | 2 243 658 222                                    | 174 998 398                                  | 2 418 656 620 | 175 819 659 | 2 594 476 279                               | 2 241 518 087 |              |
| FINANCE CHARGES   | 27    | 10 426 957                                       | (120 270)                                    | 10 306 687    | 4 029 877   | 14 336 564                                  | 12 864 062    |              |
| NON-RECURRENT ITEMS   |       | 19 926 967                                       | 1 938  | 19 928 905    | 0           | 19 928 905                                  | (5 021 860)   |              |
| INCOME  |       | 19 926 967                                       | 1 938  | 19 928 905    | 0           | 19 928 905                                  | (5 021 860)   |              |
| PROFIT/(LOSS) ON DISPOSAL OF PPE  |       | 7 545 672  | 1 938  | 7 547 610     | 0           | 7 547 610                                   | (6 925 861)   |              |
| PROFIT ON INVESTMENTS   | 26.2  | 12 351 175                                       | 0  | 12 351 175    | 0           | 12 351 175                                  | 1 847 893     |              |
| SHARE OF PROFIT OF ASSOCIATES   | 10    | 17 419   | 0  | 17 419        | 0           | 17 419                                      | 24 358        |              |
| OTHER NON-RECURRENT INCOME  |       | 12 701   | 0  | 12 701        | 0           | 12 701                                      | 31 750        |              |
| EXPENDITURE   |       | 0  | 0  | 0             | 0           | 0   | 0             |              |
| NET SURPLUS BEFORE INCOME TAX   |       | 46 721 248                                       | 17 086 338                                   | 63 807 586    | 40 666 065  | 104 473 651                                 | 63 378 472    |              |
| INCOME TAX EXPENSE  | 35    | 523 682  | 0  | 523 682       | 0           | 523 682                                     | 87 787        |              |
| SURPLUS FOR THE YEAR  |       | 46 197 566                                       | 17 086 338                                   | 63 283 904    | 40 666 065  | 103 949 969                                 | 63 290 685    |              |
| OTHER COMPREHENSIVE INCOME (OCI)  |       | 19 762 080                                       | 0  | 19 762 080    | 0           | 19 762 080                                  | 2 325 072     |              |
| PENSION FUND - SURPLUS/(DEFICIT)  | 18    | 6 621 000  | 0  | 6 621 000     | 0           | 6 621 000                                   | (8 966 000)   |              |
| DISABILITY RESERVE FUND - SURPLUS/(DEFICIT)                               | 18    | 5 738 000  | 0  | 5 738 000     | 0           | 5 738 000                                   | (1 368 000)   |              |
| NET VALUE GAIN/(LOSS) ON AVAILABLE-FOR-SALE FINANCIAL ASSETS (NET OF TAX) | 9     | 7 403 080  | 0  | 7 403 080     | 0           | 7 403 080                                   | 12 659 072    |              |
| TOTAL COMPREHENSIVE INCOME FOR THE YEAR                                   |       | 65 959 646                                       | 17 086 338                                   | 83 045 984    | 40 666 065  | 123 712 049                                 | 65 615 757    |              |
| Attributable to:  |       |  |  |               |             |   |               |              |
| - North-West University (Surplus and OCI)                                 |       | 65 835 499                                       | 17 086 338                                   | 82 921 837    | 40 666 065  | 123 587 902                                 | 65 599 955    |              |
| - Non-controlling interests (Surplus)                                     |       | 124 147  | 0  | 124 147       | 0           | 124 147                                     | 15 802        |              |
| TOTAL COMPREHENSIVE INCOME FOR THE YEAR                                   |       | 65 959 646                                       | 17 086 338                                   | 83 045 984    | 40 666 065  | 123 712 049                                 | 65 615 757    |              |

The notes on pages 11 to 63 are an integral part of these consolidated financial statements.

**NORTH-WEST UNIVERSITY**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEARS ENDED 31 DECEMBER**

| DESCRIPTION  | UNRESTRICTED<br>RESERVE<br>FUNDS | DESIGNATED<br>RESERVE<br>FUNDS | SUB-TOTAL<br>A | RESTRICTED<br>RESERVE<br>FUNDS:<br>DONATIONS &<br>SIMILAR<br>FUNDS | RESTRICTED<br>RESERVE<br>FUNDS:<br>RESEARCH<br>& OTHER<br>(CONTRACTS) | SUB-TOTAL<br>B | RESTRICTED<br>RESERVE<br>FUNDS:<br>STUDENT<br>LOANS | RESTRICTED<br>RESERVE<br>FUNDS:<br>RESIDENCE | FIXED<br>ASSET<br>RESERVE<br>FUND<br>(PPE) | RESERVE<br>FUNDS FOR<br>FIXED<br>ASSETS:<br>ADDITIONS<br>& RENEWALS | AVAILABLE-<br>FOR-SALE/<br>REVALUATION<br>RESERVE | SUB-TOTAL<br>C | TOTAL         | NON-<br>CONTROLLING<br>INTEREST | TOTAL<br>EQUITY |
|--|----------------------------------|--------------------------------|----------------|--|---|----------------|---|--|--|---|---|----------------|---------------|---------------------------------|-----------------|
|  | R                                | R                              | R              | R  | R   | R              | R   | R  | R  | R   | R   | R              | R             | R                               | R               |
| <b>BALANCE AT 31 DECEMBER 2009</b>   | 11 888 262                       | 298 247 159                    | 310 135 421    | 21 142 628   | 65 966 468  | 87 109 096     | 9 842 522   | 14 229 266                                   | 692 455 235                                | 8 312 547   | 43 381 891  | 768 221 461    | 1 165 465 978 | 0                               | 1 165 465 978   |
| <b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>   | 0                                | 50 418 073                     | 50 418 073     | 2 557 609  | 5 313 107   | 7 870 716      | 290 419   | 19 176 244                                   | 0  | 0   | 9 190 437   | 28 657 099     | 86 945 889    | 0                               | 86 945 889      |
| SURPLUS FOR THE YEAR   | 0                                | 9 903 198                      | 9 903 198      | 2 557 609  | 5 313 107   | 7 870 716      | 290 419   | 19 176 244                                   | 0  | 0   | 0   | 19 466 663     | 37 240 577    | 0                               | 37 240 577      |
| OTHER COMPREHENSIVE INCOME   | 0                                | 40 514 875                     | 40 514 875     | 0  | 0   | 0              | 0   | 0  | 0  | 0   | 9 190 437   | 9 190 437      | 49 705 312    | 0                               | 49 705 312      |
| <b>TRANSFERS</b>   | 14 503 044                       | (133 093 994)                  | (118 590 950)  | (1 048 419)  | 2 014 276   | 965 857        | 0   | (27 426 369)                                 | 129 204 016                                | 15 847 446  | 0   | 117 625 094    | 0             | 0                               | 0               |
| <b>BALANCE AT 31 DECEMBER 2010</b>   | 26 391 306                       | 215 571 238                    | 241 962 544    | 22 651 818   | 73 293 850  | 95 945 668     | 10 132 941  | 5 979 141                                    | 821 659 251                                | 24 159 993  | 52 572 328  | 914 503 653    | 1 252 411 866 | 0                               | 1 252 411 866   |
| <b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>   | 0                                | 5 764 267                      | 5 764 267      | 3 352 128  | 17 668 789  | 21 020 917     | 19 993  | 26 135 705                                   | 0  | 0   | 12 659 072  | 38 814 771     | 65 599 955    | 15 802                          | 65 615 757      |
| SURPLUS FOR THE YEAR   | 0                                | 16 098 267                     | 16 098 267     | 3 352 128  | 17 668 789  | 21 020 917     | 19 993  | 26 135 705                                   | 0  | 0   | 0   | 26 155 699     | 63 274 883    | 15 802                          | 63 290 685      |
| OTHER COMPREHENSIVE INCOME   | 0                                | (10 334 000)                   | (10 334 000)   | 0  | 0   | 0              | 0   | 0  | 0  | 0   | 12 659 072  | 12 659 072     | 2 325 072     | 0                               | 2 325 072       |
| NON-CONTROLLING INTEREST ARISING ON THE ACQUISITION OF OPENCOLLAB (PTY) LTD                    | (7 958 537)                      | (68 468 430)                   | (76 426 967)   | (4 345 417)  | (10 192 780)  | (14 538 197)   | 4 187 088   | (2 240 748)                                  | 65 788 547                                 | 23 230 275  | 0   | 90 965 165     | 0             | 0                               | 0               |
| <b>TRANSFERS</b>   |                                  |                                |                |  |   |                |   |  |  |   |   |                |               | 174 167                         | 174 167         |
| <b>BALANCE AT 31 DECEMBER 2011</b>   | 18 432 769                       | 152 867 075                    | 171 299 844    | 21 658 529   | 80 769 859  | 102 428 388    | 14 340 022  | 29 874 098                                   | 887 447 798                                | 47 390 268  | 65 231 400  | 1 044 283 589  | 1 318 011 821 | 189 969                         | 1 318 201 787   |
| <b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>   | 0                                | 58 432 419                     | 58 432 419     | 4 703 569  | 18 571 309  | 23 274 878     | (6 188 540)   | 40 666 064                                   | 0  | 0   | 7 403 080   | 41 880 604     | 123 587 902   | 124 147                         | 123 712 049     |
| SURPLUS FOR THE YEAR   | 0                                | 46 073 419                     | 46 073 419     | 4 703 569  | 18 571 309  | 23 274 878     | (6 188 540)   | 40 666 064                                   | 0  | 0   | 0   | 34 477 524     | 103 825 822   | 124 147                         | 103 949 969     |
| OTHER COMPREHENSIVE INCOME   | 0                                | 12 359 000                     | 12 359 000     | 0  | 0   | 0              | 0   | 0  | 0  | 0   | 7 403 080   | 7 403 080      | 19 762 080    | 0                               | 19 762 080      |
| INCREASE IN NON-CONTROLLING INTEREST DUE TO ISSUE OF ADDITIONAL SHARES IN OPENCOLLAB (PTY) LTD | 0                                | 0                              | 0              | 0  | 0   | 0              | 0   | 0  | 0  | 0   | 0   | 0              | 0             | 3                               | 3               |
| <b>TRANSFERS</b>   | 11 531 447                       | 3 917 404                      | 15 448 851     | 923 226  | (9 625 613)   | (8 702 387)    | (6 455 171)   | (21 877 668)                                 | (1 751 194)                                | 23 337 569  | 0   | (6 746 464)    | 0             | 0                               | 0               |
| <b>BALANCE AT 31 DECEMBER 2012 (note 16)</b>   | 29 964 216                       | 215 216 898                    | 245 181 114    | 27 285 324   | 89 715 555  | 117 000 879    | 1 696 311   | 48 662 495                                   | 885 696 604                                | 70 727 837  | 72 634 480  | 1 079 417 729  | 1 441 599 723 | 314 119                         | 1 441 913 839   |

The notes on pages 11 to 63 are an integral part of these consolidated financial statements.

**NORTH-WEST UNIVERSITY**  
**CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEARS ENDED 31 DECEMBER**

| CONSOLIDATED<br>STATEMENT OF CASH FLOWS                   | NOTE | 2012<br>R                   | 2011<br>R                   |
|---|------|-----------------------------|-----------------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>               |      |                             |                             |
| INVESTMENT INCOME LESS COST OF FINANCE                    | 29   | 194 679 730                 | 253 425 643                 |
| INVESTMENT INCOME   | 26   | 120 145 403                 | 96 117 464                  |
| INTEREST PAID   | 27   | 134 481 967<br>(14 336 564) | 108 981 526<br>(12 864 062) |
| <b>NET CASH FROM OPERATING ACTIVITIES</b>                 |      | 314 825 133                 | 349 543 107                 |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>               |      |                             |                             |
| ACQUISITION OF SUBSIDIARY, NET OF CASH ACQUIRED           |      | (372 146 341)               | (505 178 978)               |
| PURCHASE OF PROPERTY, PLANT & EQUIPMENT                   | 6    | 0                           | (5 032 447)                 |
| PROCEEDS FROM SALE OF PROPERTY, PLANT & EQUIPMENT         | 6    | (277 858 256)               | (242 782 104)               |
| PURCHASE OF INTANGIBLE ASSETS                             | 8    | 8 650 966<br>(163 894)      | 2 173 756<br>(1 017 670)    |
| PURCHASE OF NON-CURRENT INVESTMENTS                       | 9    | (102 757 728)               | (258 496 115)               |
| PURCHASE OF INVESTMENT IN ASSOCIATE                       | 10   | (17 429)                    | (24 398)                    |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>               |      |                             |                             |
| PROCEEDS FROM INTEREST-BEARING BORROWINGS                 | 17   | (6 353 517)                 | 37 748 758                  |
| PAYMENTS OF INTEREST-BEARING BORROWINGS                   | 17   | 0<br>(6 353 517)            | 41 745 385<br>(3 996 627)   |
| <b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>          |      | (63 674 725)                | (117 887 113)               |
| <b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR</b> |      | 260 170 041                 | 378 057 155                 |
| <b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR</b>       | 15   | 196 495 316                 | 260 170 041                 |

The notes on pages 11 to 63 are an integral part of these consolidated financial statements.

## NORTH-WEST UNIVERSITY

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

#### 1. GENERAL INFORMATION

##### STRUCTURE OF THE UNIVERSITY

##### 1.1 Legal persona and country of registration

The University is a legal person in the Republic of South Africa and is regulated by the Higher Education Act 101 of 1997, as amended by Act 54 of 2000.

##### 1.2 Nature of business, operations and main activities

The operations and main activities of the University are education, research and community service, based on its vision and mission.

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated annual financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### 2.1 Basis of preparation

The consolidated financial statements are prepared in accordance with International Financial Reporting Standards ('IFRS') as issued by the International Accounting Standards Board. The consolidated financial statements are also in accordance with the requirements set by the Minister of Higher Education and Training in terms of Section 41 of the Higher Education Act (Act 101 of 1997 (as amended)).

The consolidated financial statements are prepared on a going concern basis under the historical cost convention, as modified by:

- Electing to carry financial assets at fair value through profit or loss;
- measuring investments recognised as available for sale at fair value; and
- valuing post-employment and disability benefit obligations by using the projected unit credit method.

Management is of the opinion that the University has adequate resources to continue with operational activities for the foreseeable future and therefore will continue to adopt the going concern basis in preparing its consolidated financial statements.

The preparation of consolidated financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in note 4.

##### ***(a) Standards, amendments and interpretations effective in 2012 and adopted by the University***

There are no IFRSs or IFRIC interpretations that are effective for the first time for the financial year beginning on or after 1 January 2012 that would be expected to have a material impact on the University.

## NORTH-WEST UNIVERSITY

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

## 2.1 Basis of preparation (continued)

***(b) Standards, amendments and interpretations effective in 2012 but not relevant***

The following standards, amendments and interpretations are mandatory and are also effective for accounting periods beginning on or after 1 January 2012 but are not relevant to the University's operations and are therefore not applied:

- **Amendment to IAS 1, 'Financial statement presentation'** regarding other comprehensive income. The main change resulting from these amendments is a requirement for entities to group items presented in 'other comprehensive income' (OCI) on the basis of whether they are potentially re-classifiable to profit or loss subsequently (reclassification adjustments). The amendments do not address which items are presented in OCI.

***(c) Standards, amendments to and interpretations of existing standards that are not yet effective and have not been adopted early by the University***

- **IFRS 10, 'Consolidated financial statements'**, builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company. The standard provides additional guidance to assist in the determination of control where this is difficult to assess. The University is yet to assess IFRS 10's full impact and intends to adopt IFRS 10 no later than the accounting period beginning on or after 1 January 2013.
- **IAS 19, 'Employee benefits'** (effective 1 January 2013). These amendments eliminate the corridor approach and calculates finance costs on a net funding basis. This standard was amended in June 2011. The impact will be as follows: to immediately recognise all past service costs; and to replace interest cost and expected return on plan assets with a net interest amount that is calculated by applying the discount rate to the net defined benefit liability (asset). The University is yet to assess the full impact of the amendments.

***(d) Standards and interpretations not yet effective and not relevant to the University's operations***

- **IFRS 9, 'Financial instruments'**, addresses the classification, measurement and recognition of financial assets and financial liabilities. IFRS 9 was issued in November 2009 and October 2010. It replaces the parts of IAS 39 that relate to the classification and measurement of financial instruments. IFRS 9 requires financial assets to be classified into two measurement categories: those measured at fair value and those measured at amortised cost. The determination is made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. For financial liabilities, the standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch.

## NORTH-WEST UNIVERSITY

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

##### 2.1 Basis of preparation (continued)

##### *(d) Standards and interpretations not yet effective and not relevant to the University's operations (continued)*

- **IFRS 11, 'Joint arrangements'** (effective 1 January 2013). IFRS 11 is a more realistic reflection of joint arrangements by focusing on the rights and obligations of the arrangement rather than their legal form. There are two types of joint arrangement: joint operations and joint ventures. Joint operations arise where a joint operator has rights to the assets and obligations relating to the arrangement and hence accounts for its interest in assets, liabilities, revenue and expenses. Joint ventures arise where the joint operator has rights to the net assets of the arrangement and hence equity accounts for its interest. Proportional consolidation of joint ventures is no longer allowed.
- **IFRS 12, 'Disclosures of interests in other entities'** (effective 1 January 2013). IFRS 12 includes the disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles.
- **IFRS 13, 'Fair value measurement'** (effective 1 January 2013). IFRS 13 aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. The requirements, which are largely aligned between IFRSs and US GAAP, do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRSs or US GAAP.
- **IAS 27 (revised 2011), 'Separate financial statements'** (effective 1 January 2013). IAS 27 (revised 2011) includes the provisions on separate financial statements that are left after the control provisions of IAS 27 have been included in the new IFRS 10.
- **IAS 28 (revised 2011), 'Associates and joint ventures'** (effective 1 January 2013). IAS 28 (revised 2011) includes the requirements for joint ventures, as well as associates, to be equity accounted following the issue of IFRS 11.

##### 2.2 Basis of consolidation

All the different components, including the institutes, bureaux, companies and educational units of the University, as well as the results, assets and liabilities of the Institutional Office and of the Mafikeng, Potchefstroom and Vaal Triangle Campuses, are included in the consolidated financial statements.

##### *(a) Subsidiaries*

Subsidiaries are all entities over which the University has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the University controls another entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the University. They are de-consolidated from the date that control ceases.

## NORTH-WEST UNIVERSITY

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.2 Basis of consolidation (continued)

#### (a) Subsidiaries (continued)

The University applies the acquisition method to account for subsidiaries. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The University recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of the acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred.

Goodwill is initially measured as the excess of the aggregate of the consideration transferred and the fair value of the non-controlling interest over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in profit or loss.

Inter-company transactions, balances, income and expenses on transactions between the University and companies are eliminated. Profits and losses resulting from inter-company transactions that are recognised in assets are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the University.

The following subsidiaries have been included in the consolidated financial statements:

- Molopo Sun (Pty) Ltd
- Opencollab (Pty) Ltd
- PUK Kanselierstrust
- PUK Ontwikkelingstrust (incorporated association not for gain)
- Zingaro Trade 9 (Pty) Ltd (Awhatukee Trust)

#### (b) Associates

Associates are all entities over which the University has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the University's share of the profit or loss of the investee after the date of acquisition. The University's share of post-acquisition profit or loss is recognised in the statement of comprehensive income.

### 2.3 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Institutional Management that makes strategic decisions.



## NORTH-WEST UNIVERSITY

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

##### 2.4 Property, plant and equipment (PPE)

- 2.4.1 Property, plant and equipment are stated at historical cost less depreciation, except for donations of assets that are initially recorded at fair value less depreciation. Fair value is considered as deemed cost. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in an asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the University and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

- 2.4.2 Land and buildings mainly consist of lecture halls, laboratories, hostels and administrative buildings. Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as referred to below.

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

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 2.7).

Gains and losses on disposals of property, plant and equipment are determined by comparing the proceeds with the carrying amount and are recognised in the statement of comprehensive income.

| CATEGORY                        | PERCENTAGE<br>PER ANNUM | USEFUL LIFE  |
|---------------------------------|-------------------------|--|
| Land                            | 0,0%                    | : Utilisation is unlimited.  |
| Buildings                       | 2,0%                    | : The useful life is estimated at 50 years.  |
| Computer equipment              | 33,3%                   | : The useful life is estimated at 3 years.   |
| Laboratory equipment            | 15,0%                   | : The useful life is estimated at 6,67 years.  |
| Specialised equipment           | 20,0%                   | : The useful life is estimated at 5 years.   |
| Furniture                       | 10,0%                   | : The useful life is estimated at 10 years.  |
| Vehicles                        | 33,3%                   | : The residual value of the vehicle pool is estimated at 65% after three years, which is the average replacement term of vehicles. |
| Synthetic hockey field (carpet) | 12,5%                   | : The useful life is estimated at 8 years.   |
| Synthetic hockey field (base)   | 2,0%                    | : The useful life is estimated at 50 years   |

## NORTH-WEST UNIVERSITY

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

##### 2.4 Property, plant and equipment (PPE) (continued)

2.4.3 Actual improvements to buildings are capitalised when it is probable that future economic benefits exceeding the originally estimated performance standard of the existing asset will flow to the business. Routine maintenance with regard to buildings and equipment are charged to the statement of comprehensive income as incurred.

2.4.4 Costs relating to library books are expensed.

##### 2.5 Investment properties

Investment properties, principally comprising land and buildings, are held for long-term rental yields and are not occupied by the University. Investment properties are carried at cost less impairment losses and depreciation.

Depreciation on investment properties is calculated using the straight-line method to allocate their cost to their residual value over the estimated useful life of 50 years.

##### 2.6 Intangible assets

###### Computer software

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and put into use the specific software. These costs are amortised over their estimated useful lives of three to five years.

Costs associated with maintaining computer software programmes (including annual licence fees) are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the University, and that will probably generate economic benefits exceeding costs beyond one year, are recognised as intangible assets. Directly attributable costs that are capitalised as part of the software product include the software development employee costs and an appropriate portion of relevant overheads.

Other development expenditure that does not meet the criteria is recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

When capitalised, intangible assets are initially recognised at cost. These costs are amortised on a straight-line basis as follows:

- Computer software – Licences                      20%     : The useful life is estimated at 5 years.
- Computer software – Other                              20%     : The useful life is estimated at 5 years.

## NORTH-WEST UNIVERSITY

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

##### 2.6 Intangible assets (continued)

###### Goodwill

Goodwill arises on the acquisition of subsidiaries and represents the excess of the consideration transferred over the University's interest in net fair value of the net identifiable assets, liabilities and contingent liabilities of the acquiree and the fair value of the non-controlling interest in the acquiree.

For the purpose of impairment testing, goodwill acquired is allocated to each of the cash-generating units that is expected to benefit from the combination. Each unit to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

Separately recognised goodwill is carried at cost less impairment losses and goodwill impairment reviews are undertaken annually. The carrying value of goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs to sell. Any impairment is recognised immediately as an expense and is not subsequently reversed.

##### 2.7 Impairment of non-financial assets

Assets that have an indefinite useful life – for example, goodwill or intangible assets not ready to use – are not subject to amortisation and are tested annually for impairment. Assets that are subject to depreciation/amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

##### 2.8 Foreign currency translation

###### Functional and presentation currency

Items included in the financial statements of each of the University's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in South African rand (R), which is the University's presentation currency.

###### Transactions and balances

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

## NORTH-WEST UNIVERSITY

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

##### 2.8 Foreign currency translation (continued)

###### Transactions and balances (continued)

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the statement of comprehensive income within 'finance income or cost'. All other foreign exchange gains and losses are presented in the statement of comprehensive income within 'other (losses)/gains – net'.

Changes in the fair value of monetary securities denominated in foreign currency classified as available-for-sale are analysed between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in other comprehensive income.

Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets such as equities classified as available-for-sale are included in other comprehensive income.

##### 2.9 Financial assets

###### Classification

The University classifies its financial assets in the following categories: at fair value through profit or loss, receivables, held-to-maturity and available-for-sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

###### (a) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling it in the short term. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if expected to be settled within 12 months; otherwise, they are classified as non-current. The University's financial assets classified in this category are foreign exchange contracts and ALSI future contracts (refer to note 9).

###### (b) Receivables

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting date. These are classified as non-current assets. The University's receivables comprise the following in the statement of financial position:

- Money-market and other investments (refer to note 9);
- Trade and other receivables (refer to note 14); and
- Cash and cash equivalents (refer to note 15).

## NORTH-WEST UNIVERSITY

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

##### 2.9 Financial assets (continued)

###### (c) Held-to-maturity

Held-to-maturity investments are investments with fixed or determinable payments and fixed maturity. Other than receivables originated by the enterprise, the positive intent and ability of the enterprise is to hold the investment to maturity. The University's held-to-maturity investments include capital bonds (refer to note 9).

###### (d) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless the investment matures or management intends to dispose of it within 12 months of the end of the reporting date. The University's financial assets classified in this category comprise unlisted shares that do not qualify as an investment in an associate, listed shares and foreign investments (refer to note 9).

#### Recognition and measurement

Regular purchases and sales of financial assets are recognised on the trade date – the date on which the University commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the statement of comprehensive income. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the University has transferred substantially all risks and rewards of ownership. Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Receivables and held-to-maturity investments are subsequently carried at amortised cost using the effective interest method.

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the statement of comprehensive income in the period in which they arise. Dividend income from financial assets at fair value through profit and loss is recognised in the statement of comprehensive income as part of the other income when the University's right to receive payments is established.

Changes in the fair value of monetary and non-monetary securities classified as available-for-sale are recognised in other comprehensive income.

When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments recognised in equity are included in the statement of comprehensive income.

Interest on available-for-sale securities calculated using the effective interest method is recognised in the statement of comprehensive income as part of other income. Dividends on available-for-sale equity instruments are recognised in the statement of comprehensive income as part of other income when the University's right to receive payments is established.

## NORTH-WEST UNIVERSITY

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

##### 2.9 Financial assets (continued)

###### Recognition and measurement (continued)

The fair values of quoted investments are based on current bid prices. If the market for a financial asset (and for unlisted securities) is not active, the University establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models making maximum use of market inputs and relying as little as possible on entity-specific inputs.

###### Impairment of financial assets

The University assesses at the end of each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is also evidence that the assets are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from equity and recognised in profit or loss. Impairment losses recognised in the consolidated statement of comprehensive income on equity instruments are not reversed through the consolidated statement of comprehensive income.

Impairment testing of trade receivables is described in note 2.12.

##### 2.10 Derivative financial instruments

Certain derivatives are accounted for at fair value through profit or loss. Changes in the fair value of these derivatives are recognised immediately in the statement of comprehensive income.

##### 2.11 Inventories

Inventories are stated at the lower of cost or net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the cost of completion and applicable variable selling expenses.

Cost of inventory is determined by the following methods:

- 2.11.1 Central warehouse, trade, cafeteria and residence inventories are stated at the weighted average cost.
- 2.11.2 Fuel inventories are calculated according to the first-in, first-out (FIFO) method.
- 2.11.3 Printed publications are stated at the weighted average purchase price.
- 2.11.4 Veterinary health is stated at the weighted average purchase price.
- 2.11.5 Provision for obsolete and slow-moving stock is made where applicable.

## NORTH-WEST UNIVERSITY

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

##### 2.12 Trade and other receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the University will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (90 days and more overdue) are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the statement of comprehensive income within operating expenses. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against operating expenses in the statement of comprehensive income.

##### 2.13 Cash and cash equivalents

In the consolidated statement of cash flows, cash and cash equivalents include cash on hand, deposits held at call with banks and investments in money-market instruments.

##### 2.14 Equity – reserve funds

The accumulated funds are subdivided on the basis of their employability between restricted and unrestricted funds.

###### Unrestricted funds – Council-controlled

Unrestricted and designated funds relate to funds over which the Council of the University has absolute legal control and discretion. Designated funds are unrestricted income which the Council has designated for purposes that it deems fit. Decisions in this regard can always be changed at the discretion of Council. The Council-controlled segment predominantly represents the teaching component of the University. It reflects the University's subsidised activities and comprises mainly formula subsidy, tuition fees, sales of goods and services and investment income.

###### Restricted funds

Specifically purposed income (restricted) relates to funds that have been provided in terms of legally enforceable requirements of the purpose for which they may be expended. This may result from a contract, a condition of a grant, a bequest or a condition stipulated in a notarial deed of donation. Council has no discretion or control in this regard, but retains an oversight role in regard to ensuring that expenditure is in accordance with the mandate received from funders.

###### Student and staff accommodation

The student housing segment relates to the provision of accommodation to students (residences).

###### Fixed asset reserve

These are funds utilised for acquisition of property, plant and equipment (PPE).

###### Revaluation reserve

The revaluation reserve reflects the fair value changes in available-for-sale investments.

## NORTH-WEST UNIVERSITY

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

##### 2.15 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of comprehensive income over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the University has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

##### 2.16 Employee benefits

###### 2.16.1 Pension obligations

The University has both defined benefit and defined contribution plans. A defined-contribution plan is a pension plan under which the University pays fixed contributions into a separate entity. The University has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. A defined benefit plan is a pension plan that is not a defined-contribution plan. Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

###### Defined-benefit plans

Retirement-benefit costs are provided in accordance with defined-benefit plans, which include the North-West University Pension Fund and the Associated Institutions Pension Fund. The North-West University Pension Fund has two fixed-benefit options, only available to members who changed from the Associated Institutions Pension Fund to the North-West University Pension Fund on 1 January 1995 – closed options.

The liability recognised in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting date less the fair value of plan assets, together with adjustments for unrecognised past-service costs. The defined benefit obligation is calculated annually by qualified independent actuaries, using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation.

Actuarial gains and losses arising from experience adjustments, changes in actuarial assumptions and amendments to pension plans are charged or credited to equity in other comprehensive income in the period in which they arise.

Current service cost is recognised as a term expenditure in current profit and is matched with the benefit received during the working life of the employee. This includes the expenditure for benefits received by the employee who is currently in service, as well as the funding of costs for this employee when the person is no longer in service.



## NORTH-WEST UNIVERSITY

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

##### 2.16 Employee benefits (continued)

##### 2.16.1 Pension obligations (continued)

###### Defined-benefit plans (continued)

Past service cost, experience adjustments, the effect of changes in actuarial assumptions and the effect of plan changes are written off. The present value of the effect of the amended benefits is determined and recognised as income or expenditure in the period during which the plan change is made.

###### Defined-contribution plan

Retirement-benefit costs are provided in terms of a defined-contribution plan (North-West University Pension Fund). The North-West University Pension Fund has a fixed-contribution plan with a defined-benefit guarantee for all new enrolments since 1 January 1995. A fourth option was introduced on 1 January 2004 for all new members of the fund. The contributions to the defined-contribution plan are recognised as expenditure in the relevant period in which the liability arises, and the liability is thus matched with the benefit received by the employee during his/her working life.

##### 2.16.2 Disability obligations

The disability benefits are provided in accordance with the rules of the North-West University Disability Reserve Fund that was established on 1 January 1995.

The objective of the fund is to provide disability benefits to the members of the North-West University Pension Fund. After a waiting period of 6 months, a member who is disabled receives a disability income equal to 82,5% of the member's monthly salary, subject to a maximum disability income benefit as determined by the Trustees. The income is reduced by the member's contributions towards the North-West University Pension Fund. The disability income will continue to age 65 or to earlier recovery.

The asset recognised in the statement of financial position is the fair value of plan assets less the present value of the liabilities at the end of the reporting date. This is calculated annually by qualified independent actuaries using the projected unit credit method and discounting the estimated future cash outflows using interest rates of government corporate bonds that are denominated in the currency in which the benefits will be paid.

Actuarial gains and losses arising from experience adjustments, changes in actuarial assumptions and amendments are charged or credited to the statement of comprehensive income in the period in which they occur.

##### 2.16.3 Post-employment medical benefits

The current service costs of post-retirement benefits over and above pension funds are recognised as term expenditure are matched with the benefit received during the working life of the employee and include the funding costs for when employees are no longer employed. Actuarial gains and losses arising from experience adjustments, and changes in actuarial assumptions are charged to the statement of comprehensive income during the period in which these changes arise. The liability is calculated according to actuarial assumptions to determine the current value of the estimated future costs of the benefits – by means of the projected unit credit method.

## NORTH-WEST UNIVERSITY

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

##### 2.16 Employee benefits (continued)

###### 2.16.3 Post-employment medical benefits (continued)

The effect of plan changes in respect of retired employees is determined as the present value of the effect of the changed benefits and is recognised as an expenditure during the period in which the change is made to the provisions of the retirement-benefit plan.

###### 2.16.4 Employee benefit liabilities

The cost of the benefits and the present value of the defined-benefit pension funds and post-retirement medical obligations depend on a number of factors that are determined on an actuarial basis using a range of assumptions.

###### 2.16.5 Termination benefits

Termination benefits are payable when employment is terminated by the University before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The University recognises termination benefits when it is demonstrably committed to a termination when the University has a detailed formal plan to terminate the employment of current employees without possibility of withdrawal. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the reporting date are discounted to their present value.

###### 2.16.6 Bonus plans

The University recognises a liability and an expense for bonuses. The University recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

###### 2.16.7 Accumulated annual leave

Employee entitlements to annual leave are in accordance with the conditions of service of the employees with leave accruing to them as a result of services rendered. These include annual leave as well as accumulated leave.

##### 2.17 Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired from suppliers in the ordinary course of business. Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

##### 2.18 Provisions

Provisions are recognised when the University has a present legal or constructive obligation as a result of past events, when it is probable that an outflow of resources will be required to settle the obligation, and when the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as an interest expense.

## NORTH-WEST UNIVERSITY

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

##### 2.19 Income recognition

Income is measured at the fair value of the consideration received or receivable, and represents amounts receivable for the sale of goods and services in the ordinary course of the University's activities. Revenue is shown net of value-added tax (as applicable), returns, rebates and discounts and after eliminating sales within the group.

Income is recognised when the amount of revenue can be reliably measured, when it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of the University's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The University bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

The accounting policy regarding the elements of gross income includes the following:

- 2.19.1 State subsidy is recognised as income over the periods that are required to systematically match the income with the related expenditure for which it is intended. State subsidy for the acquisition of fixed property and infrastructure is dealt with as deferred income and is recognised as income on a straight-line basis over the expected lives of the related assets.
- 2.19.2 Tuition fees, residence fees and other income are recognised as the service and products are rendered, in accordance with the percentage-of-completion method.
- 2.19.3 Research money is dealt with as follows:
  - Income is recognised when received. Funds not used until some specified future period or occurrence are deferred to deferred income and released as the criteria are met and the University becomes entitled to the funds; and
  - the expenditure is accounted for when incurred and is not deferred over the term of the specific research.
- 2.19.4 Dividends are recognised as income on the last day of registration with regard to listed shares and when it is declared in the case of unlisted shares. Interest is recognised on a time-proportion basis, which takes into account the effective return on the asset.
- 2.19.5 Donations received are recognised at the fair market value on the date of the donation.
- 2.19.6 Rental received is recognised over the period during which the rental takes place.

##### 2.20 Leases

Leases where the University has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised and depreciated over their expected useful lives. Lease payments are allocated between the liability and finance charges in accordance with the net investment method. Interest is charged over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the statement of comprehensive income on a straight-line basis over the period of the lease.

## **NORTH-WEST UNIVERSITY**

### **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

#### **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

##### **2.21 Research and development costs**

2.21.1 Research expenditure, as mentioned above, is recognised as an expense in the year when incurred. This includes all expenditure directly related to research and development activities.

2.21.2 Development costs, which are inherent in the operating activities of the University, are capitalised when future economic benefits will flow to the University and when the cost can be measured reliably. However, development costs initially recognised as an expense are not recognised as an asset in a subsequent period. Development costs that have been capitalised are amortised from the date the asset is in the condition and location to be used as intended by management.

##### **2.22 Borrowing costs (finance charges)**

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised as expenditure in the period in which they are incurred.

#### **3. FINANCIAL RISK MANAGEMENT**

The University's activities expose it to a variety of financial risks: market risk (including currency risk, price risk, cash flow interest rate risk and fair value interest rate risk), credit risk and liquidity risk.

The University's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the University's financial performance.

Council delegated the responsibility of the process of risk management to the Audit, Risk and Compliance Committee. This Committee reports key risks to Council twice per year.

The risk approach of the University is based on the following definition of risk: "Risk can be defined as a potential threat or possibility that an action or event will adversely affect an organisation's ability to achieve its objectives". The University's approach is to balance opportunities and risks based on the supposition that the University sustains itself as a going concern. As there are risks that will have direct financial implications and those that will not have (immediate) direct financial implications, risk profiles are differentiated as "financial risks" and "non-financial risks".

Risk abatement strategies are identified based on the strategic objectives of the University according to the Institutional Plan. Institutional Management (through defined responsibility and accountability of executive management) identifies the most significant risk events, conditions or areas. There is an established line function with the remit of determining the identification, assessment, intervention measures and all aspects of the management of risk affecting the University.

Identified as well as new events and actions that are potential risks are included in the risk register of the University. The list is maintained, reviewed and updated at least bi-annually and is managed accordingly.

Despite these structures and procedures, the potential exists that adverse events may occur that may affect the results of normal operations throughout the University at all levels of activity.

## NORTH-WEST UNIVERSITY

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

#### 3. FINANCIAL RISK MANAGEMENT (continued)

Only in limited instances are financial instruments used to cover risks linked to the University's activities. Where instruments are used to cover risks linked to the University's activities, each instrument is linked to an asset or liability, or an operational or financing transaction. Management of these instruments, which are mostly traded on organised or related markets, is centralised. Financial institutions are selected on their national grading to limit risks and to provide diversification.

The University's investment policy is designed to limit exposure to financial risks and no portfolio that has speculative characteristics is utilised. A money-market division and three independent investment management companies are responsible for managing these related risks.

#### 3.1 FINANCIAL RISK FACTORS

##### Market risk

##### (i) Foreign exchange risk

The University makes limited purchases in foreign currency. Owing to the restricted exposure of the University to this, hedging instruments are taken up only by way of exception to limit the risks arising from exchange rate fluctuations of the South African currency.

The University has foreign exchange exposure to the extent of its foreign investments. At 31 December 2012, if the rand had strengthened or weakened by 5% against the US Dollar while all other variables held constant, the surplus for the year would have been R nil higher/lower (2011: R43 160) (no foreign investments on 31 December 2012), mainly as a result of a rand increase/decrease in the fair value of US dollar denominated investments. The 5% variation in the exchange rate is based on the average forward rate for 12 months in respect of the underlying currencies.

##### (ii) Price risk

The University is exposed to equity securities price risk because of investments held by the University and classified either as available-for-sale or at fair value through profit or loss. Included in investments are listed shares that are traded on the Johannesburg Securities Exchange and classified as available-for-sale investments. The risk exists that the value of these financial instruments may fluctuate as a result of changes in the market price. To manage its price risk arising from investments in equity securities, the University diversifies its portfolio. Diversification is done in accordance with the prescripts of the Committee for Investments.

At 31 December 2012, if the ALSI of the JSE increased/decreased by 5% while all other variables held constant and all the University's equity instruments moved accordingly, the value of the investments would have been R370 154 higher/lower (2011: R628 624) (refer to note 9.1). Owing to the unpredictability of equity market returns, a general indicative percentage of 5% is used to highlight the changes in market value of equity investments.

## NORTH-WEST UNIVERSITY

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

#### 3. FINANCIAL RISK MANAGEMENT (continued)

##### 3.1 FINANCIAL RISK FACTORS (continued)

###### Market risk (continued)

###### (iii) Cash flow and fair value interest rate risk

In the case of long-term borrowings, the University's interest rate risk is limited because loans are only entered into at fixed interest rates and in South African currency. Borrowings issued at fixed rates expose the University to fair value interest risk. Interest rates on overdraft facilities are linked to the prime rate and are floating. Income and operating cash flows are substantially independent of changes in the market interest rates and therefore no formal interest rate risk management policy exists.

Interest rate risk and therefore cash flow risk arises mainly from cash and cash equivalents. At 31 December 2012 an investment performance measurement was done externally by an independent consultant, who indicated an actual yield on the University's cash and cash equivalent portfolio of 9,36% (2011: 10,14%). Had the interest rate been 0,5% higher/lower (50 basis points), the surplus would have been R3 583 250 higher/lower (2011: 4 466 630).

###### Credit risk

Credit risk arises from cash and cash equivalents, financial instruments and deposits with banks and financial institutions, as well as credit exposures regarding outstanding receivables comprising student debtors and trade and other debtors in normal operating circumstances.

The University's policy is designed to limit exposure to any single financial institution. Credit evaluation with regard to financial institutions is done annually by the Council and a credit limit is set for each institution. The University places cash and cash equivalents as well as investments only with reputable financial institutions with high credit ratings. No credit evaluations with regard to trade and other debtors (accounts receivable) nor for student debtors are done. The University also does not require any collateral. Receivables comprise outstanding student fees and a number of sundry customers. This credit risk exposure is mitigated by requiring students to pay an initial instalment in respect of tuition and accommodation fees at registration. Students with an outstanding balance from the previous year are only permitted to renew their registration after settling the outstanding amount as well as paying the current year's initial requirements.

Credit risks are limited by the large number of clients, the diversity of the University's activities and a strict recovery policy. The University is of the opinion that no significant concentration of risk that had not been insured or adequately provided for existed at year end.

###### Liquidity risk

Thorough cash planning and management take place to ensure that the University is able to meet its commitments associated with financial instruments at all times, under both normal and stress conditions. The University has minimised the risk of liquidity, as is reflected in its substantial cash and cash equivalents.

|                             | 2012 | 2011 |
|-----------------------------|------|------|
| Listed investments – shares | 50%  | 43%  |
| Cash and cash equivalents   | 50%  | 57%  |
| Total                       | 100% | 100% |

# NORTH-WEST UNIVERSITY

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

### 3. FINANCIAL RISK MANAGEMENT (continued)

#### 3.1 FINANCIAL RISK FACTORS (continued)

##### Liquidity risk (continued)

The table below analyses the University's non-derivative financial liabilities and net-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed are the undiscounted cash flows.

|                            | Less than<br>1 year | Between<br>1 and 2 years | Between<br>2 and 5 years | Over<br>5 years |
|----------------------------|---------------------|--------------------------|--------------------------|-----------------|
| <b>At 31 December 2012</b> |                     |                          |                          |                 |
| Borrowings                 | 10 698 949          | 15 183 387               | 28 782 203               | 42 570 173      |
| Trade and other payables   | 255 678 483         | 0                        | 0                        | 0               |

|                            | Less than<br>1 year | Between<br>1 and 2 years | Between<br>2 and 5 years | Over<br>5 years |
|----------------------------|---------------------|--------------------------|--------------------------|-----------------|
| <b>At 31 December 2011</b> |                     |                          |                          |                 |
| Borrowings                 | 10 320 913          | 13 969 661               | 26 216 105               | 53 081 551      |
| Trade and other payables   | 226 874 626         | 0                        | 0                        | 0               |

|  | R<br>2012           | R<br>2011          |
|--|---------------------|--------------------|
| <b>Liquidity ratio</b>                         |                     |                    |
| Current assets                                 |                     |                    |
| Inventory                                      | 21 338 345          | 19 764 833         |
| Trade and other receivables                    | 88 983 699          | 72 334 562         |
| Cash and cash equivalents                      | 196 495 316         | 260 170 041        |
|  | <u>306 817 360</u>  | <u>352 269 436</u> |
| Current liabilities                            |                     |                    |
| Trade and other payables                       | 255 674 773         | 226 803 198        |
| Current income tax liability                   | 3 710               | 71 428             |
| Current portion of interest bearing borrowings | 10 698 949          | 10 320 913         |
| Current portion of post-employment benefits    | 20 731 479          | 20 943 880         |
| Current portion of deferred income             | 15 929 409          | 19 558 426         |
| Student deposits and prepaid income            | 53 298 528          | 61 747 170         |
|  | <u>356 336 848</u>  | <u>339 445 015</u> |
| Net liquidity of continuing operations         | <u>(49 519 488)</u> | <u>12 824 421</u>  |
| Ratio  | <u>0.86</u>         | <u>1.04</u>        |

#### 3.2 CAPITAL MANAGEMENT

The University's objectives when managing capital are to safeguard the University's ability to continue as a going concern and to maintain an optimal capital structure to reduce the cost of capital. A well-planned budget process is followed each year to meet this objective. A sound financial position has been established by limiting exposure to debt and increasing investments and cash balances.

##### **Assets**

|                           |                      |                      |
|---------------------------|----------------------|----------------------|
| Investments               | 920 915 452          | 811 091 352          |
| Cash and cash equivalents | 196 495 316          | 260 170 041          |
| Total                     | <u>1 117 410 768</u> | <u>1 071 261 393</u> |

## NORTH-WEST UNIVERSITY

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

#### 3. FINANCIAL RISK MANAGEMENT (continued)

##### 3.2 CAPITAL MANAGEMENT (continued)

|  | R<br>2012            | R<br>2011          |
|--|----------------------|--------------------|
| <b>Liabilities</b>   |                      |                    |
| Non-current liabilities (excluding deferred income)                | 479 870 524          | 431 200 349        |
| Current liabilities (excluding current portion of deferred income) | 340 407 439          | 319 886 589        |
| Capital commitments (infrastructure)                               | 247 231 115          | 195 840 719        |
| Contractual obligations - operating leases                         | 43 735 892           | 48 949 432         |
| Total  | <u>1 111 244 970</u> | <u>995 877 089</u> |
| Net position   | <u>6 165 798</u>     | <u>75 384 304</u>  |

The greater part of capital commitments is being financed through subsidy from the Department of Higher Education and Training

##### Other information

The University has an overdraft facility of R10 million. No amount was drawn on 31 December 2012.

##### 3.3 FAIR VALUE ESTIMATION

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the University is the current bid price. These instruments are included in Level 1 of the table below. Instruments comprise primarily JSE equity investments classified as trading securities or available-for-sale. The fair value of forward foreign exchange contracts is determined using quoted forward exchange rates.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The University uses a variety of methods and applies assumptions based on market conditions existing at each reporting date. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity-specific estimates. If all significant inputs required to determine the fair value of an instrument are observable, the instrument is included in Level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

The carrying values of the following financial assets and liabilities approximate their fair value: cash and cash equivalents, trade and other receivables and trade and other payables. An exposition of these is given by means of notes with regard to each item.

Note 9 contains further information with regard to non-current investments and note 17 with regard to loans.

The following table presents the University's assets and liabilities that are measured at fair value at 31 December 2012.

|  | Level 1<br>R       | Level 2<br>R   | Level 3<br>R | Total<br>R         |
|--|--------------------|----------------|--------------|--------------------|
| <b>Assets</b>  |                    |                |              |                    |
| Financial assets at fair value through profit or loss                                      |                    |                |              |                    |
| Trading derivatives - ALSI future contracts  | 0                  |                |              | 0                  |
| Available-for-sale financial assets  |                    |                |              |                    |
| Equity securities - Listed shares in public companies                                      | 197 551 682        |                |              | 197 551 682        |
| Investments - Unlisted shares that do not qualify as an investment in an associate company |                    | 540 355        |              | 540 355            |
| <b>Total assets</b>  | <u>197 551 682</u> | <u>540 355</u> | <u>0</u>     | <u>198 092 037</u> |



## NORTH-WEST UNIVERSITY

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

#### 3. FINANCIAL RISK MANAGEMENT (continued)

##### 3.3 FAIR VALUE ESTIMATION (continued)

The following table presents the University's assets and liabilities that are measured at fair value at 31 December 2011.

|  | Level 1            | Level 2        | Level 3  | Total              |
|--|--------------------|----------------|----------|--------------------|
| Assets   | R                  | R              | R        | R                  |
| Financial assets at fair value through profit or loss                                      |                    |                |          |                    |
| Trading derivatives - ALSI future contracts  | (12 700)           |                |          | (12 700)           |
| Available-for-sale financial assets  |                    |                |          |                    |
| Equity securities - Listed shares in public companies                                      | 194 366 875        |                |          | 194 366 875        |
| Investments - Unlisted shares that do not qualify as an investment in an associate company |                    | 732 726        |          | 732 726            |
| <b>Total assets</b>  | <b>194 354 175</b> | <b>732 726</b> | <b>0</b> | <b>195 086 901</b> |

#### 4. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

The preparation of financial statements requires the use of certain critical accounting estimates and assumptions as well as for management to exercise its judgement in the process of applying accounting policies. Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Reported amounts of assets and liabilities at the reporting date as well as reported income and expenditure are affected by estimates, assumptions and judgements which are made and consist of the following:

##### 4.1 Critical accounting estimates and assumptions

The University makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

###### (i) Property, plant and equipment

The University is required to estimate the useful life and the expected residual value of assets for measurement. Even though annual revising ensures that changing circumstances are taken into account, the actual result might still be different from the estimated result. To limit this risk, Quantity Surveyors are used to annually evaluate the actual state of the buildings and the maintenance that should be done.

###### (ii) Pension and disability benefits

The present value of the pension and disability obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for pensions include the expected long-term rate of return on the relevant plan assets, the discount rate and the expected salary and pension increase rates. Any changes in these assumptions will impact on the charge to the statement of comprehensive income and may affect planned funding of the pension plan. The assumptions relating to the expected return on plan assets are determined on a uniform basis, considering long-term historical returns, asset allocation and future estimates of long-term investment returns. The appropriate discount rate is determined at the end of each year, which represents the interest rate that should be used to determine the present value of the estimated future cash flows expected to be required to settle the pension, disability and post-retirement medical obligations. The expected salary and pension increase rates are based on inflation rates, adjusted for salary scales.

Other key assumptions for pension and disability obligations are based in part on current market conditions.

Additional information is disclosed in note 18.

## NORTH-WEST UNIVERSITY

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

#### 4. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS (continued)

##### 4.1 Critical accounting estimates and assumptions (continued)

###### (iii) Impairment of financial instruments

The measurement of loans, trade and other receivables requires an estimation of the collectability of these assets.

###### (iv) Impairment of goodwill

Goodwill is allocated to the University's cash-generating units (CGUs). The recoverable amount of cash-generating units has been determined based on value-in-use calculations. These calculations require the use of estimates (note 8).

##### 4.2 Critical judgements

###### (i) Classification and valuation of investments

Management is required to exercise judgement in the classification of an investment in the equity instruments of another business. They must determine whether the University controls or jointly manages the business or only exercises a significant influence upon it. Management is also responsible to determine the fair value of unlisted investments.

###### (ii) Classification of assets

Classification of a long-term asset as an asset held for sale requires judgement if it is likely that a sales transaction will be realised within one year.

###### (iii) Provisions

Compliance with the recognition measures applicable to provisions requires that management identify the existence of constructive liabilities.

###### (iv) Income recognition

The criteria to be met before income is recognised require that management assess the transfer of risks and benefits associated with ownership of an asset. Depending on the type of transaction concluded, the decision to recognise income ranges from very simple to highly complex.

Further information in this regard is disclosed at each item.

#### 5. SEGMENT INFORMATION

The Institutional Management is the University's chief operating decision-maker. Management has determined the operating segments based on the information reviewed by the Institutional Management for the purposes of allocating resources and assessing performance. Institutional Management consists of ten positions, namely the Vice-Chancellor, the Vice-Principal, five institutional directors and three campus rectors.

Management considers the business from a campus perspective.

The reportable operating segments derive their revenue primarily from state subsidies and grants as well as tuition fees from students. Other services included within each segment are residence and catering services as well as entrepreneurial activities by each campus. Also included are income received from the state and private institutions for research purposes.

The result of the Institutional office are included in the "other segments" column, as the nature of this office is not that of a campus.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment surplus before income tax, as included in the internal management reports which, are reviewed by Institutional Management. Segment surplus is used to measure performances as management believes that such information is the most relevant in evaluating the results of the different segments.

## NORTH-WEST UNIVERSITY

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

## 5. SEGMENT INFORMATION (continued)

The segment information provided to the Institutional Management for the reportable segments for the year ended 31 December 2012 is as follows:

|  | <b>Mafikeng<br/>Campus<br/>R</b> | <b>Potchefstroom<br/>Campus<br/>R</b> | <b>Vaal Triangle<br/>Campus<br/>R</b> | <b>Other:<br/>Institutional<br/>Office<br/>R</b> | <b>TOTAL<br/>2012<br/>R</b> |
|--|----------------------------------|---------------------------------------|---------------------------------------|--|-----------------------------|
| Total segment revenue                    | 477 572 465                      | 1 652 726 953                         | 287 392 854                           | 205 801 731                                      | 2 623 494 003               |
| Inter-segment revenue                    | (1 098 350)                      | (21 075 693)                          | (6 427 212)                           | (16 218 406)                                     | (44 819 661)                |
| <b>Revenue from external customers</b>   | <b>476 474 115</b>               | <b>1 631 651 260</b>                  | <b>280 965 642</b>                    | <b>189 583 325</b>                               | <b>2 578 674 342</b>        |
| Investment income                        | 6 506 800                        | 18 488 249                            | 4 387 155                             | 92 748 588                                       | 122 130 792                 |
| Finance charges                          | 0                                | (5 883 920)                           | (579 372)                             | (7 873 272)                                      | (14 336 564)                |
| Depreciation and amortisation            | (13 576 826)                     | (60 843 156)                          | (7 045 891)                           | (10 715 186)                                     | (92 181 059)                |
| <b>Reportable segment surplus/(loss)</b> | <b>88 250 480</b>                | <b>241 907 600</b>                    | <b>57 906 139</b>                     | <b>(284 114 250)</b>                             | <b>103 949 969</b>          |
| Capital expenditure on fixed assets      | 39 978 614                       | 161 518 234                           | 36 830 941                            | 39 530 467                                       | 277 858 256                 |
| <b>Reportable segment assets</b>         | <b>392 556 890</b>               | <b>1 107 141 850</b>                  | <b>179 906 878</b>                    | <b>935 589 812</b>                               | <b>2 615 195 430</b>        |
| <b>Reportable segment liabilities</b>    | <b>(104 215 753)</b>             | <b>(431 377 264)</b>                  | <b>(67 051 970)</b>                   | <b>(570 636 604)</b>                             | <b>(1 173 281 591)</b>      |

The segment information for the year ended 31 December 2011 is as follows:

|  | <b>Mafikeng<br/>Campus<br/>R</b> | <b>Potchefstroom<br/>Campus<br/>R</b> | <b>Vaal Triangle<br/>Campus<br/>R</b> | <b>Other:<br/>Institutional<br/>Office<br/>R</b> | <b>TOTAL<br/>2011<br/>R</b> |
|--|----------------------------------|---------------------------------------|---------------------------------------|--|-----------------------------|
| Total segment revenue                    | 409 669 128                      | 1 469 444 869                         | 228 140 730                           | 166 299 785                                      | 2 273 554 512               |
| Inter-segment revenue                    | (677 498)                        | (18 818 005)                          | (3 872 529)                           | (34 537 632)                                     | (57 905 664)                |
| <b>Revenue from external customers</b>   | <b>408 991 630</b>               | <b>1 450 626 864</b>                  | <b>224 268 201</b>                    | <b>131 762 153</b>                               | <b>2 215 648 848</b>        |
| Investment income                        | 6 704 710                        | 8 512 938                             | 3 092 218                             | 88 823 767                                       | 107 133 633                 |
| Finance charges                          | 0                                | (7 739 848)                           | (1 013 309)                           | (4 110 905)                                      | (12 864 062)                |
| Depreciation and amortisation            | (12 366 658)                     | (50 883 462)                          | (6 646 482)                           | (13 485 935)                                     | (83 382 537)                |
| <b>Reportable segment surplus/(loss)</b> | <b>48 486 564</b>                | <b>229 938 102</b>                    | <b>7 754 904</b>                      | <b>(222 888 885)</b>                             | <b>63 290 685</b>           |
| Capital expenditure on fixed assets      | 31 728 008                       | 164 075 028                           | 30 186 537                            | 16 792 531                                       | 242 782 104                 |
| <b>Reportable segment assets</b>         | <b>301 955 796</b>               | <b>998 659 371</b>                    | <b>136 433 176</b>                    | <b>916 665 079</b>                               | <b>2 353 713 422</b>        |
| <b>Reportable segment liabilities</b>    | <b>(94 009 811)</b>              | <b>(389 728 594)</b>                  | <b>(55 737 208)</b>                   | <b>(496 036 022)</b>                             | <b>(1 035 511 635)</b>      |

## NORTH-WEST UNIVERSITY

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

## 5. SEGMENT INFORMATION (continued)

Sales between segments are carried out at arm's length. The revenue from external parties reported to the Institutional Management is measured in a manner consistent with that in the statement of comprehensive income.

A reconciliation of results from continuing operations is as follows:

|  | 2012<br>R            | 2011<br>R            |
|--|----------------------|----------------------|
| Segment surplus/(loss) for reportable segments | 388 064 219          | 286 179 570          |
| Other segments surplus/(loss)                  | <u>(284 114 250)</u> | <u>(222 888 885)</u> |
| <b>Surplus after tax</b>                       | <u>103 949 969</u>   | <u>63 290 685</u>    |

The amounts provided to the Institutional Management with respect to total assets are measured in a manner consistent with that of the financial statements. These assets are allocated based on the operations of the segments and the physical location of the asset.

Reportable segment assets are reconciled to total assets as follows:

|   |                      |                      |
|---|----------------------|----------------------|
| Segment assets for reportable segments                      | 1 679 605 618        | 1 437 048 343        |
| Other segments assets                                       | <u>935 589 812</u>   | <u>916 665 079</u>   |
| <b>Total assets per the statement of financial position</b> | <u>2 615 195 430</u> | <u>2 353 713 422</u> |

The amounts provided to the Institutional Management with respect to total liabilities are measured in a manner consistent with that of the financial statements. These liabilities are allocated based on the operations of the segment.

Reportable segment liabilities are reconciled to total liabilities as follows:

|  |                        |                        |
|--|------------------------|------------------------|
| Segment liabilities for reportable segments                      | (602 644 987)          | (539 475 613)          |
| Other segments liabilities                                       | <u>(570 636 604)</u>   | <u>(496 036 022)</u>   |
| <b>Total liabilities per the statement of financial position</b> | <u>(1 173 281 591)</u> | <u>(1 035 511 635)</u> |

Breakdown of the revenue from external customers is as follows:

**Analysis of revenue by category**

|  |                      |                      |
|--|----------------------|----------------------|
| State subsidies and grants               | 1 111 469 683        | 998 269 619          |
| Tuition and other fees                   | 718 082 110          | 573 491 401          |
| Income from research and other contracts | 183 426 000          | 143 047 238          |
| Private gifts and grants                 | 30 058 907           | 26 635 227           |
| Residence and catering services          | 220 409 370          | 200 015 836          |
| Services - entrepreneurial activities    | <u>307 780 727</u>   | <u>274 189 527</u>   |
| <b>Total operating revenue</b>           | <u>2 571 226 797</u> | <u>2 215 648 848</u> |

## NORTH-WEST UNIVERSITY

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

## 6. PROPERTY, PLANT AND EQUIPMENT (PPE)

|   | Land       | Buildings and other improvements | Vehicles    | Furniture    | Laboratory equipment | Specialised equipment | Computer equipment | Synthetic hockey field | Total         |
|---|------------|----------------------------------|-------------|--------------|----------------------|-----------------------|--------------------|------------------------|---------------|
| Movements                               | R          | R                                | R           | R            | R                    | R                     | R                  | R                      | R             |
| Carrying amount at 31/12/10             | 13 475 573 | 643 421 897                      | 19 919 895  | 72 741 292   | 24 944 557           | 41 451 805            | 33 707 287         | 2 401 238              | 852 063 544   |
| Cost                                    | 13 475 573 | 748 984 455                      | 28 212 124  | 110 088 789  | 55 253 748           | 123 214 314           | 112 736 478        | 6 340 731              | 1 198 306 214 |
| Accumulated depreciation                | 0          | (105 562 559)                    | (8 292 229) | (37 347 497) | (30 309 191)         | (81 762 510)          | (79 029 191)       | (3 939 493)            | (346 242 670) |
| Additions in the year                   | 0          | 150 241 594                      | 5 494 375   | 17 495 007   | 11 213 070           | 31 708 738            | 26 629 320         | 0                      | 242 782 104   |
| Depreciation for the year               | 0          | (14 576 681)                     | (1 453 018) | (12 262 435) | (6 857 070)          | (19 255 104)          | (24 244 000)       | (289 546)              | (78 937 853)  |
| Disposals in the year                   | 0          | (56 314)                         | (4 196 188) | (22 621 389) | (8 696 175)          | (5 198 801)           | (40 229 089)       | 0                      | (80 997 956)  |
| Accumulated depreciation with disposals | 0          | 34 539                           | 1 538 494   | 17 041 643   | 8 036 855            | 5 198 801             | 40 048 006         | 0                      | 71 898 338    |
| Carrying amount at 31/12/11             | 13 475 573 | 779 065 034                      | 21 303 558  | 72 394 120   | 28 641 237           | 53 905 439            | 35 911 524         | 2 111 692              | 1 006 808 177 |
| Cost                                    | 13 475 573 | 899 169 736                      | 29 510 311  | 104 962 408  | 57 770 643           | 149 724 252           | 99 136 709         | 6 340 731              | 1 360 090 363 |
| Accumulated depreciation                | 0          | (120 104 702)                    | (8 206 753) | (32 568 288) | (29 129 406)         | (95 818 813)          | (63 225 185)       | (4 229 039)            | (353 282 186) |
| Additions in the year                   | 0          | 123 445 028                      | 4 435 828   | 25 362 580   | 18 290 841           | 63 166 766            | 43 157 213         | 0                      | 277 858 256   |
| Depreciation for the year               | 0          | (17 496 031)                     | (1 752 197) | (12 764 150) | (8 661 453)          | (24 504 616)          | (25 141 682)       | (519 186)              | (90 839 317)  |
| Disposals in the year                   | 0          | (1 002 816)                      | (1 821 662) | 3 461 901    | (258 396)            | (6 450 858)           | (11 676 511)       | 0                      | (17 748 342)  |
| Accumulated depreciation with disposals | 0          | 1 002 816                        | 694 856     | (3 235 952)  | 288 253              | 6 402 800             | 11 492 216         | 0                      | 16 644 987    |
| Carrying amount at 31/12/12             | 13 475 573 | 885 014 031                      | 22 860 382  | 85 218 499   | 38 300 482           | 92 519 530            | 53 742 759         | 1 592 506              | 1 192 723 761 |
| Cost                                    | 13 475 573 | 1 021 611 948                    | 32 124 477  | 133 786 889  | 75 803 088           | 206 440 160           | 130 617 411        | 6 340 731              | 1 620 200 277 |
| Accumulated depreciation                | 0          | (136 597 917)                    | (9 264 094) | (48 568 390) | (37 502 606)         | (113 920 630)         | (76 874 652)       | (4 748 225)            | (427 476 516) |

# NORTH-WEST UNIVERSITY

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

### 6. PROPERTY, PLANT AND EQUIPMENT (PPE) (continued)

All assets are unencumbered. The sale and transfer of land and buildings, acquired with the financial support of the State, are subject to Ministerial approval.

The University has a ten-year rolling plan in accordance with which large-scale building maintenance takes place and which is evaluated annually with the input from quantity surveyors in order to properly maintain the buildings. The assets register with full particulars of land and buildings is available for inspection at the registered address of the University.

### 7. INVESTMENT PROPERTIES

|  | 2012<br>R   | 2011<br>R   |
|--|-------------|-------------|
| Carrying amount at beginning of year   | 22 311 841  | 22 809 086  |
| Cost   | 24 862 225  | 24 862 225  |
| Accumulated depreciation   | (2 550 384) | (2 053 139) |
| Depreciation   | (497 245)   | (497 245)   |
| Carrying amount at end of year   | 21 814 596  | 22 311 841  |
| Cost   | 24 862 225  | 24 862 225  |
| Accumulated depreciation   | (3 047 629) | (2 550 384) |
| Income   | 7 902 881   | 7 525 183   |
| Rental income (short-term investment income - note 26)   | 7 890 563   | 7 480 084   |
| Bad debts recovered  | 2 024       | 41 785      |
| Interest received  | 10 295      | 3 314       |
| Less: Expenditure (direct operating expenses arising from investment properties that generate rental income) | 3 405 983   | 2 981 666   |
| Personnel remuneration   | 459 477     | 333 854     |
| Maintenance - buildings  | 667 582     | 803 328     |
| Municipal fees and property tax  | 785 608     | 478 142     |
| Operating costs  | 511 276     | 402 604     |
| Services outsourced  | 484 795     | 466 492     |
| Depreciation   | 497 245     | 497 245     |
| Net surplus from investment properties   | 4 496 898   | 4 543 517   |

Investment properties consist of various business buildings that are let. Independent valuations were done by an estate agency. The total fair value of these investment properties amounts to R65 937 000 (2011: R64 500 000).

Investment property - Cachetpark: Present value of future cash flow projections, based on current lease agreements, were used in the calculation of the fair value to the amount of R62 437 000 (2011: R61 000 000), using an interest rate of 8% (2011: 8%) per annum.

Investment properties - Other: The fair value amounts to R3 500 000 (2011: R3 500 000).

## NORTH-WEST UNIVERSITY

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

| 8. INTANGIBLE ASSETS               | COMPUTER SOFTWARE |              |              |              |
|------------------------------------|-------------------|--------------|--------------|--------------|
|                                    | Goodwill          | Licenses     | Other        | TOTAL        |
| Opening net book amount - 01/01/11 | 3 647 000         | 2 000 724    | 5 282 866    | 10 930 590   |
| Cost                               | 3 647 000         | 23 405 903   | 24 010 757   | 51 063 660   |
| Accumulated amortisation           | 0                 | (21 405 179) | (18 727 891) | (40 133 070) |
| Additions                          | 950 000           | 67 670       | 0            | 1 017 670    |
| Amortisation charges               | 0                 | (2 014 258)  | (1 933 181)  | (3 947 439)  |
| Net book amount - 31/12/11         | 4 597 000         | 54 136       | 3 349 685    | 8 000 821    |
| Cost                               | 4 597 000         | 23 473 573   | 24 010 757   | 52 081 330   |
| Accumulated amortisation           | 0                 | (23 419 437) | (20 661 072) | (44 080 509) |
| Additions                          | 0                 | 163 894      | 0            | 163 894      |
| Amortisation charges               | 0                 | 0            | (844 497)    | (844 497)    |
| Closing net book amount - 31/12/12 | 4 597 000         | 218 030      | 2 505 188    | 7 320 218    |
| Cost                               | 4 597 000         | 23 637 467   | 24 010 757   | 52 245 224   |
| Accumulated amortisation           | 0                 | (23 419 437) | (21 505 569) | (44 925 006) |

Impairment tests for goodwill

Goodwill is allocated to the University's cash-generating units (CGUs). The recoverable amount of all CGUs has been determined based on value-in-use calculations for the next three years. These calculations use pre-tax cash flow projections.

The key assumptions used for value-in-use calculations are as follows:

|               | 2012  | 2011   |
|---------------|-------|--------|
| Gross margin  | 8,84% | 9,86%  |
| Growth rate   | 8,15% | 6,93%  |
| Discount rate | 9,36% | 10,14% |

## 9. INVESTMENTS

## 9.1 Non-current investments

The following investments are carried at fair value:

Unlisted investments**Available-for-sale**

Unlisted shares that do not qualify as an investment in an associate company

540 355      732 726

Listed investments**Available-for-sale**

Shares in public companies

197 551 682      194 366 875

**Financial assets/liabilities at fair value through profit or loss**

ALSI future contracts

0      (12 700)

**Total non-current investments at fair value**

198 092 037      195 086 901

## NORTH-WEST UNIVERSITY

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

|  | 2012<br>R   | 2011<br>R   |
|--|-------------|-------------|
| <b>9. INVESTMENTS (continued)</b>                        |             |             |
| <b>9.1 Non-current investments (continued)</b>           |             |             |
| The following investments are carried at amortised cost: |             |             |
| <u>Unlisted investments</u>                              |             |             |
| <b>Receivables originated by the entity</b>              | 695 666 725 | 595 494 607 |
| Money-market : Committee for investments                 | 71 467 670  | 42 624 100  |
| Money-market : Other                                     | 624 199 055 | 552 870 507 |
| <b>Held-to-maturity</b>                                  | 27 156 690  | 20 509 844  |
| Bonds  | 27 156 690  | 20 509 844  |
| <b>Total non-current investments at amortised cost</b>   | 722 823 415 | 616 004 451 |
| <b><u>Total non-current investments</u></b>              | 920 915 452 | 811 091 352 |

The market value of listed investments represents the closing prices at year-end as fixed on the Johannesburg Securities Exchange. The management valuation of unlisted investments which takes place on the reporting date in accordance with relevant valuation bases (note 2.9) is regarded to be the same value as reflected above.

**Available-for-sale investments**

The fair value adjustment for the current year amounts to R7 403 080 (also see note 16) and is shown as an available-for-sale reserve in the statement of changes in equity:

|   |           |            |
|---|-----------|------------|
| Shares in public companies                      | 7 618 796 | 12 359 615 |
| Unlisted shares - not investments in associates | (215 716) | 299 457    |
|   | 7 403 080 | 12 659 072 |

Refer to notes 3 and 11 for additional disclosure on financial instruments.

**9.2 Derivative financial instruments****Financial assets/liabilities at fair value through profit or loss**

|  |   |          |
|--|---|----------|
| ALSI future contracts (included in note 9.1) | 0 | (12 700) |
|--|---|----------|

There were no ALSI future contracts on 31 December 2012 (2011: 15 contracts).

There was no exposure in terms of these contracts for 2012 (2011: R4 288 500).

Derivate instruments are entered into for hedging purposes and no substantial losses are anticipated.

**Other information**

Realised profits or losses on the disposal of investments are included in investment income (note 26). The register with full particulars of the above-mentioned investments is available for inspection at the registered address of the University.



# NORTH-WEST UNIVERSITY

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

|  | 2012<br>R        | 2011<br>R        |
|--|------------------|------------------|
| <b>9. INVESTMENTS (continued)</b>  |                  |                  |
| <b>9.3 Investment in subsidiaries</b>  |                  |                  |
| <b><u>Detail as reflected in entities' financials</u></b>  |                  |                  |
| <u>Molopo Sun (Pty) Ltd (100% interest)</u>  |                  |                  |
| The principal business of the company is the rental of equipment to the University.                                      |                  |                  |
| Carrying amount of shares  | 2 700            | 2 700            |
| Loan account   | 2 139 930        | 2 197 230        |
| Non-distributable profit/(loss) after tax  | <u>54 686</u>    | <u>56 402</u>    |
| <u>PUK Kanselierstrust (100% interest)</u>   |                  |                  |
| The principal business of the trust is to promote higher education at the University.                                    |                  |                  |
| Carrying amount of trust fund - included in other investments  | 1 253 380        | 1 101 074        |
| Attributable profits/(loss)  | <u>152 273</u>   | <u>28 312</u>    |
| <u>PUK Ontwikkelingstrust (Incorporated association not for gain) (100% interest)</u>                                    |                  |                  |
| The principal business of the company is to generate funds in order to realise the vision and mission of the University. |                  |                  |
| Carrying amount: Non-distributable reserves  | 8 619 974        | 8 619 974        |
| Attributable profits: Non-distributable  | <u>0</u>         | <u>0</u>         |
| <u>Zingaro Trade 9 (Pty) Ltd (Awhatukee Trust) (100% interest)</u>   |                  |                  |
| The principal business of the company is running a garage and tuck shop, and includes related activities.                |                  |                  |
| Carrying amount of shares  | 100              | 100              |
| Loan account   | 5 916 592        | 6 162 712        |
| Non-distributable profit/(loss) after tax  | <u>497 281</u>   | <u>434 710</u>   |
| <u>OpenCollab (Pty) Ltd (90,29% interest)</u>  |                  |                  |
| The principal business of the company is to provide software development, maintenance, support and consulting services.  |                  |                  |
| Carrying amount of shares  | 93               | 93               |
| Loan account   | 260 302          | 2 608 819        |
| Non-distributable profit/(loss) after tax  | <u>3 405 412</u> | <u>2 126 866</u> |

### Mortgages

Loan accounts to Molopo Sun (Pty) Ltd and Zingaro Trade 9 (Pty) Ltd: The University has subordinated its claims with respect to these loans to claims of other creditors.

## NORTH-WEST UNIVERSITY

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

|                                      | 2012<br>R | 2011<br>R |
|--------------------------------------|-----------|-----------|
| <b>10. INVESTMENTS IN ASSOCIATES</b> |           |           |
| Balance at beginning of year         | 24 398    | 0         |
| Acquisition of investment            | 10        | 40        |
| Share of profit                      | 17 419    | 24 358    |
| Balance at end of year               | 41 827    | 24 398    |

The University's share of the results of its principal associates, and its aggregated assets (including goodwill) and liabilities, are as follows:

| Name                                     | Assets  | Liabilities | Income    | Profit / (Loss) | %<br>Interest held |
|--|---------|-------------|-----------|-----------------|--------------------|
| <b>31 December 2012:</b>                 |         |             |           |                 |                    |
| - Extended Campus Technologies (Pty) Ltd | 277 485 | 181 652     | 1 242 091 | 34 838          | 50                 |
|  | 277 485 | 181 652     | 1 242 091 | 34 838          |                    |
| <b>31 December 2011:</b>                 |         |             |           |                 |                    |
| - Extended Campus Technologies (Pty) Ltd | 84 676  | 23 681      | 1 023 502 | 60 895          | 40                 |
|  | 84 676  | 23 681      | 1 023 502 | 60 895          |                    |

All the associate entities are incorporated in South Africa.

**11. FINANCIAL INSTRUMENTS**

Financial instruments carried on the statement of financial position include investments, trade and other receivables, cash and cash equivalents, borrowings, derivatives, receivables, trade and other payables.

**11a. FINANCIAL INSTRUMENTS BY CATEGORY**

|  | Receivables<br>R | Held to<br>maturity<br>R | Available-for-<br>sale<br>R | Fair value<br>through<br>profit or loss<br>R | Total<br>R    |
|--|------------------|--------------------------|-----------------------------|--|---------------|
| <b>31 DECEMBER 2012</b>  |                  |                          |                             |  |               |
| <b>Assets as per statement of financial position</b>                   |                  |                          |                             |  |               |
| Investments and derivatives (refer note 9)                             | 695 666 725      | 27 156 690               | 198 092 037                 | 0  | 920 915 452   |
| Trade and other receivables (refer note 14)<br>(excluding prepayments) | 81 282 679       | 0                        | 0                           | 0  | 81 282 679    |
| Cash and cash equivalents (refer note 15)                              | 196 495 316      | 0                        | 0                           | 0  | 196 495 316   |
| Total  | 973 444 719      | 27 156 690               | 198 092 037                 | 0  | 1 198 693 446 |

|   | Other financial<br>liabilities<br>R | Total<br>R  |
|---|-------------------------------------|-------------|
| <b>Liabilities as per statement of financial position</b> |                                     |             |
| Borrowings (refer note 17)                                | 97 234 712                          | 97 234 712  |
| Trade and other payables (refer note 20)                  | 255 674 773                         | 255 674 773 |
| Total   | 352 909 484                         | 352 909 484 |

|  | Receivables<br>R | Held to<br>maturity<br>R | Available-for-<br>sale<br>R | Fair value<br>through<br>profit or loss<br>R | Total<br>R    |
|--|------------------|--------------------------|-----------------------------|--|---------------|
| <b>31 DECEMBER 2011</b>  |                  |                          |                             |  |               |
| <b>Assets as per statement of financial position</b>                   |                  |                          |                             |  |               |
| Investments and derivatives (refer note 9)                             | 595 494 607      | 20 509 844               | 195 099 601                 | (12 700)                                     | 811 091 352   |
| Trade and other receivables (refer note 14)<br>(excluding prepayments) | 64 867 935       | 0                        | 0                           | 0  | 64 867 935    |
| Cash and cash equivalents (refer note 15)                              | 260 170 041      | 0                        | 0                           | 0  | 260 170 041   |
| Total  | 920 532 584      | 20 509 844               | 195 099 601                 | (12 700)                                     | 1 136 129 329 |

## NORTH-WEST UNIVERSITY

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

## 11. FINANCIAL INSTRUMENTS (continued)

## 11a. FINANCIAL INSTRUMENTS BY CATEGORY (continued)

31 DECEMBER 2011 (continued)

## Liabilities as per statement of financial position

| Other financial liabilities              | Total       |
|--|-------------|
| R  | R           |
| Borrowings (refer note 17)               | 103 588 229 |
| Trade and other payables (refer note 20) | 226 803 198 |
| Total                                    | 330 391 427 |

## 11b. CREDIT QUALITY OF FINANCIAL ASSETS

## Exposure per category:

## Credit rating:

|   |               |               |               |
|---|---------------|---------------|---------------|
| Investments (note 9)                          |               |               |               |
| Listed investments - shares                   | -             | 197 551 682   | 194 354 175   |
| Unlisted investments - money market and bonds | AA            | 723 363 770   | 616 737 177   |
| Trade and other receivables                   | (Group 1,2,3) | 88 983 699    | 72 334 562    |
| Cash and cash equivalents                     | AA            | 196 495 316   | 260 170 041   |
| Total   |               | 1 206 394 466 | 1 143 595 955 |

AA ratings denote a very low expectation of credit risk and indicate very strong capacity for payment of financial commitments. This capacity is not significantly vulnerable to foreseeable events.

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates:

## Counterparties without external credit rating

|  |            |            |
|--|------------|------------|
| Group 1  | 35 520 329 | 39 706 994 |
| Group 2  | 35 496 822 | 16 347 872 |
| Group 3  | 17 966 548 | 16 279 696 |
| Trade and other receivables (refer to note 14) | 88 983 699 | 72 334 562 |

Group 1 - existing student accounts with some defaults in the past.

Group 2 - trade debtors outstanding less than 90 days with some defaults in the past.

Group 3 - other outstanding amounts with no defaults in the past.

## 12. AVAILABLE-FOR-SALE FINANCIAL ASSETS

|  |             |             |
|--|-------------|-------------|
| Balance at beginning of year                 | 195 099 601 | 148 783 921 |
| Additions/(Disposals)                        | (4 410 644) | 33 656 608  |
| Net gain/(loss) transferred to/(from) equity | 7 403 080   | 12 659 072  |
| Balance at end of year                       | 198 092 037 | 195 099 601 |

There were no impairment provisions made on available-for-sale financial assets in 2012 and 2011.

Available-for-sale financial assets include the following:

## Listed securities:

|                   |             |             |
|-------------------|-------------|-------------|
| Equity securities | 197 551 682 | 194 366 875 |
|-------------------|-------------|-------------|

## Unlisted securities:

|   |             |             |
|---|-------------|-------------|
| Investments in companies that do not qualify as an investment in an associate company | 540 355     | 732 726     |
|   | 198 092 037 | 195 099 601 |

Available-for-sale financial assets are denominated in rand and none of the assets are impaired.

The fair value of unlisted securities is based on cash flows and other valuation techniques (note 2.9).

The maximum exposure to credit risk at the reporting date is the carrying value of the debt securities classified as available-for-sale.

## NORTH-WEST UNIVERSITY

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

|   | 2012<br>R           | 2011<br>R           |
|---|---------------------|---------------------|
| <b>13. INVENTORIES</b>                                  |                     |                     |
| Net realisable value (see note 25)                      |                     |                     |
| Trading   | 1 077 107           | 1 011 673           |
| Foodstuffs (Residence and Catering Services)            | 1 311 132           | 972 932             |
| Publications and study materials                        | 9 397 871           | 7 512 453           |
| Other consumables                                       | 8 505 305           | 8 739 102           |
| Veterinary health                                       | 1 046 930           | 1 528 673           |
|   | <u>21 338 345</u>   | <u>19 764 833</u>   |
| At cost   |                     |                     |
| Trading   | 1 077 107           | 1 011 673           |
| Foodstuffs (Residence and Catering Services)            | 1 448 151           | 1 087 817           |
| Publications and study materials                        | 11 125 114          | 8 509 306           |
| Other consumables                                       | 8 647 774           | 8 739 102           |
| Veterinary health                                       | 1 046 930           | 1 528 673           |
|   | <u>23 345 076</u>   | <u>20 876 571</u>   |
| <b>14. TRADE AND OTHER RECEIVABLES</b>                  |                     |                     |
| Balance at beginning of year                            | 128 153 675         | 131 876 975         |
| Plus: Net movement                                      | <u>39 274 039</u>   | <u>33 024 189</u>   |
|   | 167 427 714         | 164 901 164         |
| Less: Bad debts written off                             | <u>(27 938 638)</u> | <u>(36 747 489)</u> |
| Balance at end of year                                  | 139 489 076         | 128 153 675         |
| Less: Provision for impairment                          | <u>(50 505 377)</u> | <u>(55 819 113)</u> |
| Balance at beginning of year                            | (55 819 113)        | (56 356 230)        |
| Debtors written off during current year                 | 27 938 638          | 36 747 489          |
| Provision for current year                              | <u>(22 624 902)</u> | <u>(36 210 372)</u> |
| Balance at end of year                                  | <u>88 983 699</u>   | <u>72 334 562</u>   |
| <b><u>Details of trade and other receivables</u></b>    |                     |                     |
| Students  | 79 857 759          | 86 479 263          |
| Tuition and residence fees                              | <u>75 824 536</u>   | <u>80 759 601</u>   |
| Meal fees   | <u>4 033 223</u>    | <u>5 719 662</u>    |
| Less: Provision for impairment                          | <u>(44 337 430)</u> | <u>(46 772 269)</u> |
| <b>Sub-total: Students</b>                              | <u>35 520 329</u>   | <u>39 706 994</u>   |
| <b>Sub-total: Advances and prepayments</b>              | <u>7 701 020</u>    | <u>7 466 627</u>    |
| Other debtors   | 51 930 297          | 34 207 785          |
| State subsidy   | <u>4 895 718</u>    | <u>321 284</u>      |
| Projects: Services rendered                             | <u>41 664 769</u>   | <u>25 394 716</u>   |
| VAT   | <u>278 316</u>      | <u>3 122 142</u>    |
| Other   | <u>5 091 494</u>    | <u>5 369 643</u>    |
| Less: Provision for impairment                          | <u>(6 167 947)</u>  | <u>(9 046 844)</u>  |
| <b>Sub-total: Other debtors</b>                         | <u>45 762 350</u>   | <u>25 160 941</u>   |
| <b>Total trade and other receivables at 31 December</b> | <u>88 983 699</u>   | <u>72 334 562</u>   |

# NORTH-WEST UNIVERSITY

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

### 14. TRADE AND OTHER RECEIVABLES (continued)

#### Student receivables

Student debtors who do not register the following year and have not paid their accounts by the autumn graduation ceremony are considered impaired and are handed over to attorneys for collection. Current students debtors are also not allowed to register for studies unless outstanding balances are settled or repayment contracts have been negotiated. The increase or decrease in provision for impairment, debts written off, as well as amounts previously written off and recovered during the year, are included in current operating expenditure. Amounts charged to the statement of comprehensive income are generally written off when there is no expectation of recovering and additional cash.

As at 31 December 2012, student debtors of R44 337 430 (2011: R46 772 269) were impaired and provided for. Provision in the amount of R2 434 839 was written back during 2012 (2011: R4 949 660 written back).

Movement in provision for impairment of student debtors was as follows:

|   | 2012<br>R    | 2011<br>R    |
|---|--------------|--------------|
| Balance at beginning of year                    | 46 772 269   | 51 721 930   |
| Student debtors written off during current year | (27 566 751) | (36 583 835) |
| Provision for current year                      | 25 131 912   | 31 634 174   |
| Balance at end of year                          | 44 337 430   | 46 772 269   |

The ageing of student debtors that are past due is as follows:

|  |            |            |
|--|------------|------------|
| Student debtors past due and impaired (enrolled in 2012 & before)  | 44 337 430 | 46 772 269 |
| Student debtors past due but not impaired (enrolled in 2013 again) | 35 520 329 | 39 706 994 |
| Total balance at end of year                                       | 79 857 759 | 86 479 263 |

#### Other trade debtors

Balances on other trade debtors of 90 days and older are considered to be an indicator of impairment and provided for accordingly. The increase or decrease in provision for impairment, debts written off, as well as amounts previously written off and recovered during the year, are included in current operating expenditure. Amounts charged to the statement of comprehensive income are generally written off when there is no expectation of recovering any additional cash.

As at 31 December 2012, other debtors of R6 167 947 (2011: R9 046 844) were impaired and provided for. Provision in the amount of R2 878 897 was written back during 2012 (2011: R4 412 544 - provided for).

Movement in provision for impairment of other debtors was as follows:

|   |             |           |
|---|-------------|-----------|
| Balance at beginning of year                  | 9 046 844   | 4 634 300 |
| Other debtors written off during current year | (371 886)   | (163 653) |
| Provision for current year                    | (2 507 011) | 4 576 197 |
| Balance at end of year                        | 6 167 947   | 9 046 844 |

The fair values of trade and other receivables are as follows:

|                          |            |            |
|--------------------------|------------|------------|
| Student debtors          | 35 520 329 | 39 706 994 |
| Advances and prepayments | 7 701 020  | 7 466 627  |
| Other debtors            | 45 762 350 | 25 160 941 |
| Total                    | 88 983 699 | 72 334 562 |

## NORTH-WEST UNIVERSITY

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

|  | 2012<br>R         | 2011<br>R         |
|--|-------------------|-------------------|
| <b>14. TRADE AND OTHER RECEIVABLES (continued)</b>                     |                   |                   |
| <b>Other trade debtors (continued)</b>                                 |                   |                   |
| The ageing analysis of trade receivables is as follows:                |                   |                   |
| Current  | 32 510 278        | 17 299 943        |
| 30 days  | 11 323 837        | 13 206 671        |
| 60 days  | 9 629 255         | 2 120 954         |
| 90 days  | 6 167 947         | 9 046 844         |
| Total balance at end of year (Advances and prepayments, Other debtors) | <u>59 631 317</u> | <u>41 674 412</u> |

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivables mentioned above. The University does not hold any collateral as security.

**15. CASH AND CASH EQUIVALENTS**

|                          |                    |                    |
|--------------------------|--------------------|--------------------|
| Short-term bank deposits | 21 012 351         | 175 248 167        |
| Bank balances            | 175 012 856        | 84 608 815         |
| Petty cash advances      | 470 109            | 313 059            |
|                          | <u>196 495 316</u> | <u>260 170 041</u> |

The weighted average effective interest rate on short-term bank deposits was 9,36% (2011: 10,14%).

**16. EQUITY**

The movement is the result of the normal financial cycle after a fair value adjustment (note 9) in the amount of R7 403 080 (2011: R12 659 072) was made on 31 December 2012. This adjustment was made directly against accumulated funds and is shown in the statement of changes in funds.

|   |                      |                      |
|---|----------------------|----------------------|
| Fixed asset funds (PPE)                           | 956 424 441          | 934 838 066          |
| Non-current investments revaluation reserve funds | 72 634 480           | 65 231 400           |
| Restricted funds                                  | 167 359 685          | 146 642 508          |
| Student loan funds                                | 1 696 311            | 14 340 022           |
| Student residences funds                          | 48 662 495           | 29 874 098           |
| Donations, grants and similar funds               | 27 285 324           | 21 658 529           |
| Research and other funds (contracts)              | 89 715 555           | 80 769 859           |
| Unrestricted and designated funds                 | 245 181 114          | 171 299 844          |
| Non-controlling interest                          | 314 119              | 189 969              |
|   | <u>1 441 913 839</u> | <u>1 318 201 787</u> |

**17. BORROWINGS - INTEREST-BEARING****Carrying amounts**

|   |                   |                   |
|---|-------------------|-------------------|
| Annuity loans   | 128 478           | 739 737           |
| Nedbank   | 21 037 753        | 21 037 753        |
| First National Bank - PUK Sport Village and extension of Excelsior Hostel | 37 042 578        | 40 247 349        |
| First National Bank - New residence                                       | 39 025 902        | 41 563 390        |
| Total borrowings  | 97 234 712        | 103 588 229       |
| Less: Current portion   | 10 698 949        | 10 320 913        |
| Non-current liabilities   | <u>86 535 763</u> | <u>93 267 316</u> |

## NORTH-WEST UNIVERSITY

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

|  | 2012<br>R | 2011<br>R |
|--|-----------|-----------|
| <b>17. BORROWINGS - INTEREST-BEARING (continued)</b>             |           |           |
| <b>Represented as follows:</b>                                   |           |           |
| <u>Annuity loans</u>   |           |           |
| University buildings - 85% subsidised                            | 128 478   | 541 784   |
| Residence and Catering Services (RCS) buildings - 50% subsidised | 0         | 197 953   |
| Total - Annuity loans  | 128 478   | 739 737   |
| Less: Current portion  | 128 478   | 611 259   |
| Non-current liabilities  | 0         | 128 478   |

The fair value of these annuity loans amounts to R116 533 (2011: R666 076) and the weighted average rate of discount rates used is 10,25% (2011: 9,67%).

Interest rates vary from 9,63% to 14,80% (note 27). Weighted average rate of 11,02% (2011: 10,85%). Instalments on loans with regard to University buildings are 85% subsidised by the State and those with regard to RCS buildings are 50% subsidised by the State and amount to R136 054 for 2013 (2012: R674 189). These annuity loans are secured by State guarantees.

Nedbank

|                         |            |            |
|-------------------------|------------|------------|
| Total - Nedbank loan    | 21 037 753 | 21 037 753 |
| Less: Current portion   | 1 037 753  | 1 037 753  |
| Non-current liabilities | 20 000 000 | 20 000 000 |

A FirstRand Bank Negotiable Certificate of Deposit serves as security for the loan. This loan bears interest at a fixed rate of 8,85% per annum, which must be paid annually. The capital amount of R20 000 000 must be repaid on 30 May 2016.

The fair value of this loan amounts to R15 948 397 (2011: R14 621 355). The fair value is based on cash flows discounted using a rate based on the prime lending rate less 1,65%, namely 6,85% on 31 December 2012 (2011: 7,35%).

First National Bank - PUK Sport Village and extension of Excelsior Hostel

|                                  |            |            |
|----------------------------------|------------|------------|
| Total - First National Bank loan | 37 042 578 | 40 247 349 |
| Less: Current portion            | 5 057 402  | 4 508 449  |
| Non-current liabilities          | 31 985 176 | 35 738 900 |

A Nedbank Negotiable Certificate of Deposit serves as security for the loan. This loan bears interest at a fixed rate of 10,20% per annum. Repayments take place in equal annual instalments in the amount of R7 389 105 (including interest and capital), with a final instalment on 21 October 2019.

The fair value of this loan amounts to R37 522 424 (2011: R40 747 278). The fair value is based on cash flows discounted using a rate based on the prime lending rate less 0,30%, namely 8,20% for 2012 (2011: 8,70%).

First National Bank - New residence

|                                  |            |            |
|----------------------------------|------------|------------|
| Total - First National Bank loan | 39 025 902 | 41 563 390 |
| Less: Current portion            | 4 475 315  | 4 163 452  |
| Non-current liabilities          | 34 550 587 | 37 399 938 |

A FirstRand Bank Negotiable Certificate of Deposit serves as security for the loan. This loan bears interest at a fixed rate of 9,20% per annum. Repayments take place in equal annual instalments in the amount of R6 290 145 (including interest and capital), with a final instalment on 28 July 2021.

The fair value of this loan amounts to R36 968 278 (2011: R38 955 891). The fair value is based on cash flows discounted using a rate based on the prime lending rate plus 0,20%, namely 8,70% for 2012 (2011: 9,20%).

## NORTH-WEST UNIVERSITY

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

|   | 2012<br>R          | 2011<br>R          |
|---|--------------------|--------------------|
| <b>17. BORROWINGS - INTEREST-BEARING (continued)</b>                            |                    |                    |
| <b>Maturity of borrowings:</b>  |                    |                    |
| Between 1 and 2 years   | 15 183 387         | 13 969 661         |
| Between 2 and 5 years   | 28 782 203         | 26 216 105         |
| Over 5 years  | 42 570 173         | 53 081 551         |
|   | <u>86 535 763</u>  | <u>93 267 316</u>  |
| <b>18. POST-EMPLOYMENT BENEFITS/OBLIGATIONS</b>                                 |                    |                    |
| <b>ACCRUED LEAVE</b>  |                    |                    |
| Balance at beginning of year  | 226 443 913        | 194 119 158        |
| Net movement  | 20 519 327         | 32 324 755         |
| Balance at end of year  | <u>246 963 240</u> | <u>226 443 913</u> |
| <u>Presented as follows:</u>  |                    |                    |
| Non-current liability: Long-term portion  | 226 231 761        | 205 500 033        |
| Current liability: Short-term portion   | 20 731 479         | 20 943 880         |
|   | <u>246 963 240</u> | <u>226 443 913</u> |
| <b>MEDICAL AID CONTRIBUTIONS (note 18.6)</b>                                    |                    |                    |
| Balance at beginning of year  | 132 433 000        | 127 547 000        |
| Net movement  | 34 670 000         | 4 886 000          |
| Balance at end of year  | <u>167 103 000</u> | <u>132 433 000</u> |
| <u>Presented as follows:</u>  |                    |                    |
| Non-current liability: Long-term portion  | 167 103 000        | 132 433 000        |
| Current liability: Short-term portion   | 0                  | 0                  |
|   | <u>167 103 000</u> | <u>132 433 000</u> |
| <b>TOTAL POST-EMPLOYMENT BENEFITS/OBLIGATIONS</b>                               |                    |                    |
| Non-current liability: Long-term portion  | 393 334 761        | 337 933 033        |
| Current liability: Short-term portion   | 20 731 479         | 20 943 880         |
|   | <u>414 066 240</u> | <u>358 876 913</u> |
| <b>NORTH-WEST UNIVERSITY PENSION FUND</b>                                       |                    |                    |
| Net asset recognised in the statement of financial position (note 18.1.3)       | <u>126 744 000</u> | <u>120 123 000</u> |
| Surplus/(deficit) recognised in statement of comprehensive income (note 18.1.4) | <u>6 621 000</u>   | <u>(8 966 000)</u> |
| <b>NORTH-WEST UNIVERSITY DISABILITY RESERVE FUND</b>                            |                    |                    |
| Net asset recognised in the statement of financial position (note 18.2.3)       | <u>38 756 000</u>  | <u>33 018 000</u>  |
| Surplus/(deficit) recognised in statement of comprehensive income (note 18.2.4) | <u>5 738 000</u>   | <u>(1 368 000)</u> |



## NORTH-WEST UNIVERSITY

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

#### 18. POST-EMPLOYMENT BENEFIT PLANS (continued)

##### 18.1 North-West University Pension Fund

18.1.1 The North-West University Pension Fund, which is registered in terms of and governed by the Pension Funds Act (Act 24 of 1956 (as amended)), was implemented on 1 January 1995. The North-West University Pension Fund has two fixed-benefit options, which were only available to members who changed from the Associated Institutions Pension Fund to the North-West University Pension Fund on 1 January 1995 – closed options (2012: 1,63% or 49 members and 2011: 1,86% or 53 members). A fixed-contribution option with a defined-benefit guarantee applied to all new members joining from 1 January 1995 (2012: 21,90% or 659 members and 2011: 24,50% or 700 members). This option closed in December 2003. A fourth option was introduced on 1 January 2004 for all new members of the Fund, namely a fixed-contribution option (2012: 75,94% or 2 285 members and 2011: 73,01% or 2 086 members). According to the actuarial valuation report of the fund's official actuary, the North-West University Pension Fund was fully funded with regard to expired service and had achieved, subject to note 18.1.3, a sound financial position (refer to note 18.1.2).

18.1.2 The fund is valued actuarially every three years in terms of the Pension Funds Act by the actuary in the service of ABSA Consultants and Actuaries (Pty) Limited. The latest actuarial valuation of the fund took place on 1 January 2011 on the accumulated benefits valuation basis (taking into account the impact of the Second Pension Funds Amendment Act), with the following results:

|   | <b>2012</b>        |
|---|--------------------|
|   | <b>R</b>           |
| <b>Valuation results:</b>                                     |                    |
| Present value of liabilities                                  | 1 133 199 000      |
| Minus: Fair value of plan assets and employer surplus account | 1 133 199 000      |
| Surplus   | 0                  |
| Funding level   | 100,0%             |
| <b>Most important actuarial assumptions:</b>                  |                    |
| Inflation rate  | 4,5%               |
| Discount rate   | 8,5%               |
| Expected return on plan assets                                | 8,5%               |
| Expected rate at which salaries will increase                 | 7,5% + merit scale |

The next actuarial valuation will be carried out no later than 1 January 2014.

## NORTH-WEST UNIVERSITY

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

## 18. POST-EMPLOYMENT BENEFIT PLANS (continued)

## 18.1 North-West University Pension Fund (continued)

18.1.3 Valuation calculations in terms of IAS 19 were done on 1 January 2013, with the following results:

|  | 2012<br>R           | 2011<br>R           | 2010<br>R           | 2009<br>R           |
|--|---------------------|---------------------|---------------------|---------------------|
| <b>Valuation results:</b>                                |                     |                     |                     |                     |
| Present value of liabilities                             | 1 260 778 000       | 1 029 759 000       | 952 713 000         | 780 483 000         |
| Minus: Fair value of plan assets                         | 1 387 522 000       | 1 149 882 000       | 1 081 802 000       | 938 920 000         |
| Accounting (surplus)/deficit                             | (126 744 000)       | (120 123 000)       | (129 089 000)       | (158 437 000)       |
| Asset limitation   | 0                   | 0                   | 0                   | 69 227 875          |
| (Asset)/Liability in the statement of financial position | (126 744 000)       | (120 123 000)       | (129 089 000)       | (89 209 125)        |
| Funding level  | 110,1%              | 111,7%              | 113,5%              | 120,3%              |
| <b>Experience adjustments on:</b>                        |                     |                     |                     |                     |
| - Plan liabilities                                       | 151 568 000         | 6 581 000           | 94 518 000          | 45 073 000          |
| - Plan assets  | (136 235 000)       | 20 959 000          | (41 447 000)        | (77 437 000)        |
| <b>Most important actuarial assumptions:</b>             |                     |                     |                     |                     |
| Inflation rate   | 6,52%               | 6,25%               | 5,60%               | 5,81%               |
| Discount rate  | 8,26%               | 8,65%               | 8,46%               | 9,22%               |
| Expected return on plan assets                           | 10,52%              | 10,25%              | 9,60%               | 9,81%               |
| Expected rate at which salaries will increase            | 7,52% + merit scale | 7,25% + merit scale | 6,60% + merit scale | 6,81% + merit scale |

The Expected Return on Plan Assets is based on a notional portfolio assumed to be a balanced portfolio with an asset composition of approximately two thirds equities and one third government bonds. The assumption adopted for the purpose of IAS19 is that the gross investment return on equities will in the long term outperform consumer price inflation (CPI) on average by 4,5% per annum. It is also assumed that the gross investment return on government bonds will in the long term outperform CPI on average by 3,0% per annum. Based on the abovementioned asset composition and expected returns, the Expected Return on Plan Assets exceeds CPI on average by 4,0% per annum.

**Plan assets are comprised as follows:**

| Year ending:                        | 2012<br>R     | %       | 2011<br>R     | %       |
|-------------------------------------|---------------|---------|---------------|---------|
| Local equity instruments            | 768 687 188   | 55,40%  | 639 334 000   | 55,60%  |
| International equity instruments    | 271 954 312   | 19,60%  | 188 581 000   | 16,40%  |
| Local fixed interest                | 148 464 854   | 10,70%  | 16 098 000    | 1,40%   |
| International fixed interest        | 58 275 924    | 4,20%   | 158 684 000   | 13,80%  |
| Local cash                          | 140 139 722   | 10,10%  | 147 185 000   | 12,80%  |
| Total Defined Benefit - Plan Assets | 1 387 522 000 | 100,00% | 1 149 882 000 | 100,00% |

# NORTH-WEST UNIVERSITY

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

### 18. POST-EMPLOYMENT BENEFIT PLANS (continued)

#### 18.1 North-West University Pension Fund (continued)

In calculating the above figures, the composition of the total assets of the Pension Fund have been applied to the assets in respect of the defined benefit and pensioner obligations.

Expected contributions to post-employment benefit plans for the year ending 31 December 2013 are equal to the contributions made in respect of the year ending 31 December 2012, adjusted by any increases in pensionable salaries upon which the contributions are based, and any decisions by the employer regarding the contribution rates.

#### Movement in liabilities and assets for the period are as follows:

|   | 2012<br>R     | 2011<br>R     |
|---|---------------|---------------|
| <b>LIABILITIES</b>  |               |               |
| Balance as at 1 January 2012<br>(excluding defined contribution members' equitable shares)    | 1 029 759 000 | 952 713 000   |
| Interest cost   | 88 683 000    | 80 827 000    |
| Current service cost  | 40 391 000    | 34 847 000    |
| Employee contributions  | 18 836 000    | 16 764 000    |
| Benefits paid   | (68 459 000)  | (61 973 000)  |
| Actuarial (gain)/loss on obligation   | 151 568 000   | 6 581 000     |
| Balance as at 31 December 2012  | 1 260 778 000 | 1 029 759 000 |
| Actual return on assets   | 253 314 000   | 83 311 000    |
| Less: Expected return   | (117 079 000) | (104 270 000) |
| Actuarial gain/(loss) on assets   | 136 235 000   | (20 959 000)  |
| <b>ASSETS</b>   |               |               |
| Fair value as at 1 January 2012<br>(excluding defined contribution members' equitable shares) | 1 149 882 000 | 1 081 802 000 |
| Expected return on plan assets  | 1 17 079 000  | 104 270 000   |
| Employer contributions  | 33 949 000    | 29 978 000    |
| Employee contributions  | 18 836 000    | 16 764 000    |
| Benefits paid   | (68 459 000)  | (61 973 000)  |
| Actuarial gain/(loss) on assets   | 136 235 000   | (20 959 000)  |
| Fair value as at 31 December 2012   | 1 387 522 000 | 1 149 882 000 |

The actuary in the service of ABSA Consultants and Actuaries (Pty) Limited is of the opinion that the fund is in a sound financial position, with a surplus of R126,7 million.

## NORTH-WEST UNIVERSITY

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

#### 18. POST-EMPLOYMENT BENEFIT PLANS (continued)

##### 18.1 North-West University Pension Fund (continued)

18.1.4 Amounts recognised in the statement of comprehensive income:

|   | 2012<br>R     | 2011<br>R     |
|---|---------------|---------------|
| Current service costs                         | 40 391 000    | 34 847 000    |
| Interest in obligation                        | 88 683 000    | 80 827 000    |
| Expected return on plan assets                | (117 079 000) | (104 270 000) |
| Actuarial gains recognised during the year    | 15 333 000    | 27 540 000    |
| Change in asset limitation                    | 0             | 0             |
|   | 27 328 000    | 38 944 000    |
| Contributions to pension fund                 | (33 949 000)  | (29 978 000)  |
| Included in statement of comprehensive income | (6 621 000)   | 8 966 000     |
| <b>Movement in the pension fund asset:</b>    |               |               |
| Net asset at beginning of year                | 120 123 000   | 129 089 000   |
|   | 6 621 000     | (8 966 000)   |
| Included in statement of comprehensive income | (27 328 000)  | (38 944 000)  |
| Contributions - employer                      | 33 949 000    | 29 978 000    |
| Net asset at end of year                      | 126 744 000   | 120 123 000   |

##### 18.2 North-West University Disability Reserve Fund

18.2.1 According to the actuarial valuation report of the fund's official actuary, the North-West University Disability Reserve Fund was fully funded with regard to current disability benefit payments. The purpose of the fund is to pay disability income benefits to current claimants.

18.2.2 The fund is valued actuarially every three to four years by the actuary in the service of ABSA Consultants and Actuaries (Pty) Limited. The latest actuarial valuation of the fund took place on 1 January 2010 with the following results:

|  | 2012<br>R  |
|--|------------|
| <b>Valuation results:</b>                    |            |
| Present value of liabilities                 | 9 623 000  |
| Minus: Fair value of assets                  | 42 687 000 |
| Surplus                                      | 33 064 000 |
| Funding level                                | 269,0%     |
| <b>Most important actuarial assumptions:</b> |            |
| Inflation rate                               | 4,5%       |
| Discount rate                                | 8,5%       |
| Expected return on investment                | 9,9%       |

The next actuarial valuation will be carried out no later than 1 January 2014.

## NORTH-WEST UNIVERSITY

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

## 18. POST-EMPLOYMENT BENEFIT PLANS (continued)

## 18.2 North-West University Disability Reserve Fund (continued)

18.2.3 Valuation calculations in terms of IAS 19 were done on 1 January 2013 with the following results:

|  | 2012         | 2011         | 2010         | 2009         |
|--|--------------|--------------|--------------|--------------|
|  | R            | R            | R            | R            |
| <b>Valuation results:</b>                                |              |              |              |              |
| Present value of liabilities                             | 20 186 000   | 17 824 000   | 13 082 000   | 9 623 000    |
| Minus: Fair value of assets                              | 58 942 000   | 50 842 000   | 47 468 000   | 43 374 000   |
| (Asset)/Liability in the statement of financial position | (38 756 000) | (33 018 000) | (34 386 000) | (33 751 000) |
| Funding level  | 292,0%       | 285,2%       | 363,0%       | 451,0%       |
| <b>Most important actuarial assumptions:</b>             |              |              |              |              |
| Inflation rate   | 6,43%        | 6,25%        | 5,60%        | 4,50%        |
| Discount rate  | 7,40%        | 8,65%        | 8,50%        | 8,50%        |
| Expected return on investment                            | 10,43%       | 10,25%       | 9,60%        | 9,90%        |

The Expected Investment Return is based on a notional portfolio assumed to be a balanced portfolio with an asset composition of approximately two thirds equities and one third government bonds. The assumption adopted for the purpose of IAS19 is that the gross investment return on equities will in the long term outperform consumer price inflation (CPI) on average by 4,5% per annum. It is also assumed that the gross investment return on government bonds will in the long term outperform CPI on average by 3,0% per annum. Based on the abovementioned asset composition and expected returns, the Expected Return on Plan Assets exceeds CPI on average by 4,0% per annum.

The fund's assets consist of investments in the High Equity Portfolio of Advantage Asset Managers and a money market account managed by the North-West University. These investments were selected with the aim of achieving an optimum return, taking into account associated risks.

The method used to place a value on the Fund's future obligations (the Projected Unit Credit Method) is consistent with the requirements of IAS19.

Expected contributions for the year ending 31 December 2013 are equal to the contributions made in respect of the year ending 31 December 2012, adjusted by any increases in pensionable salaries upon which the contributions are based, and any decisions by the employer regarding the contribution rates.

The actuary in the service of ABSA Consultants and Actuaries (Pty) Limited is of the opinion that the fund is in a sound financial position with a surplus of R38,8 million.

## NORTH-WEST UNIVERSITY

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

## 18. POST-EMPLOYMENT BENEFIT PLANS (continued)

## 18.2 North-West University Disability Reserve Fund (continued)

## 18.2.3 Valuation calculations in terms of IAS 19 (continued)

## Plan assets are comprised as follows:

| Year ending:      | 2012       |         | 2011       |         |
|-------------------|------------|---------|------------|---------|
|                   | R          | %       | R          | %       |
| Equity            | 32 712 810 | 55,50%  | 27 403 838 | 53,90%  |
| International     | 14 263 964 | 24,20%  | 11 846 186 | 23,30%  |
| Property          | 6 365 736  | 10,80%  | 5 440 094  | 10,70%  |
| Bonds             | 3 595 462  | 6,10%   | 305 052    | 0,60%   |
| Cash              | 2 004 028  | 3,40%   | 5 846 830  | 11,50%  |
| Total Plan Assets | 58 942 000 | 100,00% | 50 842 000 | 100,00% |

The actual return on the assets for the year amounted to 22,42%.

## 18.2.4 Movement in the Disability Reserve Fund Asset:

|  | 2012       | 2011        |
|--|------------|-------------|
|  | R          | R           |
| Net asset at beginning of year                               | 33 018 000 | 34 386 000  |
|  | 5 739 000  | (1 368 000) |
| Statement of comprehensive income                            | 1 958 000  | (5 555 000) |
| Contributions - employer                                     | 3 781 000  | 4 187 000   |
| Net asset at end of year                                     | 38 756 000 | 33 018 000  |
| Amounts recognised in the statement of comprehensive income: |            |             |
| Included in other comprehensive income                       | 5 739 000  | (1 368 000) |

## Movement in liabilities and assets for the period are as follows:

## LIABILITIES

|   |             |            |
|---|-------------|------------|
| Balance as at 1 January 2012                  | 17 824 000  | 13 082 000 |
| Interest cost                                 | 1 474 000   | 1 104 000  |
| Service cost                                  | 0           | 0          |
| Benefits paid (net of reinsurance recoveries) | (1 874 000) | (955 000)  |
| Actuarial (gain)/loss                         | 2 762 000   | 4 221 000  |
| Balance as at 31 December 2012                | 20 186 000  | 17 824 000 |

## NORTH-WEST UNIVERSITY

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

#### 18. POST-EMPLOYMENT BENEFIT PLANS (continued)

##### 18.2 North-West University Disability Reserve Fund (continued)

###### 18.2.4 Movement in the Disability Reserve Fund Asset (continued)

|   | 2012        | 2011       |
|---|-------------|------------|
|   | R           | R          |
| ASSETS  |             |            |
| Fair value as at 1 January 2012               | 50 842 000  | 47 468 000 |
| Expected return                               | 5 097 000   | 4 526 000  |
| Contributions (net of reinsurance premiums)   | (406 000)   | 337 000    |
| Benefits paid (net of reinsurance recoveries) | (1 874 000) | (955 000)  |
| Actuarial gain/(loss) on assets               | (5 283 000) | (534 000)  |
| Fair value as at 31 December 2012             | 58 942 000  | 50 842 000 |

###### 18.2.5 MORTALITY

The published PA (90) tables for males and females, rated up by 4 years, were used with an additional 3% mortality at each age.

#### 18.3 Associated Institutions Pension Fund

18.3.1 Of the permanent staff in the relevant staff categories (Potchefstroom and Vaal Triangle campuses), (2012: 0,53% or 16 staff members and 2011: 0,63% or 18 staff members) exercised the option of remaining members of the Associated Institutions Pension Fund (AIPF), which fund is registered in terms of and governed by the Pension Funds Act (Act 24 of 1956 (as amended)). Upon retirement these staff members receive retirement benefits in terms of a defined-benefit plan. The University has a liability to make an additional contribution to the pension fund if the cash flow of the AIPF is inadequate for the payment of the pensions of pensioners. The latest valuation was done on 31 March 2005 and the results show a funding level of 151,4% and a R3 631 million surplus.

18.3.2 The AIPF is administered by the State.

18.3.3 The amount as recognised in the statement of comprehensive income (note 24) for 2012 is R1 405 583 (2011: R1 444 767).

#### 18.4 NWU provident funds

18.4.1 The NWU provident funds were established on 1 March 1993 and 1 March 1996 respectively. All permanent staff members in the relevant staff categories (Potchefstroom and Vaal Triangle Campuses 2012: 139 staff members and 2011: 158 staff members) contribute to the NWU provident funds. The Registrar of Pensions does not require that a fixed-contribution fund be valued actuarially. The fund is 100% funded because benefits are limited to fixed contributions plus growth. The University has no further obligation towards the funds.

18.4.2 The amount as recognised in the statement of comprehensive income (note 24) for 2012 is R1 808 417 (2011: R1 921 095).

#### 18.5 Percentage employees who contribute to retirement funds

All active permanent staff members contribute to the North-West University Pension Fund, the AIPF or the NWU provident funds.

## NORTH-WEST UNIVERSITY

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

## 18. POST-EMPLOYMENT BENEFIT PLANS (continued)

## 18.6 Post-employment medical benefits

18.6.1 In accordance with current staff practice, contributions to the medical aid fund are also made on behalf of retired employees (Potchefstroom and Vaal Triangle Campuses) who had been employed before 1 January 1999.

18.6.2 Valuation calculations in terms of IAS 19 are done annually. The valuation calculations on 1 January 2013 are as follows:

|   | 2012<br>R | 2011<br>R |
|---|-----------|-----------|
| <b>Most important actuarial assumptions:</b>      |           |           |
| Inflation rate                                    | 6,50%     | 6,50%     |
| Discount rate                                     | 8,25%     | 9,00%     |
| Expected rate at which salaries will increase     | 7,50%     | 7,50%     |
| Expected rate at which medical cost will increase | 7.75%     | 8,00%     |

No plan assets are held in respect of the post-retirement medical subsidies.

|  | 2012<br>R    | 2011<br>R   | 2010<br>R    | 2009<br>R   |
|--|--------------|-------------|--------------|-------------|
| <b>Valuation results: 4 years</b>          |              |             |              |             |
| Present value of liabilities               | 167 103 000  | 132 433 000 | 127 547 000  | 124 675 000 |
| Experience adjustments on plan liabilities | (27 895 000) | 1 559 000   | (11 514 000) | 4 212 000   |

|   | 2012<br>R   | 2011<br>R   |
|---|-------------|-------------|
| 18.6.3 Present value of unfunded liabilities                        |             |             |
| Pensioners  | 105 374 000 | 89 703 000  |
| Active employees  | 61 729 000  | 42 730 000  |
| Liability as shown in the statement of financial position (note 18) | 167 103 000 | 132 433 000 |

Movement in liabilities as reflected in the statement of financial position:

|                              |             |             |
|------------------------------|-------------|-------------|
| Balance at beginning of year | 132 433 000 | 127 547 000 |
| Service cost                 | 1 959 000   | 2 119 000   |
| Interest cost                | 11 614 000  | 10 577 000  |
| Actuarial (gain)/loss        | 27 752 186  | (1 770 000) |
| Contributions paid           | (6 655 186) | (6 040 000) |
| Balance at end of year       | 167 103 000 | 132 433 000 |



## NORTH-WEST UNIVERSITY

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

## 18. POST-EMPLOYMENT BENEFIT PLANS (continued)

## 18.6 Post-employment medical benefits (continued)

|  | 2012       | 2011        |
|--|------------|-------------|
|  | R          | R           |
| Amounts recognised in the statement of comprehensive income:<br>(note 24 – Personnel remuneration) |            |             |
| Service cost   | 1 959 000  | 2 119 000   |
| Interest cost  | 11 614 000 | 10 577 000  |
| Actuarial (gain)/loss  | 27 752 186 | (1 770 000) |
| Balance at end of year   | 41 325 186 | 10 926 000  |

Expected contributions to post-employment benefit plans for the year ending 31 December 2013 are R7 382 000.

## 18.6.4 Sensitivity

It is important to examine how results vary in response to changes in the assumptions used. The sensitivity analysis below illustrates how results change under various alternative assumptions.

## Health-care cost inflation

| Assumption                 | Variation | % change in past-service contractual liability | % change in service cost plus interest cost (contractual liability) |
|----------------------------|-----------|--|---|
| Health-care cost inflation | + 1%      | + 13,0%  | + 14,4%   |
|                            | - 1%      | - 10,9%  | - 11,9%   |

## Mortality

| Assumption | Variation | % change in past-service contractual liability | % change in service cost plus interest cost (contractual liability) |
|------------|-----------|--|---|
| Mortality  | + 1%      | - 9,8%   | - 10,5%   |
|            | - 1%      | + 11,2%  | + 12,0%   |

Pre-expected retirement age : SA1985-90 light

Post-expected retirement age: PA(90)-1

## Resignation rate

| Assumption  | Variation | % change in past-service contractual liability | % change in service cost plus interest cost (contractual liability) |
|-------------|-----------|--|---|
| Resignation | + 1%      | - 2,2%   | - 3,0%  |
|             | - 1%      | + 2,4%   | + 3,3%  |

## NORTH-WEST UNIVERSITY

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

|   | 2012<br>R            | 2011<br>R           |
|---|----------------------|---------------------|
| <b>19. DEFERRED INCOME</b>  |                      |                     |
| Deferred income includes state grants and lotto funds.  |                      |                     |
| Capital projects  | 358 366 225          | 284 424 697         |
|   | <u>358 366 225</u>   | <u>284 424 697</u>  |
| Balance at beginning of year  | 284 424 697          | 220 791 624         |
| Subsidy received during the year  | 94 868 000           | 85 790 000          |
| Interest capitalised during the year  | 3 866 564            | 4 268 846           |
|   | <u>383 159 261</u>   | <u>310 850 470</u>  |
| Recognised as income during the year (subsidy and interest)   | <u>(30 155 633)</u>  | <u>(26 425 773)</u> |
| Balance at end of year  | <u>353 003 628</u>   | <u>284 424 697</u>  |
| <u>Presented as follows:</u>  |                      |                     |
| Non-current liability: Long-term portion  | 337 074 219          | 264 866 271         |
| Current liability: Short-term portion   | <u>15 929 409</u>    | <u>19 558 426</u>   |
|   | <u>353 003 628</u>   | <u>284 424 697</u>  |
| <b>20. TRADE AND OTHER PAYABLES</b>   |                      |                     |
| Trade creditors   | 191 181 305          | 176 366 129         |
| Student fees - credit accounts  | 64 493 468           | 50 437 069          |
|   | <u>255 674 773</u>   | <u>226 803 198</u>  |
| The fair value approximates the carrying amounts.   |                      |                     |
| <b>21. STUDENT DEPOSITS AND PREPAID INCOME</b>  |                      |                     |
| Include student-related fees as well as various research and project income received in advance   | 53 298 528           | 61 747 170          |
|   | <u>53 298 528</u>    | <u>61 747 170</u>   |
| The fair value approximates the carrying amounts.   |                      |                     |
| <b>22. INCOME</b>   |                      |                     |
| Total income includes the total subsidy, tuition, residence, meal and other student fees, research contract income, interest (including long-term investment income), rental received and consultation income generated by departments. |                      |                     |
| Total income also includes Lotto awards, namely:  |                      |                     |
| Income recognised   | 2 762 786            | 2 691 376           |
| Income deferred   | <u>4 874 468</u>     | <u>4 097 824</u>    |
| <b>23. STATE APPROPRIATIONS - SUBSIDIES AND GRANTS</b>  |                      |                     |
| <u>Unrestricted or designated</u>   |                      |                     |
| Operating purposes  | 1 092 666 465        | 981 888 000         |
| Redemption of interest and debt   | 392 468              | 555 919             |
|   | <u>1 093 058 933</u> | <u>982 443 919</u>  |
| Deferred capital subsidy recognised   | 18 304 519           | 15 612 502          |
|   | <u>1 111 363 452</u> | <u>998 056 421</u>  |
| <u>Student and staff accommodation</u>  |                      |                     |
| Redemption of interest and debt   | 106 231              | 213 198             |
|   | <u>106 231</u>       | <u>213 198</u>      |
| Total: State appropriations - subsidies and grants  | <u>1 111 469 683</u> | <u>998 269 619</u>  |

## NORTH-WEST UNIVERSITY

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

|                                      | COUNCIL-<br>CONTROLLED:<br>UNRESTRICTED<br>OR<br>DESIGNATED | SPECIFICALLY<br>FUNDED<br>ACTIVITIES:<br>RESTRICTED | STUDENT<br>& STAFF<br>ACCOMMO-<br>DATION:<br>RESTRICTED | 2012<br>TOTAL        | 2011<br>TOTAL        |
|--------------------------------------|---|---|---|----------------------|----------------------|
|                                      | R   | R   | R   | R                    | R                    |
| <b>24. PERSONNEL REMUNERATION</b>    |   |   |   |                      |                      |
| Remuneration and fringe benefits     | 1 095 741 405   | 29 679 597  | 24 318 851  | 1 149 739 853        | 1 002 785 749        |
| Retrenchment packages                | 2 473 857   | 0   | 0   | 2 473 857            | 3 957 474            |
| Accrued leave                        | 20 519 327  | 0   | 0   | 20 519 327           | 32 870 883           |
| Contributions: NWU Pension fund      | 135 850 858   | 3 650 218   | 2 990 914   | 142 491 990          | 126 427 191          |
| Contributions: AI Pension fund       | 1 340 073   | 36 007  | 29 503  | 1 405 583            | 1 444 767            |
| Contributions: NWU Provident funds   | 1 724 132   | 46 326  | 37 959  | 1 808 417            | 1 921 095            |
| Post-employment medical aid benefits | 39 399 141  | 1 058 627   | 867 418   | 41 325 186           | 10 926 000           |
|                                      | <u>1 297 048 793</u>  | <u>34 470 775</u>                                   | <u>28 244 645</u>                                       | <u>1 359 764 213</u> | <u>1 180 333 159</u> |

## Annualised Gross Remuneration to Institutional Management

| Name                  | Office held   | Basic salary      | Employment benefits | Other payments / allowances | Total costs to NWU 2012 | Total costs to NWU 2011 |
|-----------------------|---|-------------------|---------------------|-----------------------------|-------------------------|-------------------------|
|                       |   | R                 | R                   | R                           | R                       | R                       |
| Dr T Eloff            | Vice-Chancellor                                     | 1 909 724         | 296 141             | 1 069 068                   | 3 274 933               | 2 787 812               |
| Prof NT Mosia         | Institutional Registrar                             | 1 306 921         | 154 622             | 1 145 613                   | 2 607 156               | 1 897 111               |
| Prof HD van Schalkwyk | Campus Rector: Potchefstroom                        | 1 478 989         | 176 451             | 433 142                     | 2 088 582               | 1 882 759               |
| Prof TJ Mariba        | Campus Rector: Vaal Triangle                        | 1 480 749         | 174 622             | 426 118                     | 2 081 489               | 1 868 629               |
| Prof IJ Rost          | Executive Director: Finances and Facilities         | 1 631 166         | 25 174              | 418 897                     | 2 075 237               | 1 829 006               |
| Prof ND Kgwadi        | Campus Rector: Mafikeng                             | 1 483 725         | 163 174             | 341 240                     | 1 988 139               | 1 805 267               |
| Prof F van Niekerk    | Executive Director: Research and Innovation         | 1 545 166         | 20 756              | 405 896                     | 1 971 818               | 1 652 905               |
| Prof MJ Oosthuizen    | Deputy Vice-Chancellor: Teaching-Learning           | 1 286 728         | 150 218             | 365 863                     | 1 802 809               | 1 307 137               |
| Mr VL Mothobi         | Executive Director: Human Capital Development       | 950 574           | 130 169             | 290 721                     | 1 371 464               | 1 222 737               |
| Me PP Mmope           | Executive Director: Corporate Affairs and Relations | 709 249           | 93 709              | 301 798                     | 1 104 756               | 939 039                 |
| Total                 |   | <u>13 782 991</u> | <u>1 385 036</u>    | <u>5 198 356</u>            | <u>20 366 383</u>       | <u>17 192 402</u>       |

These include annual remuneration, levies, bonuses and in the case of the Vice-Chancellor, housing benefits.

There are no outstanding obligations with regard to management remuneration on year-end.

Refer to note 31 - Related party transactions.

Number of senior staff members 2012: 10 (2011: 10).

|   | COUNCIL-<br>CONTROLLED:<br>UNRESTRICTED<br>OR<br>DESIGNATED | SPECIFICALLY<br>FUNDED<br>ACTIVITIES:<br>RESTRICTED | STUDENT<br>& STAFF<br>ACCOMMO-<br>DATION:<br>RESTRICTED | 2012<br>TOTAL | 2011<br>TOTAL |
|---|---|---|---|---------------|---------------|
|   | R   | R   | R   | R             | R             |
| <b>Other information regarding personnel remuneration</b> |   |   |   |               |               |
| Provision: accrued leave - increase (note 18)             | 20 519 327  | 0   | 0   | 20 519 327    | 32 324 755    |
| Retirement benefit costs                                  | 138 915 062   | 3 732 551   | 3 058 376   | 145 705 989   | 129 793 053   |
| Members' contributions                                    | 50 743 435  | 1 363 441   | 1 117 175   | 53 224 051    | 47 153 116    |
| Council contributions                                     | 88 171 627  | 2 369 110   | 1 941 201   | 92 481 938    | 82 639 937    |
| Senior management remuneration                            | 20 366 383  | 0   | 0   | 20 366 383    | 16 665 595    |
| For managerial services                                   | 20 366 383  | 0   | 0   | 20 366 383    | 16 665 595    |

## Payments for attendance at meetings of the Council and its Committees

| Name  | Number of members | 2012<br>R      | 2011<br>R      |
|---|-------------------|----------------|----------------|
| Chair of Council: Honorarium, travel and accommodation expenses     | 1                 | 54 500         | 46 000         |
| Chairs of committees: Honorarium, travel and accommodation expenses | 7                 | 199 273        | 156 319        |
| Members of Council: Honorarium, travel and accommodation expenses   | 34                | 213 101        | 214 530        |
| Total   |                   | <u>466 874</u> | <u>416 849</u> |

## NORTH-WEST UNIVERSITY

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

## 24. PERSONNEL REMUNERATION (continued)

## Exceptional payments - each exceeding in annual aggregate R249 999

| Purpose of payment                   | Name                        | Office held   | 2012<br>R  | 2011<br>R  |
|--------------------------------------|-----------------------------|---|------------|------------|
| Severance package                    | Mr CF De Wit                | Chief Director : IM Human Capital: Operations                             | 1 055 864  | 0          |
| Leave gratuity                       | Dr EM Sedibe                | Director : IM Institutional Student Affairs and Sport                     | 964 611    | 0          |
| Turn over bonus                      | Mr WJHJ Jansen Van Rensburg | Money-Market Manager : IM Money Market                                    | 695 000    | 455 558    |
| Leave gratuity                       | Prof F Venter               | Dean : PC Faculty of Law  | 577 429    | 0          |
| Leave gratuity                       | Prof JJ Bergh               | Professor : PC Pharmaceutical Chemistry                                   | 523 393    | 0          |
| Leave gratuity                       | Prof EP Ababio              | Professor : VTC Public Management and Administration                      | 493 459    | 0          |
| Leave gratuity                       | Prof JL Van Der Walt        | Professor : PC School of Languages  | 461 253    | 0          |
| Leave gratuity                       | Prof H Moraal               | Professor : PC Physics  | 453 886    | 0          |
| Leave gratuity                       | Prof JC Breytenbach         | Professor : PC Pharmaceutical Chemistry                                   | 442 159    | 0          |
| Leave gratuity                       | Prof HJG Du Plooy           | Professor : PC School of Languages  | 438 238    | 0          |
| Leave gratuity                       | Prof P Van Schalkwyk        | Associate Professor : PC School of Mechanical and Nuclear Engineering     | 434 645    | 0          |
| Leave gratuity                       | Prof CA Venter              | Professor : PC Psychology   | 422 803    | 0          |
| Leave gratuity                       | Prof JJ Gerber              | Associate Professor : PC Clinical Pharmacy                                | 416 253    | 0          |
| Leave gratuity                       | Prof AA Stoop               | Associate Professor : PC School of Accounting Sciences                    | 387 944    | 0          |
| Leave gratuity                       | Prof C Van Eeden            | Associate Professor : VTC School of Behavioural Sciences                  | 378 847    | 0          |
| Leave gratuity                       | Prof HO Kaya                | Associate Professor : MC Sociology and Indigenous Knowledge Studies (IKS) | 354 914    | 0          |
| Leave gratuity                       | Mr JGL Schutte              | Manager : PC Technical Services Administration                            | 348 666    | 0          |
| Leave gratuity                       | Dr G Lachmann               | Senior Lecturer : PC Chemistry  | 343 388    | 0          |
| Leave gratuity                       | Prof SM Funnah              | Professor :MC Crop Sciences   | 315 107    | 0          |
| Leave gratuity                       | Prof WF Du Plessis          | Associate Professor : PC Institute for Psychotherapy and Counselling      | 312 992    | 0          |
| Leave gratuity                       | Mr PG Volschenk             | Director : PC Academic Support Services                                   | 298 590    | 0          |
| Leave gratuity                       | Dr EJ Van Hamburg           | Adviser: Teaching Development : PC Academic Support Services              | 291 466    | 0          |
| Leave gratuity                       | Dr MM Qinisa                | Lecturer : MC Animal Sciences   | 287 813    | 0          |
| Leave gratuity                       | Mrs EJ Schutte              | Temp Administrator : IM Information Technology                            | 273 866    | 0          |
| Leave gratuity                       | Dr HE Holtzhausen           | Senior Lecturer : VTC School of Education Sciences                        | 260 033    | 0          |
| Leave gratuity                       | Mrs KV Motsilanyane         | Lecturer : MC Communication and Languages                                 | 255 916    | 0          |
| Leave gratuity                       | Mr IS Tabane                | Senior Lecturer : MC Public Administration                                | 255 663    | 0          |
| Severance package and Leave gratuity | Prof CJ van der Watt        | Director: IM Leadership Academy and Organisational Research               | 0          | 2 778 563  |
| Severance package                    | Dr MN Takalo                | Executive Director: IM Executive Director: Teaching-Learning              | 0          | 1 500 000  |
| Leave gratuity                       | Prof JWH Swanepoel          | Professor: PC Statistics  | 0          | 522 308    |
| Leave gratuity                       | Prof P Styger               | Professor: PC School of Economics   | 0          | 514 689    |
| Leave gratuity                       | Mr LG van der Ryst          | Chief Director: IM Physical Infrastructure and Planning                   | 0          | 512 663    |
| Leave gratuity                       | Prof P de Klerk             | Professor: VTC History  | 0          | 477 515    |
| Leave gratuity                       | Dr T Larney                 | Director: Library Services : PC Library                                   | 0          | 472 899    |
| Leave gratuity                       | Prof H van Hamburg          | Professor: PC School of Environmental Sciences and Development            | 0          | 452 042    |
| Leave gratuity                       | Prof APS van der Merwe      | Professor: PC Law Undergraduate   | 0          | 442 107    |
| Leave gratuity                       | Mr WJ Pienaar               | Director: PC Academic Administration                                      | 0          | 436 197    |
| Leave gratuity                       | Prof JH de Klerk            | Professor: PC Mathematics and Applied Mathematics                         | 0          | 431 208    |
| Leave gratuity                       | Prof OC de Jager            | Professor: PC Centre for Space Research (CSR)                             | 0          | 412 800    |
| Leave gratuity                       | Mr RG Joubert               | Coach: PC PUK Rugby Institute   | 0          | 412 500    |
| Leave gratuity                       | Prof MS Zibi                | Director: IM Diversity Equity and Human Rights                            | 0          | 391 765    |
| Leave gratuity                       | Prof PJ Pretorius           | Associate Professor: PC Biochemistry                                      | 0          | 386 550    |
| Leave gratuity                       | Prof HJ Reyneke             | Dean of Students: PC Dean of Students                                     | 0          | 386 255    |
| Leave gratuity                       | Prof ELJ Breet              | Professor: PC Chemistry   | 0          | 357 307    |
| Leave gratuity                       | Prof JG Kotze               | Professor: PC Potchefstroom Business School                               | 0          | 344 907    |
| Leave gratuity                       | Mr PW Jordaan               | Senior Lecturer: PC School of Mechanical Engineering                      | 0          | 330 076    |
| Leave gratuity                       | Prof SH Taole               | Professor: MC Physics   | 0          | 326 845    |
| Leave gratuity                       | Prof A van Wyk              | Choir Leader/Senior Liaison Officer: PC PUK Arts                          | 0          | 297 569    |
| Leave gratuity                       | Mr PPH Schon                | Control Technician: IM Information Technology                             | 0          | 286 084    |
| Leave gratuity                       | Mr JJ Steyn                 | Lecturer: PC School of Accounting Sciences                                | 0          | 273 873    |
| Leave gratuity                       | Mr MN van Aarde             | Lecturer: PC Physiology   | 0          | 255 693    |
| Leave gratuity                       | Dr B Swart                  | Senior Lecturer: PC School of Music                                       | 0          | 252 990    |
| Leave gratuity                       | Mr MP Rakgokong             | Senior Lecturer: MC Setswana  | 0          | 250 336    |
| Total                                |                             |   | 11 744 199 | 13 961 298 |

## NORTH-WEST UNIVERSITY

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

|   | COUNCIL-<br>CONTROLLED:<br>UNRESTRICTED<br>OR<br>DESIGNATED<br>R | SPECIFICALLY<br>FUNDED<br>ACTIVITIES:<br>RESTRICTED<br>R | STUDENT<br>& STAFF<br>ACCOMMO-<br>DATION:<br>RESTRICTED<br>R | 2012<br>TOTAL<br>R   | 2011<br>TOTAL<br>R |
|---|--|--|--|----------------------|--------------------|
| <b>25. OTHER CURRENT OPERATING EXPENSES BY NATURE</b>           |  |  |  |                      |                    |
| Provision impairment loss: Accounts receivable (note 14)        | 14 027 705   | 6 247 997  | 2 349 200  | 22 624 902           | 36 210 372         |
| Bad debts recovered   | (17 272 596)   | 0  | 0  | (17 272 596)         | (8 109 208)        |
| Inventory written off (note 13)                                 | 1 872 048  | 0  | 134 683  | 2 006 731            | 1 111 738          |
| Foodstuffs (Residence and Catering Services)                    | 8 393  | 0  | 128 626  | 137 019              | 114 885            |
| Publications and study materials                                | 1 727 243  | 0  | 0  | 1 727 243            | 996 853            |
| Other consumables   | 136 412  | 0  | 6 057  | 142 469              | 0                  |
| Audit remuneration  | 2 904 891  | 19 855   | 10 200   | 2 934 946            | 2 126 539          |
| Audit fees  | 2 538 495  | 19 855   | 10 200   | 2 568 550            | 1 766 071          |
| Other costs   | 366 396  | 0  | 0  | 366 396              | 360 468            |
| Services outsourced   | 34 207 020   | 0  | 14 825 524   | 49 032 544           | 44 015 762         |
| Rent: Buildings   | 3 714 422  | 102 158  | 7 035 760  | 10 852 340           | 8 903 302          |
| Rent: Equipment   | 29 746 842   | 240 195  | 311 658  | 30 298 695           | 18 411 077         |
| Maintenance   | 132 150 062  | 4 375 004  | 17 034 739   | 153 559 805          | 110 765 950        |
| Bursaries   | 107 378 522  | 20 383 832   | 0  | 127 762 354          | 106 286 930        |
| Goods and services - other                                      | 492 750 211  | 108 059 356  | 103 945 085  | 704 754 652          | 610 859 290        |
|   | <u>801 479 127</u>   | <u>139 428 397</u>                                       | <u>145 646 849</u>   | <u>1 086 554 373</u> | <u>930 581 752</u> |
| <b>26. INVESTMENT INCOME</b>                                    |  |  |  |                      |                    |
| 26.1 Operating income (short-term investment income)            | 100 273 816  | 5 114 441  | 0  | 105 388 257          | 100 568 951        |
| Interest  | 88 289 837   | 5 114 441  | 0  | 93 404 278           | 89 147 399         |
| Amortised interest  | 3 723 425  | 0  | 0  | 3 723 425            | 3 967 908          |
| Unrealised interest on loans with initial fair value adjustment | 369 991  | 0  | 0  | 369 991              | (26 440)           |
| Rental received (investment properties - note 7)                | 7 890 563  | 0  | 0  | 7 890 563            | 7 480 084          |
| Long-term investment income                                     | 16 742 535   | 0  | 0  | 16 742 535           | 6 564 682          |
| Interest  | 12 950 087   | 0  | 0  | 12 950 087           | 3 668 017          |
| Dividends (listed investments)                                  | 3 792 448  | 0  | 0  | 3 792 448            | 2 896 665          |
|   | <u>117 016 351</u>   | <u>5 114 441</u>   | <u>0</u>   | <u>122 130 792</u>   | <u>107 133 633</u> |
| 26.2 Realised profit/(loss) on disposal of investments          | 12 351 175   | 0  | 0  | 12 351 175           | 1 847 893          |
| Available-for-sale investments                                  | 12 200 981   | 0  | 0  | 12 200 981           | 1 773 048          |
| Financial instruments at fair value through profit or loss      | 150 194  | 0  | 0  | 150 194              | 74 845             |
|   | <u>12 351 175</u>  | <u>0</u>   | <u>0</u>   | <u>12 351 175</u>    | <u>1 847 893</u>   |
| Total per statement of cash flows                               | <u>129 367 526</u>   | <u>5 114 441</u>   | <u>0</u>   | <u>134 481 967</u>   | <u>108 981 526</u> |
| <b>27. FINANCE CHARGES</b>                                      |  |  |  |                      |                    |
| Long-term loans (note 17)                                       | 9 755 412  | 0  | 14 509   | 9 769 921            | 7 988 282          |
| Bank account  | 24 020   | 0  | 0  | 24 020               | 23 212             |
| Exchange differences  | (38 167)   | 0  | 0  | (38 167)             | (191 346)          |
| Other   | 685 692  | (120 270)  | 4 015 368  | 4 580 790            | 5 043 914          |
|   | <u>10 426 957</u>  | <u>(120 270)</u>   | <u>4 029 877</u>   | <u>14 336 564</u>    | <u>12 864 062</u>  |

No amount capitalised on qualifying assets for 2012 (2011: No amount capitalised).

**28. CAPITAL EXPENDITURE EXPENSED**

Included in capital expenditure that have been expensed are library books in the amount of R28 755 104 (2011: R29 013 460).

# NORTH-WEST UNIVERSITY

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

|  | 2012<br>R     | 2011<br>R     |
|--|---------------|---------------|
| <b>29. RECONCILIATION OF NET SURPLUS TO CASH GENERATED FROM OPERATIONS</b> |               |               |
| Net surplus for the year   | 103 949 969   | 63 290 685    |
| <b>Adjusted for:</b>   |               |               |
| Provision for impairment loss: Trade and other receivables (note 14)       | 22 624 902    | 36 210 372    |
| Depreciation (note 6 and 7)  | 91 336 562    | 79 435 098    |
| Amortisation charges (note 8)  | 844 497       | 3 947 439     |
| (Profit)/Loss on disposal/write-off of assets - PPE                        | (7 547 610)   | 6 925 861     |
| Increase/(decrease) in retirement benefit obligations (note 18)            | 55 189 327    | 37 210 755    |
| Increase/(decrease) in deferred income (note 19)                           | 68 578 931    | 63 633 073    |
| Investment income (note 26)  | (134 481 967) | (108 981 526) |
| Finance charges (note 27)  | 14 336 564    | 12 864 062    |
| Adjustments i.t.o. IAS 39 (AC 133)   | 336 711       | (191 805)     |
| Capital market   | 369 991       | 26 440        |
| ALSI future contracts  | (12 701)      | (31 750)      |
| Foreign investment   | (20 579)      | (186 495)     |
| Operating surplus before changes in operating capital                      | 215 167 885   | 194 344 014   |
| Changes in operating capital   | (20 488 155)  | 59 081 629    |
| (Increase)/decrease in inventories   | (1 573 512)   | (3 568 522)   |
| (Increase)/decrease in trade and other receivables                         | (39 274 039)  | (33 024 189)  |
| Increase/(decrease) in trade and other payables                            | 28 871 575    | 56 041 388    |
| Increase/(decrease) in tax liability                                       | (63 537)      | 5 031         |
| Increase/(decrease) in student deposits and prepaid income                 | (8 448 642)   | 39 627 921    |
| Cash flows from operating activities                                       | 194 679 730   | 253 425 643   |

## 30. COMMITMENTS

### CAPITAL COMMITMENTS

The following commitments not recognised in the statement of financial position existed on 31 December 2012 with regard to capital expenditure approved but not yet completed or carried out:

|   |             |             |
|---|-------------|-------------|
| Buildings   | 247 231 115 | 195 840 719 |
| This expenditure will be financed with internal and external funds. |             |             |

### OPERATING LEASES

The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

|                             |            |            |
|-----------------------------|------------|------------|
| Payable within 1 year       | 7 532 054  | 7 031 540  |
| Payable within 2 to 5 years | 27 808 019 | 25 748 166 |
| Payable after 5 years       | 8 395 819  | 16 169 726 |
|                             | 43 735 892 | 48 949 432 |

## **NORTH-WEST UNIVERSITY**

### **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

#### **31. CONTINGENT LIABILITIES**

- 31.1 An amount of approximately R2 700 000 is claimed from the University in respect of alleged non-payment in terms of a service contract. The claim is disputed on the basis that the amount in question had in fact been paid. The University has a strong case and the risk factor is relatively low.
- 31.2 A former employee is claiming an amount of R115 000 from the University in respect of benefits that are allegedly owed to him. He has instituted action in the High Court and the University is opposing the action on substantial grounds and the risk factor is relatively low.
- 31.3 The University is involved in a contractual dispute in which an amount of R231 155 is claimed by the other party. This action is opposed by the University on the basis that the plaintiff has repudiated the contract by failing to fully comply with its obligations. It is not possible to assess the risk at this point in time, but it is submitted that the prospect of the University successfully warding off the claim, can be rated as 60%.
- 31.4 A former employee who had not been re-employed after the expiry of his probation period has approached the CCMA for relief, claiming two years' salary amounting to R1 200 000. His prospects for such an award are extremely slender. Depending on the outcome of the CCMA arbitration process, he may be awarded six months' salary at most, amounting to R300 000.
- 31.5 Contingent liabilities exist in respect of restricted funds that may have to be returned to the provider of the funds, should they not be utilised in accordance with the provider's requirements. The maximum amount that would have to be repaid if none of the specified activities could be achieved and if all providers requested the return of the funds is R118 697 190 (2011: R116 768 410). However, the repayment of these funds is unlikely.

#### **32. RELATED-PARTY TRANSACTIONS**

Included in unlisted investments 9 – receivables originated by the entity are subsidiaries which are related parties (refer to note 9 – Money-market: Others).

Available-for-sale investments include unlisted investments where the shareholdings do not qualify as an investment in an associate company, but the entities are regarded as related parties (refer to note 9.1).

Refer to note 10 for disclosure of investments in associates.

Seeing that the North-West University Pension Fund and the Associated Institutions Pension Fund are both post-employment benefit plans for the benefit of the employees of the University, these funds are considered related parties (refer to notes 18.1, 18.2 and 18.3).

The national Department of Higher Education and Training has a significant influence on the University and is therefore also considered a related party (refer to note 23).

Compensation of Institutional Management is considered related-party transactions. Refer to note 24 for disclosure of remuneration.

## NORTH-WEST UNIVERSITY

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

#### 33. EVENTS AFTER THE REPORTING PERIOD

Events after the reporting period are those events that occur between the reporting date and the date on which the financial statements are approved to be issued, and are accounted for as follows: the financial statements are adjusted as necessary with regard to events that provide further proof of circumstances existing on the reporting date and/or information that is only mentioned by way of a note if the events are evidence of circumstances that arose after the reporting date.

No material facts or circumstances affecting the financial position arose between the date of the statement of financial position and that of this report.

#### 34. NUMBER OF EMPLOYEES

The number of permanent employees and term employees with benefits totalled 3 159 on 31 December 2012 (2011: 3 030).

#### 35. INCOME TAX / DEFERRED TAXATION

The University is currently still exempt from normal SA Income Tax in terms of Section 10(1)(cA) of the Income Tax Act, and consequently also from the provision for any deferred taxation.

As a result of the consolidation of Zingaro Trade 9 (Pty) Ltd and OpenCollab (Pty) Ltd, which are not exempted from tax, a tax liability is shown with regard to tax currently payable, based on taxable profit for the year. Tax is calculated at 28% for 2012 (2011: 28%). Deferred tax is applicable to OpenCollab (Pty) Ltd, but does not apply to Zingaro Trade 9 (Pty) Ltd.

|                                    | <b>2012</b>        | <b>2011</b>        |
|------------------------------------|--------------------|--------------------|
|                                    | <b>R</b>           | <b>R</b>           |
| <b>ZINGARO TRADE 9 (Pty) Ltd</b>   |                    |                    |
| Profit/(loss) before tax           | (184 312)          | 434 710            |
| <b>Non-deductable items</b>        |                    |                    |
| Donations                          | 8 300              | 6 420              |
| Staff theft                        | 13 490             | 0                  |
| Taxable income/(loss) for the year | (162 522)          | 441 130            |
| Assessed loss brought forward      | (1 075 514)        | (1 519 239)        |
| <b>Tax loss carried forward</b>    | <b>(1 238 036)</b> | <b>(1 078 109)</b> |

#### Reconciliation of SA normal tax

|                                       |   |   |
|---------------------------------------|---|---|
| Balance at beginning of year          | 0 | 0 |
|                                       | 0 | 0 |
| Current tax for year at 28%           | 0 | 0 |
| Amount paid in respect of prior years | 0 | 0 |
| Balance at end of year                | 0 | 0 |



## NORTH-WEST UNIVERSITY

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

## 35. INCOME TAX / DEFERRED TAXATION (continued)

## ZINGARO TRADE 9 (Pty) Ltd (continued)

## Reconciliation of rate of taxation

|                    | %  | %  |
|--------------------|----|----|
| SA normal tax rate | 28 | 28 |
| Reconciling items  | -  | -  |
| Effective tax rate | 28 | 28 |

## OPENCOLLAB (Pty) Ltd

|                             | 2012<br>R | 2011<br>R |
|-----------------------------|-----------|-----------|
| Profit/(loss) before tax    | 1 802 228 | 1 996 005 |
| <b>Non-deductable items</b> |           |           |
| Donations                   | 2 400     | 300       |
| Penalties and interest      | 1 836     | 11 633    |
| Taxable income for the year | 1 806 464 | 2 007 938 |
| Temporary differences       | 48 896    | 60 950    |
| <b>Taxable income</b>       | 1 855 360 | 2 068 888 |

## Reconciliation of SA normal tax

|   |           |           |
|---|-----------|-----------|
| Balance at beginning of year                      | 71 428    | 75 471    |
| Prior year adjustment                             | 0         | 11 634    |
|   | (67 718)  | (15 677)  |
| Current tax for year at 28%                       | 519 501   | 579 289   |
| Amount paid in respect of current and prior years | (587 219) | (594 966) |
|   | 3 710     | 71 428    |
| Less: Deferred tax                                | (62 216)  | (66 397)  |
| Balance at end of year                            | (58 506)  | 5 031     |

## Reconciliation of rate of taxation

|                    | %  | %  |
|--------------------|----|----|
| SA normal tax rate | 28 | 28 |
| Reconciling items  | -  | -  |
| Effective tax rate | 28 | 28 |

## Tax charge @ 28%

|  | R       | R      |
|--|---------|--------|
| Tax expense as per statement of comprehensive income | 523 682 | 87 787 |

# LIST OF ABBREVIATIONS AND TERMS USED IN THIS REPORT

|            |  |
|------------|--|
| @NWU       | The daily notice for NWU staff (not an abbreviation)                                 |
| A          |  |
| ABET       | Adult Basic Education and Training   |
| ABSB       | Advisory Bureau Small Business   |
| ACDS       | African Centre for Disaster Studies  |
| ADC        | Academic Development Centre  |
| ADS        | Academic Development and Support   |
| AECT       | Association for Educational and Communication Technology                             |
| AGB        | Association of Governing Boards  |
| AGLA       | Compulsory integrated module (if done in Afrikaans)                                  |
| AGLE       | Compulsory integrated module (if done in English)                                    |
| AHI        | Afrikaanse Handelsinstituut  |
| AHP        | African Health Placements  |
| AIDS       | Acquired Immune Deficiency Syndrome  |
| AMBA       | Association of MBAs  |
| APE        | Advanced Diploma in Education  |
| APS        | Admission Point Score  |
| Artéma     | Institute for Arts Management and Development  |
| ASAUDIT    | Association of South African University Directors of Information Technology          |
| ASEM       | Advent Sport Entertainment and Media   |
| AUTHeR     | African Unit for Transdisciplinary Health Research                                   |
| B          |  |
| BBBEE      | Broad-based Black Economic Empowerment   |
| Boloka     | The NWU's digital archive that collects, preserves and distributes research material |
| C          |  |
| CA         | Chartered Accountants  |
| CareerZone | This is an online career portal  |
| CCMA       | Commission for Conciliation, Mediation and Arbitration                               |
| CCYFS      | Centre for Child, Youth and Family Studies   |
| CEL        | Cosmetic Effectiveness Laboratory  |
| CEN        | Centre of Excellence for Nuwtrition  |
| CENQAM     | Centre for Quality Assurance of Medicines  |
| CFAM       | Centre for Advanced Manufacturing  |
| CHE        | Council for Higher Education   |
| CHET       | Centre for Higher Education Transformation   |

|           |  |
|-----------|--|
| CoE       | Centre of Excellence   |
| CRM       | Customer Relationship Management   |
| CSRC      | Campus Student Representative Council  |
| CTexT®    | Centre for Text Technology   |
| CV        | Curriculum Vitae   |
| CWSM      | Centre for Water Sciences and Management   |
| <b>D</b>  |  |
| DALRO     | Dramatic, Artistic and Literacy Rights Organisation  |
| DEVNOMICS | Developmentnomics  |
| DHET      | Department of Higher Education and Training  |
| DST       | Department of Science and Technology   |
| DVD       | Digital Versatile Disc – an optical disc storage format  |
| <b>E</b>  |  |
| EAP       | Employee Assistance Programme  |
| EASA      | Education Association of South Africa  |
| EDC       | Enterprise Development Centre  |
| Educause  | A non-profit association whose mission is to advance higher education by promoting the intelligent use of information technology |
| eFundi    | The NWU's e-learning management system   |
| EHW       | Employee Health and Wellness   |
| Eidos     | This is an independent not-for-profit organisation dedicated to the value of ideas and social change                             |
| Eish!     | The NWU's internal staff magazine (not an abbreviation)  |
| EPE       | External Programme Evaluation  |
| ETDP SETA | Education, Training and Development Practices Sector Education and Training Authority  |
| ETH       | Eidgenössische Technische Hochschule   |
| Exco      | Executive Committee  |
| <b>F</b>  |  |
| FAST      | Faculty of Agriculture, Science and Technology   |
| FCCD      | Forum for Continuous Community Development   |
| FIA       | Federation Internationale de l'Automobile  |
| FLAGH     | Farm Labour and General Health   |
| FTE       | Full-Time Equivalent   |
| <b>G</b>  |  |
| GIRRL     | Girls In Risk Reduction Leadership   |
| <b>H</b>  |  |
| HART      | Hypertension in Africa Research Team   |
| HEAIDS    | Higher Education HIV/AIDS Programme  |
| HELTASA   | Higher Education Learning and Teaching Association of South Africa   |
| HEQC      | Higher Education Quality Committee   |
| HEQF      | Higher Education Qualifications Framework  |
| HESA      | Higher Education South Africa  |
| HIV       | Human Immunodeficiency Virus   |
| HRSC      | Human Research Science Council   |
| HSS       | Human and Social Sciences  |
| HySA      | Hydrogen South Africa  |

| I         |   |
|-----------|---|
| IAUP      | International Association of University Presidents  |
| IBIMA     | International Business Information Management Association   |
| ICAS      | Institutional Committee for Academic Standards  |
| ICBID     | Institutional Corporate and Branding Identity Committee   |
| ICNL      | Institutional Course for New Lecturers  |
| ICRI      | Institutional Committee for Research and Innovation   |
| ICT       | Information and Communications Technology   |
| ICT       | Information and Communications Technology   |
| ICTL      | Institutional Committee for Teaching and Learning   |
| IDP       | Integrated Development Plans  |
| IDU       | Software program that was introduced as a budgeting and reporting tool  |
| IEASA     | International Education Association of South Africa   |
| IEESDF    | Institutional Employment Equity and Skills Development Forum  |
| IF        | Institutional Forum   |
| IFRS      | International Financial Reporting Standards   |
| InGryp    | An intervention centre on the Potchefstroom Campus that offers crisis intervention and counselling services         |
| INSINQ    | Quality in Nursing and Midwifery (research focus area on the Potchefstroom Campus)                                  |
| IOHS      | Institutional Occupational Health and Safety  |
| IPE       | Internal Programme Evaluation   |
| IREA      | Institutional Research Excellence Awards  |
| ISRC      | Institutional Student Representative Council  |
| ISSD      | Institute for Sport Science and Development   |
| IT        | Information Technology  |
| ITEA      | Institutional Teaching Excellence Awards  |
| iTLT      | innovate Teaching and Learning Technology   |
| K         |   |
| KPA       | Key Performance Areas   |
| Kuali KFS | Quality open source financial software for higher education institutions  |
| L         |   |
| LibQUAL   | A suit of services that libraries use to solicit, track, understand and act upon users' opinions of service quality |
| LMS       | Learning Management System  |
| M         |   |
| MACE      | Marketing, Advancement and Communication in Education   |
| MACON     | Mafikeng College of Nursing   |
| MASARA    | Musical Arts in South Africa: Resource and Applications   |
| MaSIM     | Material Science Innovation and Marketing (research focus area on the Mafikeng Campus)                              |
| MC        | Mafikeng Campus   |
| MCS       | Modular Cooling Systems   |
| MEC       | Member of Executive Council   |
| MIS       | Management Information Services   |
| MoU       | Memorandum of Understanding   |
| MUSA      | Medicine Usage in South Africa  |

|            |   |
|------------|---|
| MUSICA     | Annual choir festival   |
| MuST       | Multilingual Speech Technology  |
| N          |   |
| NADEOSA    | The National Association of Distance Education and Open Learning in South Africa                                      |
| NAFSA      | Association of International Educators  |
| NAGCAS     | National Association of Graduates Careers Advisory Services   |
| NCV        | National Certificate Vocational   |
| NEHAWU     | National Education, Health and Allied Workers Union   |
| NGO        | Non-Governmental Organisation   |
| NHREC      | National Health Research Ethics Council   |
| NIPMO      | National Intellectual Property Management Organisation  |
| NLDTF      | National Lottery Distribution Trust Fund  |
| NQF        | The National Qualifications Framework   |
| NRF        | National Research Foundation  |
| NRI        | National Research Institute   |
| NSC        | National Senior Certificate   |
| NSFAS      | National Student Financial Aid Scheme   |
| NWFFUC     | Northwest Federal Credit Union  |
| NWU        | North-West University   |
| NWU & U    | The NWU's alumni publication  |
| O          |   |
| OCLC       | This is a worldwide library cooperative, providing services and research to improve access to the world's information |
| ODL        | Open Distance Learning  |
| ODS        | Operation Data Store  |
| OpenCMS    | Open source content management system written in Java   |
| OPTENTIA   | A research focus area on the Vaal Triangle Campus focusing on positive psychology at work                             |
| Oracle-ERP | Oracle Enterprise Resource Planning   |
| P          |   |
| PAIA       | Promotion of Access to Information Act  |
| PARSED     | Public Affairs Research for Service Delivery  |
| PC         | Potchefstroom Campus  |
| PCDDP      | Preclinical Drug Development Platform   |
| PhASRec    | Physical Activity Sport and Recreation  |
| PHC        | Primary Health Care   |
| PQM        | Programme and Qualifications Mix  |
| PRMIA      | Professional Risk Managers' International Association   |
| Pukki      | The Potchefstroom Campus's mascot   |
| PwC        | PricewaterhouseCoopers  |
| R          |   |
| REMeasure  | A new job evaluation system   |
| RIIP       | Research Institute for Industrial Pharmacy  |
| RSS feed   | A document (which is called a "feed", "web feed" or "channel" includes full summarised text plus metadata             |

| S       |  |
|---------|--|
| SAAS    | South African Association of Athletics Statisticians   |
| SABS    | South African Bureau of Standards  |
| SACSSP  | South African Council for Social Service Professions   |
| SAGRA   | South African Graduate Recruitment Association   |
| SAHECEF | South African Higher Education Community Engagement Forum  |
| SAKAI   | It is a community of academic institutions who work together to develop an e-learning environment                      |
| SANORD  | Southern African-Nordic Centre   |
| SANREN  | South African National Research and Education Network  |
| SAPTU   | South African Parastatal and Tertiary Institutions Union   |
| SAQA    | South African Qualifications Authority   |
| SARCHI  | South African Research Chair Initiative  |
| SAS     | Student Administrative Systems   |
| SAUS    | South African Union of Students  |
| SAVC    | South African Veterinary Council   |
| SENVO   | Centre for Traffic Training  |
| SET     | Science, Engineering and Technology  |
| SETH    | Science, Engineering, Technology and Health  |
| SGI-SA  | An initiative that serves to show people that there are valuable opportunities in teaching and learning through gaming |
| SHARE   | Electronic Records Management System   |
| SI      | Supplemental Instruction   |
| SOA     | Service-Oriented Architecture  |
| SoTL    | Scholarship of Teaching and Learning   |
| SRC     | Student Representative Council   |
| SRCS    | Student Rag Community Service  |
| STREAM  | Strengthening African Higher Education through Academic Mobility   |
| T       |  |
| TFT     | Teaching Further Training  |
| THRIP   | Technology and Human Resources for Industry Programme  |
| TIA     | Technology Innovation Agency   |
| TLT     | Teaching and Learning Technology   |
| TOC     | Transformation Oversight Committee   |
| TRADE   | Trade and Development (a research focus area on the Potchefstroom Campus)  |
| TREES   | Tourism Research in Economic Environs and Society  |
| TRIGA   | A class of small nuclear reactor designed and manufactured by General Atomic   |
| U       |  |
| UCCF-SA | University Council Chairs Forum-South Africa   |
| UK      | United Kingdom   |
| UNAIDS  | Joint United Nations Programme on AIDS   |
| UNESCO  | United Nations Educational, Scientific and Cultural Organisation   |
| UNICEF  | United Nations Children's Emergency Fund   |
| UNIPREP | University Preparatory Programme   |
| UNISA   | University of South Africa   |
| UODL    | Unit for Open Distance Learning  |

|       |   |
|-------|---|
| UPSET | Understanding and Processing Language in Complex Settings |
| USA   | United States of America                                  |
| USSA  | University Sports South Africa                            |
| V     |   |
| VAT   | Value Added Tax   |
| VC    | Vice-Chancellor   |
| VTC   | Vaal Triangle Campus                                      |
| VU    | Vrije Universiteit Amsterdam                              |
| VW    | Volkswagen  |
| W     |   |
| WHO   | World Health Organisation                                 |