

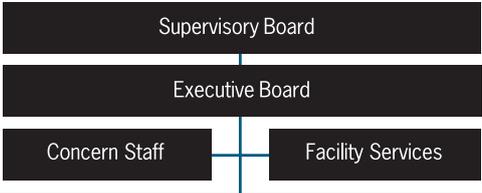
annual report Wageningen UR 2007



WAGENINGEN UR

For quality of life





Agrotechnology & Food Sciences Group	Animal Sciences Group	Environmental Sciences Group	Plant Sciences Group	Social Sciences Group	Van Hall Larenstein University of Applied Sciences
Agrotechnology & Food Sciences			Plant Sciences	Social Sciences	Leeuwarden Velp Wageningen
			Applied Plant Research		

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Foreword

The past year has been a good one for Wageningen UR from several points of view. Our sphere of activity – Healthy food and Living Environment – is enjoying a great deal of interest from society. This interest is expressed in increased numbers of students, among other ways; in fact, Wageningen University is now the fastest growing university in the Netherlands. The enrolled students have once again shown that they are very happy with our university by choosing it as the number 1 university for the third year in a row in the *Keuzegids Hoger Onderwijs* (Guide to Higher Education). At Van Hall Larenstein University of Applied Sciences, a new campaign for student recruitment has been launched which is expected to yield results in 2008.

An especially wonderful moment was the opening of the Wageningen Campus and the academic year in the presence of her Majesty the Queen, the Prime Minister and the Minister of Agriculture, Nature and Food Quality (LNV). This event created a great deal of interest, both internally and externally, and also enjoyed a great deal of media attention. The first Food4you festival in October also received a great deal of positive attention in the media. This is a festival that we want to hold annually to inform an even broader public about our activities.

It was also a good year for our research. For example, our first Spinoza grant has been received, Wageningen UR has been appointed to head a large national climate consortium, Crown Prince Willem-Alexander opened TTIW Wetsus, the centre for sustainable water technology in Leeuwarden, and in the same town the busses will be fuelled with green energy from biogas installations supplied by one of our applied research subsidiaries. Other examples include the interesting cooperative project with the Gelderse Vallei Hospital about preventing patient malnutrition and the unique partnership with the health insurance provider Univé-VGZ (UVIT) in preventive healthcare. Moreover, in Lelystad we have joined forces in the area of infectious animal diseases, in the form of a new Central Veterinary Institute, and we have taken a new and highly promising step in internationalisation by opening offices in China and Brazil. And last but not least, Wageningen UR has made an outstanding start in the important Seventh Framework Programme of the EU, with prospects for acquiring a large number of interesting projects.

The past year was also the first year for the implementation of our Strategic Plan 2007-2010. The priority areas for 2007 are beginning to show results, and the priority areas for 2008 have now been established. We have grouped these priorities into three focus areas: (1) expertise development and quality assurance, (2) market orientation and entrepreneurship, and (3) strengthening the internal organisation. Regarding the latter, during the past year our staff has been working hard on a further improvement and professionalisation of operational management, especially in the areas of stability of data, the quality of numerical analyses and strengthening the planning and control process. Finally, this was also a good year in financial terms. Wageningen University, Van Hall Larenstein University of Applied Sciences and the market-oriented DLO institutes all showed a healthy financial result last year.

In short, in 2007 we successfully built upon the foundation we laid in 2006 and previous years. In the first place, this was due to the undiminished efforts of our staff and students. And of course I would like to express my thanks to the Ministry of Agriculture, Nature and Food Quality (LNV) and other stakeholders for their assignments and their confidence in assuring and strengthening our mutual interest in the domain of Healthy Food and Living Environment.

Dr. Aalt A. Dijkhuizen
Chairman of the Executive Board

Executive Board and Supervisory Board

Wageningen University, the DLO Foundation (DLO) and the Van Hall Larenstein Foundation together form Wageningen University and Research Centre, abbreviated as Wageningen UR.

Executive Board

Dr. ir. A.A. Dijkhuizen (Chair)

Prof. dr. M.J. Kropff (Education and Research, also Rector Magnificus of Wageningen University)

Dr. I.J.J.H. Breukink (Operational Management)

The members of the Executive Board of Wageningen UR also form the Executive Board of Wageningen University, the DLO Foundation and the Van Hall Larenstein Foundation .

Supervisory Board

Prof. dr. J.A. van Kemenade (Chair until 1 April 2007, member until 1 September 2007)

Ms M. de Boer (Vice Chair until 1 April 2007, Chair as of 1 April 2007)

Dr. J.J. van Duijn

Ms J.R.H. Maij-Weggen

Dr. J.A.J. Vink

The members of the Supervisory Board of Wageningen UR also form the Supervisory Board of Wageningen University, the DLO Foundation and the Van Hall Larenstein Foundation.

1 Annual Report of Wageningen UR

1.1 Introduction

In the case of discrepancies between the original Dutch text and the English translation, the Dutch text takes precedence.

Wageningen UR publishes an integrated annual report comprising the following components:

- The Annual Report of Wageningen UR (with information about the organisation, the primary process and facilities, where relevant specified according to the legal entity);
- The Financial Reports of Wageningen University, the DLO Foundation and the Van Hall Larenstein Foundation;
- The Corporate Social Responsibility Report of Wageningen UR.

The Annual Report complies with the following legislation, regulations and agreements:

- Guidelines for annual reports in higher education and scientific research (*Richtlijn jaarverslaggeving hoger onderwijs en wetenschappelijk onderzoek*);
- Civil Code Book 2 Title 9 and the guidelines of the *Raad voor de Jaarverslaggeving*;
- Works Councils Act (information provision);
- Agreements with unions and Joint Representative Advisory Bodies;
- The Environmental Management Act;
- The Working Conditions Act.

1.2 Report from the Supervisory Board

In 2007, the Supervisory Board held five regular meetings. The Chair conducted periodic informal consultations with the Chair of the Executive Board. In addition, the Chair attended a consultation of the Executive Board with the Joint Representative Advisory Bodies, and the Supervisory Board met several times without the presence of the Executive Board. The Audit Committee of the Supervisory Board met three times to consult with a member of the Executive Board. In addition, a discussion took place between the Minister of Agriculture, Nature and Food Quality (LNV) and the Supervisory Board, in the presence of the Chair of the Executive Board.

During the above consultations, the following topics were discussed:

The *Wageningen UR 2006 Annual Report*, including the annual accounts for 2006 of the DLO Foundation, the Van Hall Larenstein Foundation and Wageningen University, was discussed in the Audit Committee and then, based on a positive recommendation of the committee, was approved by the Supervisory Board. To the extent possible, the Annual Report 2006 included the reports of the legal entities of Wageningen UR. In order to comply with the formal obligations, the annual accounts were reported separately.

Based on the management notices provided every quarter, the Supervisory Board was able to closely follow the *financial developments* within the entities of Wageningen UR during 2007. The improvement of the operational results that began in 2006 continued in 2007. The reductions in overhead and material costs as well as the activities focusing on strengthening the market position, which were part of Focus 2006, made an important contribution to this good result.

In their audit findings for the 2006 annual report, as well as in the interim audit for 2007, the PricewaterhouseCoopers accountants ascertained that the *control* within Wageningen UR has improved with respect to previous years. The accountants made a number of recommendations for additional improvements. The Supervisory Board has requested the Executive Board to implement these recommendations.

The *2008 budget* of the three entities, Wageningen University, DLO Foundation and Van Hall Larenstein University of Applied Sciences was discussed and was approved following a positive recommendation from the audit committee.

The 2008 budget includes an additional result improvement with respect to the 2007 budget. Despite this positive trend, the development of yield and liquidity remains a continuous point of attention.

The Supervisory Board has been informed about the *priority areas* for 2008. This follows up on the positive experiences in 2007 with establishing priority areas for implementing the Wageningen UR Strategic Plan 2007-2010. For 2008, priority areas have been established in the areas of expertise development and quality assurance, market orientation and entrepreneurship, and strengthening the internal organisation.

The Supervisory Board is periodically informed about the progress of the *Strategic Plan for New Construction*. In 2007 a study was initiated into the possibilities for accelerated investment in the Wageningen Campus to establish a single location for the Agrotechnology & Food Sciences Group. Based on the details of this study, a decision will be made in 2008 about this accelerated investment.

In the area of *student enrolment* the Supervisory Board periodically tracks the early applications at Wageningen University and Van Hall Larenstein University of Applied Sciences. The Board is pleased to note that the major efforts at Wageningen University have led to an increased enrolment of BSc and MSc students. At Van Hall Larenstein University of Applied Sciences, the enrolment has declined slightly.

In April 2007, Mr Van Kemenade stepped down as Chair of the Supervisory Board and was succeeded by Ms De Boer. In September 2007, Mr Van Kemenade also stepped down as a member of the Supervisory Board. For almost six years, he was very involved as Chair and applied his experience and expertise in a pleasant and successful fashion to his executive duties on the Board. The Supervisory Board is greatly indebted to him for his efforts.

On behalf of the Supervisory Board
Ms M. de Boer (Chair)

Amounts * € million

1.3 Key figures Wageningen UR

1.3.1 Key figures Wageningen University

	2007	2006	2005	2004
Students (total on 01–12)	5,202	4,945	5,001	4,975
Enrolment of first-year students (BSc + MSc)	1,241	1,106	1,049	1,103
Total number of regular students	4,664	4,461	4,433	4,459
<i>Extranei</i>	1	0	0	0
Other enrolled students	537	484	568	516
Number of graduates	1,308	1,417 ¹	1,297 ²	1,152 ³
Total number of PhDs awarded	251	224	192	170
Number of PhDs awarded to international students	149	126	102	76
Average number of Wageningen University staff (total in FTEs)	2,239	2,233	2,333	2,356 ⁴
Net result (€ x 1,000)	11,360	5,552	-3,501	-946
Assets WU ⁵				
Capital in fixed assets	202.6	196.4	172.7	145.5
Equity capital	117.5	106.1	103.4	116.4
Total capital	272.2	243.5	218.8	193.5
Solvency ratio	43.2%	43.6%	47.2%	60.2%
Liquidity WU				
Liquid assets	25.5	21.4	24.7	22.9
Net working capital	-41.6	-39.4	-40.3	-12.5
Current ratio	0.6	0.5	0.5	0.8

¹ This concerns graduates of the unified programmes (255), 3-year BSc programmes (371) and the 2-year MSc programme (791).

² In 2005, this included the graduates of the unified programmes (395), the graduates from the 3-year BSc programmes (275) and the 2-year MSc programmes (627).

³ In 2004, this included the graduates of the unified study programmes (555), the graduates of the 3-year BSc programmes (158) and the 2-year MSc programmes (439).

⁴ Beginning in 2004, this item excludes interns. This policy differs from previous years.

⁵ In 2006, due to a change in the system, a liability of €5.8 million was included to account for unused leave. In the opening balance, this short-term liability was charged against equity capital. As a result, the equity capital and loan capital in 2005 deviate from the 2005 annual accounts.

Amounts * € million

1.3.2 Key figures Van Hall Larenstein University of Applied Sciences

	2007	2006	2005	2004
Students (total on 01-10)	3,879	4,050	3,956	3,995
Enrolment	1,038	1,113	1,209	1,094
Graduates with Bachelors degree	718	691	746	722
Graduates with Associate degree	13	–	–	–
Graduates with Masters degree	34	–	–	–
Average number of VHL staff (total in FTEs)	407	417	436	474
Net result (€ x 1,000)	264	3,615	–123	–4,561
Assets VHL				
Capital in fixed assets	32.6	34.6	37.5	40.0
Equity capital	1.6	1.3	–2.3	–2.2
Total capital	49.1	49.3	52.6	52.2
Solvency ratio capital base ⁶	20.1%	20.5%	13.4%	14.4%
Liquidity VHL				
Liquid assets	11.5	9.0	8.4	5.0
Net working capital	–1.4	–8.0	–4.3	–4.9
Current ratio	0.9	1.0	0.8	0.7

⁶ Capital base concerns the equity capital and the equalisation account for investment subsidies.

Amounts * € million

1.3.3 Key figures DLO Foundation

	2007	2006	2005	2004
Turnover	341.2	316.2	322.1	328.8
Share of LNV in turnover ⁷	52%	53%	53%	53%
Investments in corporate buildings and grounds	36.5	52.0	17.1	16.9
Investments in other tangible fixed assets	7.7	5.5	5.7	6.2
Average number of DLO staff (total in FTEs) ⁸	2,781	2,845	3,145	3,444
Net result (€ x 1,000)	25,417	12,989	-18,214	-26,577
Assets DLO				
Capital in fixed assets	401.6	402.9	372.3	373.9
Equity capital	232.9	207.5	194.5	217.9
Total capital	536.1	559.1	524.2	517.0
Solvency ratio	43.4%	37.1%	37.1%	42.1%
Liquidity DLO				
Liquid assets	55.9	76.3	65.7	43.6
Net working capital	34.1	23.8	26.4	27.9
Current ratio	1.3	1.2	1.2	1.2

1.4 General information about Wageningen UR

Wageningen UR is the framework of cooperation between Wageningen University, DLO Foundation and Van Hall Larenstein University of Applied Sciences (refer to the organisational chart on the inside cover). This cooperation has been given shape in six units, including five Sciences Groups. As part of this framework of cooperation, the legal entities have not been mixed. The Sciences Groups are the organisational, substantive and administrative instruments to join forces with the aim of achieving greater decisiveness and quality in education and research. One Department of Wageningen University has been organisationally integrated in each Sciences Group with one or more DLO institutes. Interdisciplinarity and a demand-based approach are assured, among other ways, by the matrix of the Sciences Groups with the Educational Institute, the Graduate Schools and Programme Leaders, which operate Wageningen UR-wide.

The sixth unit, Van Hall Larenstein University of Applied Sciences, operates as an independent component inside Wageningen UR, within the corporate frameworks established by the Executive Board. The cooperation focuses primarily on the educational aspects. Van Hall Larenstein Foundation is an independent legal entity that provides the executive management of the Van Hall Institute in Leeuwarden and Groningen of the International School of Higher Agricultural Education in Velp and Wageningen.

⁷ LNV turnover comprises turnover from the Ministry of Agriculture, Nature and Food Quality (LNV) in accordance with the funding scheme as well as supplementary project financing that is included under contract research. The LNV turnover is compared to the total turnover.

⁸ The total number of staff excluding interns at the end of 2007 was 2,781 FTE; at the end of 2006, this was 2,789 FTE and at the end of 2005 this was 2,957 FTE. The decline between 2006 and 2007 was therefore 8 FTE, and that between 2005 and 2006 was 168 FTE.

1.4.1 Mission and ambition

Wageningen UR is an international knowledge institute with the mission 'to explore the potential of nature to improve the quality of life'. Part of the ambition is to distinguish ourselves nationally and internationally by means of outstanding education and research within the Wageningen domain. Outside Europe, where Wageningen's reputation has spoken for itself for decades, we will of course continue developing our activities. But here at home in Europe, there is still room for us to develop into the top European knowledge institution in the domain of healthy food and living environment, a development that will reinforce not only Wageningen UR's connection with Dutch society but also the important role of Dutch public interest. Striving towards leading quality and an international top position requires us to know the limits of what we striving for. These limits are defined by the domain of Wageningen UR: healthy food and living environment.

1.4.2 Core areas

The domain of Wageningen UR concerns 'healthy food and living environment' and consists of three interconnected core areas:

- **Food and food production**

The production and supply side in the food chain: sustainable agriculture/horticulture and fisheries/aquaculture, international food chains and networks, health aspects of food and the use of biomass within the scope of a biobased economy.

- **Living environment**

Nature, landscape, land usage, water and ocean management, and the various competing claims on space. This also includes biodiversity, climate effects and the sustainability of management and production.

- **Health, lifestyle and livelihood**

The influence of people's behavioural choices regarding health, food and living environment. The behaviour of consumers, citizens or recreational participants, the attitude towards risk and uncertainty, the perception of quality and safety, and the relationship between food safety and poverty, particularly in developing countries.

1.4.3 Expertise circulation and valorisation

Government and society expect an active contribution from universities and research institutes regarding the circulation and use of expertise.

In 2007, Wageningen UR made such contributions by:

- Linking written research results via the library, *Kennis Online*, METIS and other online data banks. The websites often focus on a specific target group;
- The presentation of research results in theme-based meetings or to target groups as part of theme days, business cafés, professional networks and international lectures;
- The cooperation with potential users in joint projects. Examples include public-private co-innovation projects and voucher projects for innovation in small and medium-sized companies;
- Education, training and courses. In 2007, within the *Groene Kennis Coöperatie* (the framework of cooperation of the former agricultural education institutions), major steps have been taken towards substantive cooperation. As part of this initiative, 15 working programmes have named in areas such as Nutrition and Health and Agrologistics.

Wageningen Business Generator (WBG) is actively generating value from the knowledge of Wageningen UR (knowledge valorisation). WBG searches throughout Wageningen UR for potentially interesting new products, proactively supports entrepreneurship and is developing an organisation-wide patent policy. In addition, WBG plays an active role in the establishment of new, knowledge-intensive companies (spin-outs) that are based on Wageningen UR knowledge. As a leading participant in the Food Valley Consortium, WBG also evaluates and supports broader initiatives for startups as part of the SKE funding programme (*Subsidieprogramma KennisExploitatie*). In 2007, three new companies were established in which WBG participates: Biqualy BV, Nexxus Holding BV and CAN-IT BV As a

result, in addition to several management roles, the total number of spin-outs in which WBG holds a participating interest rose to 12 at the end of 2007.

Wageningen Business School (WBS) provides study programmes, training programmes, projects and workshops for entrepreneurs, companies and institutions, especially in the following themes: management and entrepreneurship, spatial development, water, the rural environment and animal sciences. In 2007, approximately 1000 professionals participated in 50 programmes. Activities that deserves special mention include: the European Food & Agribusiness Seminar (EFAS) for senior management in international food companies, in cooperation with the Harvard Business School; an international training programme concerning the Common Agricultural Policy of the European Union; an international training programme on behalf of the World Bank and two executive courses in Foodservice Management.

There are new programmes for international target groups in the Netherlands and abroad on the themes Promoting Equine Performance, Experimental Design, Food Safety Management, Urban Environmental Management and a Biobusiness Masterclass in China.

The number of activities related to entrepreneurship increased by 30% compared to 2006, especially master classes, Business Challenges (including activities with the technological foundation STW) and the New Business Generation Game; there were also more activities with open enrolment and in-company programmes and projects. This development links up with the need of companies for customised work and a strong connection between learning and working.

1.4.4 Student recruitment

Since 2007, the responsibility for the recruitment of students for both Van Hall Larenstein University of Applied Sciences and Wageningen University has been the responsibility of the Office of Corporate Communication. By combining the recruitment efforts, better coordination has been achieved, thereby strengthening the recruitment strategies nationally and internationally for the two education 'brands' of Wageningen UR.

In 2007, the campaign for recruiting Bachelors students for Wageningen University focused primarily on optimising the communication means and materials, such as a new stand for education fairs. The development of a new database, which is linked to the new personal website www.mijnwageningenuniversiteit.nl (My Wageningen University) has established the basis for the personal, substantively oriented approach to future students. The interest in the open days focusing on the Bachelors study programmes increased by 20% in 2007 compared to 2006. The number of visitors participating in 'getting acquainted' days (*meeloopdagen*) once again increased.

The recruitment of Dutch MSc students was given an impulse in 2007 by the special open day on the MSc study programmes in March and the joint presentation of Wageningen University and Van Hall Larenstein University of Applied Sciences at the *Abi Einstieg* education fair in Berlin.

For both VHL and WU, the international market was mapped out in order to achieve international growth in 2008 and to be able to recruit in the European countries that are most interesting for Wageningen.

In 2007 the so-called *free movers* (individual, self-financing international students) were approached by means of direct actions such as international education fairs, alumni-representatives, agents, presentations and advertisements. The activities focused primarily on increasing the familiarity with Wageningen University. In addition, linkage was sought with the recruitment activities of the Netherlands Education Support Offices (NESOs). In 2007, the recruitment of *subsidised movers* (international students with scholarships provided by companies) focused primarily on Saudi Arabia, Thailand, Malaysia, Indonesia and Kazakhstan. *Institutional movers* (international students who come to Wageningen for part of their study) have been participating for some time in two projects with China. In this way, the home university offers programmes with an 'international flavour' to its students. In 2007, there was no expansion of this form of cooperation.

Due to increasing competition from Asiatic countries such as China, India, Thailand and Malaysia, especially for non-European students, the recruitment activities of the Holland Education Consortium, a Wageningen initiative, have been expanded and intensified. At Van Hall Larenstein University of Applied Sciences, the focus in 2007 was on the further development of the 'niche-campaign' to communicate more directly with specific target groups. In addition, a new theme campaign, 'Climate and Spatial Planning', has been developed to increase the familiarity with Van Hall Larenstein University of Applied Sciences in a broader group.

1.4.5 Internationalisation

With its research and education, Wageningen UR is an integral part of society. Due to the domain of the activities, global developments are important and our ambitions have an international orientation. In 2007, international cooperation in research and education was again strengthened, also with the aim of aiding progress in less developed countries.

Besides working with international partners, the international ambition in education is reflected by the recruitment of international students for study programmes in Wageningen. The students live and study in an international setting where all Master of Science (MSc) Programmes are taught in English and are offered jointly for Dutch and non-Dutch students alike. On the reference date of 1 December 2007, the percentage of non-Dutch Bachelor of Science (BSc) students amounted to 5% of the total number of BSc students. Of the total number of MSc students, approximately 45% have a non-Dutch nationality (859 students). The most important regions of origin of the international students are the European Union (305 MSc students) and China (149 MSc students).

In 2007, work continued on the internationalisation of the studying and living conditions in Wageningen (e.g. via the integrated Annual Introduction Days) and on the professionalisation of the teaching (Intercultural Communication). In the system for evaluating education, as input for the results and development discussions, explicit questions have been included about the English language proficiency of the personnel. In addition, it has been decided to grow towards the situation where English is used institution-wide as the formal language. The Executive Board has appointed an Intercultural Dialogue Team to make proposals focusing on the further improvement of the international climate for students and staff. In November, a study (ISB monitor) was conducted concerning the satisfaction of international BSc, MSc and PhD students with the support services, education, studying and living climate and facilities at Wageningen University. There was a good response and the results were generally positive. In 2008, priority areas will be indicated, and another survey will take place in May.

For international cooperation, Wageningen International (WI) provides a single access point to education, research, capacity building and consultancy. In 2007, the following international projects were realised via Wageningen International with partners in Latin America, Asia and Africa:

- Opening of the Latin America Office (Brazil);
- Research projects concerning sustainable production of commodities such as soybeans, natural resources and climate, food safety and quality and bio fuels (Brazil);
- More intensive corporation with Embrapa and universities, the launch of the Competing Claims project (Brazil);
- An agreement with the Ministry of Science and Technology for PhD scholarships (Chile);
- Strengthening the relationships with ministries, universities and financiers concerning the themes of nutrition and food, natural resources and bio fuels (Chile);
- The launch of projects within the themes of biotechnology and natural resources (Argentina);
- The opening of the Sino Dutch Agricultural Innovation and Promotion Centre (Beijing, under Wageningen management and with an office for Wageningen UR);
- The start of the first research projects on behalf of and funded by Fujian Province, China;
- Memorandum of Understanding with Hanoi Agricultural University (Vietnam);
- Formalisation of contacts with South Korea;
- Involvement in discussion forums that focus on renewed attention for agriculture and rural entrepreneurship as an instrument for economic development, conference of the Regional University Forum (RUFORUM) for Eastern and Southern Africa;

- Intensification of educational partnerships with South Africa, Ethiopia and Malawi in sectors such as water management and horticulture;
- For Wageningen UR, 2007 was a very successful year in the European context due to the Seventh Framework Programme, especially with projects in the area of food.

In the area of development cooperation, projects have been realised in the following programmes

Capacity Development & Institutional Change (CD&I):

- Policy-support research cluster international LNV concerning a voluntary partnership with Malaysia to prevent illegal logging and to introduce the theme of animal welfare;
- Evaluation studies with the Inter American Development Bank, International Union for the Conservation of Nature (IUCN) global programme;
- Seminar on capacity building and change management, establishing the basis for cooperation with co-financing organisations and the Directorate General for International Cooperation (DGIS);
- Courses with local nongovernmental organisations (NGOs) universities and international CGIAR (Consultative Group on International Agricultural Research) institutes.

DGIS-Wageningen UR partnership programme 'Globalisation and Sustainable Rural Development':

- Two pilot projects with the theme 'Value Chains for Pro-poor Development' (Uganda and Ethiopia);
- Four projects with the theme 'Competing Claims' (implementation beginning in 2008).

Interdisciplinary Research and Education Fund Wageningen University (INREF):

- Programmes from the first phase have been successfully completed and scientifically evaluated;
 - Two new programmes have been approved which will start in 2008.
- In total, there are now six programmes with 60 PhD students.

The Netherlands Organisation for International Cooperation in Higher Education (Nuffic) programmes: the Netherlands Programme for institutional strengthening of post-secondary education and Training capacity (NPT) and the Netherlands Fellowship Programme (NFP):

- Five new projects realised: total € 7.3 million
- As a result, Wageningen UR is the most important partner in the Nuffic capacity building programme.

Platform for Food Security and Sustainable Development (2006):

- Activities developed in the area of 'Finding a food security angle towards food-feed-fuel'.
- Fourteen Wageningen professors are involved with the aim of working on multidisciplinary approaches to and solutions for the poverty problem.

1.4.6 Joint Representative Advisory Bodies

For the Executive Board and the management of the organisational components, the joint representative advisory bodies are important partners and links for establishing policy, making choices and setting priorities.

Every Sciences Group has a single joint Employees Council for employees of Wageningen University and the DLO Foundation who are unemployed at that Sciences Group. In addition, Wageningen UR has separate employees councils for the Concern Staff, Facilities and Services, Wageningen IMARES, Wageningen International, the Central Veterinary Institute (resulting from the merger of CIDC-Lelystad of the infectious animal diseases section of the Animal Sciences Group) and RIKILT. Above these separate employees councils, there is a single Central Employees Council (COR) Wageningen UR; its members are chosen from the members of the individual employees councils. The Student Council and the Joint Student Staff Council are the joint representative advisory bodies for the university. The Joint Student Staff Council is formed by the Wageningen University members of the Central Employees Council, supplemented with directly elected members and the Student Council.

Van Hall Larenstein University of Applied Sciences has three joint representative advisory bodies; half of the members of each body are students, the other half are employee representatives. Both Van Hall Institute and

Larenstein University of Professional Education have their own Participational Council. The members of the Joint Participational Council are elected by and from the local participational councils. The Joint Participational Council consults with the management of Van Hall Larenstein University of Applied Sciences and, as the occasion arises, also with the Executive Board. The participational councils conduct discussions with one of the members of the management. In 2007, the contacts between the Joint Participational Council and the Central Employees Council, Joint Student Staff Council and Student Council were again strengthened.

In 2007, the Joint Representative Advisory Bodies worked on a proposal for more far-reaching cooperation between the various councils. The intention is to work out this proposal in concrete terms in 2008.

In addition to the above internal joint representative advisory bodies, Wageningen UR has external joint representative advisory bodies. For each entity (Wageningen University, DLO Foundation and Van Hall Larenstein University of Applied Sciences), discussions are conducted in these bodies between the unions and the executive bodies about the conditions of employment and legal position of the staff. In this process, Wageningen University and Van Hall Larenstein University of Applied Sciences participate in the Collective Labour Agreement for Dutch Universities (CAO NU) and the Collective Labour Agreement for Higher Professional Education (CAO HBO), respectively. DLO Foundation has a separate Collective Labour Agreement. In 2007, the negotiations led to new Collective Labour Agreements for Wageningen University, DLO Foundation and Van Hall Larenstein University of Applied Sciences.

1.4.7 Complaint Regulations and Appeal & Objection

• Wageningen University

- In 2007, the Complaints Committee for Legal Position Disputes (General Administrative Law Act Chapters 6 and 7, CAO-NU) took eight new cases into consideration, of which four were withdrawn, one was declared inadmissible and four are still proceeding. Also in 2007, five complaint procedures that began in 2006 were completed, of which four were rejected and one was withdrawn.
- The Complaints Board for Legal Position Disputes (General Administrative Law Act Chapters 6 and 7, CAO-NU) considered two objections in 2007 that were filed as part of Focus 2006, of which one was withdrawn and one was rejected.
- In addition, there were five ongoing appeals and four ongoing appeals to higher bodies resulting from rejections of previous cases.
- In 2007, the National Complaints Board for Job Ranking (CAO-NU) did not handle any complaints for Wageningen University.
- The Advisory Board for Notices of Objection (CAB) of Wageningen University received 13 notices of appeal in 2007, all of which concerned decisions of the Executive Board. Five the objections were against a decision based on the Student Financial Support Regulation, four were against a decision based on the One-year WU Financing Regulation, two were against a decision based on the Travel Funding Scheme, one was against the restitution of tuition fees and one was against a change in a set of *doctoraal* examination courses.
- In two cases the CAB advised the Executive Board to disallow the objection and no hearing was provided to the interested parties. In four cases, the Executive Board agreed completely with the objection, which was then withdrawn. In one case, the decision was withdrawn. In six cases, the CAB provided a hearing to the interested parties and representatives of the Executive Board. In three of the above cases, the parties reached an out-of-court settlement during or shortly after the hearing. In the other three cases, the CAB advised the Executive Board to disallow the objection.
- In 2007, three notifications of appeal were submitted to the Examination Appeals Board (CBE) of Wageningen University. One notification of appeal, which was submitted against a sanction related to fraud, was considered by the CBE and disallowed. In the two other cases, the CBE did not consider the case substantively; in one case this was because the CBE stated that it lacked jurisdiction and in the other case because the notification of appeal was declared inadmissible by the CBE.
- The student deans mediated in the role of ombudsperson for students with a number of complaints. There were more such cases in 2007 than in 2006. Since October 2007, a confidential counsellor has been available

especially for students; one of the student deans takes this role. The confidential counsellor serves a real need: a number of complaints have been handled.

- **DLO Foundation**

- In 2007, the Grievance Committee for Individual Right of Complaint (CAO-DLO) considered two complaints, one of which was settled and one which was declared valid.
- The Grievance Committee for Individual Right of Complaint (CAO-DLO) did not handle any complaints in 2007 related to Focus 2006.
- De Complaints Committee for Job Ranking DLO did not handle any complaints in 2007.

- **Van Hall Larenstein University of Applied Sciences**

For VHL, there are various regulations concerning complaint, objection and appeal for staff and students:

- Undesired behaviour regulation
This regulation for staff and students is based on counselling and supervision by a confidential counsellor; where necessary the complaints are addressed by the Grievance Committee. In 2007, no complaints were submitted.
- Ombudsman
Staff or students (individuals or groups) who believe they have been disadvantaged by the action or inaction of the institution or of a functionary of the institution can approach the ombudsman. The ombudsman can make referrals, provide advice or mediation, or conduct a formal investigation. In 2006, it was decided to appoint a separate ombudsman for the Van Hall Institute. However, in 2007 this vacancy had not been filled and at Larenstein the position of ombudsman also became vacant. At the beginning of 2008, both ombudsman positions were combined for Van Hall Larenstein University of Applied Sciences and the recruitment for this vacancy began.
- Examination Appeals Board
Students can approach the Examination Appeals Board if they wish to appeal against decisions of the Examining Board. In 2007, the Larenstein Board received 10 notifications of appeal (see table below). The Examination Appeals Board in Leeuwarden did not receive any notifications of appeal.

	<i>Number</i>	<i>Withdrawal of appeal after amicable settlement</i>	<i>Declared non-admissible</i>	<i>Appeal considered by the Examination Appeals Board</i>	
				<i>valid</i>	<i>disallowed</i>
<i>Appeal against:</i>					
Conditions during the interim examination	1		1		
Binding negative study recommendation	9	6			3
Total	10	6	1	0	3

- Reconsideration Board
Staff who want to appeal or object to a management decision can approach the Reconsideration Board.

- **Wageningen UR**

- The Grievance Committee for Undesired Behaviour Wageningen UR handled four complaints in 2007, of which one complaint was withdrawn and three were declared inadmissible.

1.5 Wageningen University

Wageningen University offers academic Bachelors, Masters and PhD study programmes and conducts scientific research in the area of the life sciences and natural resources. The research is conducted under the auspices of the Graduate Schools. The lecturers participate in both the research and education at the university and work intensively together with related institutions in the Netherlands and abroad.

In 2007, Professor Marcel Dicke received the prestigious Spinoza Prize. He was given the award to acknowledge his research into the interaction between plants and insects. This is the first time that this award has been given to a researcher at Wageningen University. The NWO/Spinoza Prize is awarded annually to Dutch researchers who have 'won their spurs' and are at the peak of their scientific career. The Spinoza Prize is the most important scientific award in the Netherlands, and is sometimes called the Dutch Nobel Prize.

The interest in Wageningen University study programmes increased greatly in 2007. The enrolments of students in the BSc programmes increased by 23% compared to 2006. As a result, the market share of Wageningen University has increased by 0.4% to 2.3% (the increase in 2006 was 0.1%).

In 2007, bonuses of € 1 million were paid for excellent education (44 chair groups) and bonuses of € 1 million were paid for excellent research (29 chair groups). Twenty chair groups received bonuses for both education and research. The entomology group received the most, with bonuses totalling almost k€ 100.

In 2007, the report of the Education House steering group was published. The report made proposals to change the structure of education at Wageningen UR. These changes are necessary due to the strategic aims in education: flexibility, cost effectiveness and quality. The report proposed the implementation of the major-minor structure, broad Bachelors programmes, the BSc thesis, umbrella Masters programmes and the semester system. The implementation process has begun with an extensive discussion within Wageningen University and Van Hall Larenstein University of Applied Sciences. Based on this discussion, the decision process will take place in early 2009.

In August 2006, the Education Integration Project Wageningen UR began with the aim of accelerating the integration of VHL and to give shape to the cooperation in education within Wageningen UR.

In 2007, this project led to the following:

- The Masters study route in Management of Marine Ecosystems. VHL alumni from the Coast and Sea programme can enrol at WU via the transfer minor;
- The Masters study route Water Technology (MSc Biotechnology), together with the Wetsus research institute and the University of Twente. The University of Groningen may also participate.

For the third time in a row, Wageningen University has achieved the first place in the annual ranking of the *Guide to Higher Education (Keuze Gids Hoger Onderwijs)*. The Wageningen students especially value the freedom of choice in education, the quality of the lecturers and the facilities.

The Foundation Day (Dies Natalis) in 2007 had the theme 'My food, your food'. The speakers were Pieter van 't Veer, Henk J. Smid and Martin J. Kropff.

The annual Education Day of the Educational Institute and the Wageningen Students Organisation (WSO) in 2007 had the theme 'Motivated students and dedicated teachers'.

The opening of the academic year and the higher professional school year 2007/2008 was characterised primarily by the opening of the Wageningen Campus, especially the Forum building, in the presence of Her Majesty the Queen, the Prime Minister and the Minister of Agriculture, Nature and Food Quality.

1.5.1 Education and students

1.5.1.1 Education and study programmes at Wageningen University

In 2007/2008, the educational assortment for more than 4500 students consisted of 18 Bachelors programmes (taught in Dutch) and 29 Masters programmes (taught in English) in the fields of Biology, Plants & Animals, Society & Economics, Environment & Landscape and Technology & Nutrition (see Appendix 1A, Table 1. The education is problem oriented; the education and research have a strong international orientation.

Due to the continuing low student enrolment, the Bachelors programme in Organic Agriculture has been terminated as of the 2007/2008 academic year.

In 2007, it was decided to introduce the following:

- The BSc minors Biobased Technology, Policy and Governance for the Life Sciences, Marine Living Resources and Biotechnology of Infectious Diseases of Humans and Animals;
- The specialisations in Climate Change (MSc Meteorology and Air Quality), Management, Innovation and Life Sciences (MSc Management, Economics and Consumer Studies), Public Health and Society (MSc Management, Economics and Consumer Studies);
- Research variants of the Masters study programmes in the Social Sciences (to begin on 1 September 2008);
- Research variants of the Masters study programme in Animal Sciences and Aquaculture and Fisheries (began on 1 September 2007);
- A new programme for the MSc Organic Agriculture;
- Repositioning of the Wageningen study programmes in Biology.

1.5.1.2 Internal and external quality assurance

• Internal quality assurance

In 2007, the digitalisation of the education evaluation was completed. The entire education evaluation comprises the BSc first-year survey, BSc and MSc exit surveys and the subject evaluations, including non-course components such as theses. The results of the third edition of the BSc first-year survey in 2007 were very positive. For the first time, they have been presented in a plenary session to all parties involved in the education of first-year Bachelors students: lecturers, professors, programme directors and study advisors. Generally speaking, the response to the electronic questionnaires was good. The evaluations provided sufficient, up-to-date feedback to the programme directors, lecturers and chair holders.

• External quality assurance

In 2007, Quality Assurance Netherlands Universities (QANU) published positive evaluation reports (see table below). For the study programmes, an accreditation request was submitted to the Accreditation Organisation of the Netherlands and Flanders (NVAO).

<i>Cluster programmes</i>	<i>Bachelors programmes</i>	<i>Masters programme</i>
Earth Sciences Cluster	Soil, Water and Atmosphere	Earth System Science Hydrology and Water Quality Soil Science
Social Sciences Cluster	International Development Studies	International Development Studies Management of Agro-ecological Knowledge and Social Change
Chemistry Cluster	Molecular Life Sciences	Molecular Life Sciences

• External evaluations (visitations)

In 2007 the Bachelors degree programme in Environmental Sciences and the Masters study programmes in Environmental Sciences and Urban Environmental Management were evaluated by an external visitation committee (evaluation report to be published in 2008).

1.5.1.3 Study progress and study yields

Tables 7 and 8 in Appendix 1A show the yields of Masters students (generation 2003 through 2005) and Bachelors students (generation 2002 through 2004), respectively. The yield calculations for the last *doctoraal* cohorts are no longer included in the annual report because many students from these cohorts have transferred to a Masters programme.

The Masters yields are high. An increasing percentage of the Masters cohorts comprises 'continuation students' who first earned a Bachelors diploma at Wageningen University: for the Masters 2005 cohort this was 30%. These students appear to complete their Masters degree more quickly than those who transfer from higher professional education or a university abroad. In part, this is due to the fact that many of these continuation students are still enrolled in a Bachelors programme while they have already begun their Masters study. This could also explain why the yield of the Bachelors programmes lags behind expectations.

Wageningen University has a so-called emphatic study recommendation. Of the first-year students from 2006/2007, 60% were given a recommendation to continue their study (compared to 64% of the students from the 2005/2006 cohort and 66% of the 2004/2005 cohort), 19% were advised to reconsider their choice of study (compared to 15% of the 2005/2007 cohort and 17% of the 2004/2005 cohort) and 21% were advised to terminate their study (compared to 21% of the 2005/2006 cohort and 17% of the 2004/2005 cohort).

1.5.1.4 Support services for students

In 2007, work continued on improving the support services for students. For example, there is now a possibility for online registration for graduation. During the course of the year, the WURcard for students was introduced and distributed, so that students only require a single pass for various purposes. In addition, a great deal of attention was placed on connecting with *Studielink*, the national system with which first-year students enrol in a study programme. The connection to this new system resulted in many administrative changes

Since 2007, the request for a temporary residence permit for international students has been preceding via the educational institution. The Central Student Administration Office (CSA) is responsible for this request and to this end maintains contact with the Immigration and Naturalisation Service (IND). In addition, at the end of 2007 it was decided to explicitly use the label International Student Support to improve the recognisability of the service for international students.

For the first time in 2007, the Annual Introduction Days (AID) included the first-year Wageningen students of Van Hall Larenstein University of Applied Sciences, and a student from VHL was appointed to the committee that will organise the AID 2008.

1.5.1.5 Study supervision in 2007, the professionalisation of study supervision for students of Wageningen University continued.

The following recommendations of the study supervision steering group of the Educational Institute were implemented:

- Establish an indicative plan for providing study advice;
- Make a survey of the best practices of study advisors and have the advisors exchange these practices with each other;
- Establish an introduction programme and a handbook for study advisors;
- Form a group of study advisors as a formal platform for cooperation and for exchanging information/advice;
- Create an Internet site for study advisors at the portal of the Educational Institute.

Central to the Wageningen vision of study supervision is providing support to students when they are making choices about studying and study progress. During this process, the study advisor takes the role of a coach who encourages students to develop into adults who are capable of making independent choices, also with respect to their place in society.

In 2007, all study advisors became members of the National Association of Study Advisors (LVSA), an organisation for study advisers who work at Dutch universities. The LVSA informs its members about developments in the areas of study counselling and study supervision, is involved with developing and maintaining a network of study advisors, holds study days, professionalisation days and courses, and promotes the interests of its members.

1.5.1.6 Student counselling

In 2007, the Student Counselling Service (DSB) comprised four student deans, two student psychologists, one student physician and two assistant nurses.

During the year under review, 350 students had an appointment with a student psychologist, of whom 264 for the first time. In 54% of the cases, this concerned a study-related problem, in 30% of the cases it was a more personal problem and in 16% it was a combination of study-related difficulties and personal difficulties.

As a result of dyslexia, 34 students contacted the student psychologist for the first time (compared to 30 students in 2005 and 23 in 2006). New reports of students with RSI have continued to decline: 68 in 2004, 42 in 2005, 38 in 2006 and only 26 in 2007.

In 2007, 625 students contacted the student physician for the first time for counselling regarding problems such as study delay due to illness/stress or for tropical physicals. There were 950 consultations during the year. This is slightly more than in 2006. The number of consultations for international students (including PhD students) has increased significantly, from 64 in 2006 to 93 in 2007).

The activities in the area of providing vaccinations and counselling to students who are travelling to the tropics continued to be professionalised. During the year under review, 2,257 vaccinations were given and more than 365 students were counselled about risks in the tropics.

In 2007, Wageningen University was once again voted the best university for students with a disability (User test - Studying with a disability 2007 (CHOICE) in Leiden). The implementation of the plan of approach for reducing the obstacles for students with a functional limitation has begun. In October, a manifestation took place concerning the digital accessibility of the university and possibilities for software applications. The results of an electronic survey among students and lecturers have been used to determine measures that can reduce the obstacles for students with a functional limitation. These measures will be implemented in 2008.

In 2007, one Wageningen University student died. The contacts with the family members took place via the student deans office, supported by the study counsellor, the student chaplaincy, the study association and the student physician and psychologist. Due to serious family circumstances or personal circumstances, a number of students had to return to their home countries or interrupt their studies for a longer period of time.

1.5.1.7 Student facilities

Wageningen has a broad spectrum of student facilities and organisations: student clubs, sports associations, theatre groups, choirs and orchestras, along with student politics, student unions and everything in between. The efforts of students keep these groups operating. Wageningen University attaches a great deal of importance to a well functioning assortment of facilities, and therefore supports these groups. In the budget for student facilities 2007, extra funds were made available for culture for students. These funds were spent on the student orchestra *De Ontzetting* and on the Professor Van Uven Foundation, which provides musical instruments and sheet music for the students.

For accommodation, students can turn to the private market for student rooms, the WSO *Kamberbalie* and to the housing organisation *Idealis*. *Idealis* rents approximately 4,500 rooms in 14 complexes located all around Wageningen. In 2007, Wageningen UR had 1,050 rooms especially for international students. Due to a fire in one of the complexes, some of the students had to be moved to a different accommodation for a brief period. Because of the growth in the number of students, international students were temporarily housed in a holiday park during the autumn of 2007. But at the end of November, everyone once again had a room in Wageningen.

The University Sport Centre de Bongerd (USB) is the multifunctional sports centre with extensive indoor and outdoor facilities. The Sport & Exercise programme offers students approximately 30 different sports. In 2007 the USB of Wageningen UR maintained its top rating in the Guide to Higher Education (*Keuzegids Hoger Onderwijs*), in the sports facilities category. Based on a survey among students, the programme was expanded with short courses in

Salsa, Flamenco, Pole Fitness and Nordic Walking. In 2007 it was decided to raise the price of the sports card for two years in succession.

Thymos, the sports foundation of Wageningen University (SWU) promotes sports and exercise for students, promotes the interests of the students who engage in sports and is the umbrella organisation for 18 student sports clubs. In 2007, the Rabo Sport Night, with 300 participants, was a great success.

In 2007, the 2007/2008 Student Charter was published. This document contains the amendments to the 2006/2007 edition regarding the enrolment decision, the one year of extra study financing by Wageningen University for students in certain Masters programmes, the travel funding scheme for internships and theses projects, and the procedure for individual reimbursement for months of executive activities as part of the Student Financial Support Regulation.

To promote the integration between students of Wageningen University and Van Hall Larenstein University of Applied Sciences in Wageningen, an agreement has been made that the Student Financial Support Regulation will also apply to VHL students who do executive work for organisations that have traditionally been linked to the university.

In cooperation with the Student Council, preparations for a student satisfaction survey began in 2007.

1.5.1.8 International mobility and exchange of staff and students

As part of the Erasmus Mundus programme, the European Masters in Animal Breeding and Genetics was approved. This programme is coordinated by Wageningen University and began in September 2007. Wageningen University now participates in four Erasmus Mundus Masters programmes.

In 2007, all agreements with partner universities were revised regarding quality and linkage with the academic field. The exchange of staff and students is now more strongly linked to priority partners and networks, with a stronger embedding in the regular study programmes. In addition, there was extra attention in 2007 for the social support of first-year students by means of activities such as a buddy system and introduction socials. These activities took place in close operation with the Wageningen branch of the Erasmus Student Network (ESN). A central coordinator has been appointed who is involved with the student exchange organisation and policy. An audit conducted by the Netherlands Organisation for International Cooperation in Higher Education (Nuffic) made a positive evaluation of the student exchange activities in Wageningen.

Nationality of international students

EER countries	367
Other European countries	25
Africa	133
Asia	396
North and South America	94
<hr/>	
Total	1,015

In 2007, the influx of students as part of the Erasmus Socrates programme was 14 times greater than the number of outgoing students. One-fourth of the incoming exchange students continued on to a regular MSc programme. In the Erasmus programmes, 31 outgoing students took part for a total of 168 months. At all Dutch universities and schools of higher professional education, there was a decline in the student exchange participation. Nuffic has announced that it will conduct a study of this situation. However, more lecturers took part in exchange programmes in 2007.

1.5.2 Alumni and fundraising

In 2007, the alumni bureau held reunions for 1,000 alumni who began their studies in Wageningen 25 and 50 years ago. In addition, 11 alumni meetings were held in the Netherlands and abroad (Brazil, Chile, China, Ghana, Ethiopia and New York). A general alumni day was held as part of the opening of the Forum building in September 2007. Four editions of the electronic newsletter (in Dutch and English) were distributed among 10,000 alumni along with the alumni and contact periodical Wageningen Update.

The Wageningen Ambassadors platform held two meetings and is now participating in five projects:

- Wageningen Academy;
- Commercial exploitation of expertise and entrepreneurship;
- Student recruitment;
- World food issue;
- European Food & Agribusiness Seminar (EFAS).

In 2007, a number of campaigns were conducted on behalf of good causes linked to Wageningen University:

- A special jubilee campaign in December 2007 on the occasion of the 90th anniversary of the university in March 2008 (response 2.5%);
- A telephone fund-raising campaign for the Anne van den Ban Fund (response approximately 30%).

1.5.3 Research

1.5.3.1 Research policy

The domain of Wageningen UR comprises three related core areas:

- Food and food production;
- Living environment;
- Health, lifestyle and livelihood.

Within these core areas, Wageningen University wants to distinguish itself in a number of expertise terrains. These expertise terrains are defined as chairs. Each chair has a group of scientific staff who, together with the professor holding the chair, conduct research in that field of science. At Wageningen University, the research takes place at 90 chair groups within 5 departments.

Moreover, additional investments are made in three socially relevant themes that are at the heart of the mission of Wageningen UR:

- Biobased economy;
- Climate-resistant coastal zones;
- Nutrition, health and behaviour.

In order to tackle the focus themes more quickly and efficiently, investments are being made in three types of expertise and technologies:

- Systems biology;
- Bio-nanotechnology;
- Linking scale levels and governance.

1.5.3.2 Graduate schools

Wageningen University chairs six graduate school consortia and accommodates an auxiliary branch of a seventh graduate school. The graduate schools at Wageningen University operate under the auspices of an umbrella body: Wageningen Graduate Schools.

Graduate schools chaired by Wageningen University:

- Experimental Plant Sciences (EPS), reaccreditation in 2003;
- Mansholt Graduate School of Social Sciences (MG3S), reaccreditation in 2004;
- The C.T. de Wit Graduate School Production Ecology & Resource Conservation (PE&RC), reaccreditation in 2005;

- The graduate school VLAG (Nutrition, Food Technology, Agrobiotechnology and Health Sciences), reaccreditation in 2004;
- Wageningen Institute of Animal Sciences (WIAS), reaccreditation in 2005;
- Wageningen Institute for Environment and Climate Research (WIMEK / SENSE), reaccreditation in 2002.

Participations in graduate schools chaired by other universities:

- Research School for Resource Studies for Development (CERES);
- Graduate School on Process Technology (OSPT);
- Research Institute and Research School for Economic and Social History (N.W. Posthumus Institute, NWP);
- Graduate School of Polymer Science and Technology (PTN);
- Research School Biodiversity; Graduate Research School of Science, Technology and Modern Culture;
- Graduate Research School of Science, Technology and Modern Culture (WTMC);
- Graduate Research School Biotechnological Sciences Delft Leiden (BSDL);
- Buys Ballot Research School (BBOS);
- Dutch Institute of Systems and Control (DISC).

The seven graduate schools assure the scientific quality of the research at Wageningen University. The research of Wageningen University and its PhD programmes are conducted under the auspices of these graduate schools.

Moreover, other Dutch universities and research institutes can be linked with the graduate school.

The graduate schools have three main tasks:

- Coordinate a coherent research programme for the university within the mission of Wageningen UR;
- Safeguard, monitor and promote the quality and progress of academic research (PhD students, postdocs and researchers);
- Coordinate, develop and facilitate post-degree education.

All researchers, postdocs and PhD students participate in one of the graduate schools. The graduate schools of Wageningen University are accredited by the Royal Netherlands Academy of Arts and Sciences, which subjects them to quality monitoring.

1.5.3.3 Quantitative data

• Magnitude of research and research productivity

The direct government funding for research and education in 2007 amounted to € 151.9 million. Research conducted with indirect government funding, largely provided by the Netherlands Organisation for Scientific Research (NWO), amounted to € 13.6 million. This includes the staff of the research projects that were recruited via the NWO programme *Vernieuwingsimpuls* (Innovation Impulse). In 2007, one *Veni* grant and four *Vidi* grants were awarded, bringing the total number of laureates to 18 *Venis*, 12 *Vidis* and 4 *Vicis*. The third funding source, contract research, had a magnitude of € 55.6 million. In 2007, there were 3,511 scientific publications.

• PhD students

Wageningen University is fortunate to have graduate schools which provide a challenging programme that uses all possibilities to bring their PhD students to the highest possible level. The fact that they have succeeded in this ambition is shown, for example, by the positive evaluations of visitation committees and the reaccreditation of the graduate schools.

During the year under review, as in 2006, the graduate schools paid a great deal of attention to the career orientation and career perspectives of the PhD students by means of career assessments, exit courses and career counselling for young, excellent researchers. With this career supervision, PhD students are also prepared for a career outside science. In 2007, there was also explicit attention to the supervision PhD students. On the initiative of the Wageningen Graduate Schools, the course 'Professional in Supervision' was developed. This course was given for the first time in 2006 and was extremely popular.

The enrolment of international PhD students from the Netherlands and abroad has increased in comparison to last year. In 2007, more than 300 PhD students entered the graduate school programme, of which approximately 60% were from abroad.

As in 2006, there was increased participation of PhD students in Second Phase Education (TFO). In 2007 there were 811 PhD students in total. This amounts to an increase of 138 PhD students in four years.

The current state of affairs regarding the distribution between the graduate schools of the PhD students to which Second Phase Education Funding has been allocated is shown in the table below.

Table Number of PhD students to which Second Phase Education Funding has been allocated, per Graduate School in 2003-2007

Year	CERES	EPS	MG3S	PE&RC	VLAGE	WIAS	WIMEK	Total
2003	61	88	98	129	154	71	72	673
2004	67	105	104.5	127.5	165	67	85	721
2005	70	101.5	100	134	170	74	79.5	729
2006	61.5	98.5	103.5	138	182	65.5	105	754
2007	69	102	91	173	195	86	95	811

• Internal research promotion

In 2007, the graduate schools had access to a budget of more than € 2.7 million for appointing trainee research assistants (AIOs) and postdocs to future-oriented research themes. Some of this funding was reserved for providing additional trainee research assistants or postdocs to work under the leadership of *Veni* or *Vidi* laureates.

Some of the funding from the Executive Board budget for junior scientists (approximately K€ 50) will be used to improve the chances for talented postdocs of receiving approval of their Innovation Impulse (*Vernieuwingsimpuls*) request.

• Quantitative data

The number of PhDs awarded rose from 224 in 2006 to 251 in 2007, of which 105 were awarded to women. The previous education (*doctoraal*, MSc) of 96 of the PhDs took place outside the Netherlands. In 149 cases, PhDs were awarded to non-Dutch candidates.

As previously noted, the number of PhD students with a Training and Supervision Plan (TSP), once again increased. A beneficial effect on the PhD yield can also be expected from this development. At present, there are approximately 1100 students at the graduate schools, of which 50% are trainee research assistants (AIOs) and 50% are PhD students.

1.5.3.4 Quality assurance

The evaluations by external review committees at Wageningen University are part of a national system, where every university is obligated to have external review conducted every six years. In addition, there are so-called midterm evaluations. All these external reviews take place in accordance with the Standard Evaluation Protocol (SEP) that has been developed and approved by the Royal Netherlands Academy of Arts and Sciences (KNAW), the Netherlands Organisation for Scientific Research (NWO) and the Association of Universities in the Netherlands (VSNU). In addition, these organisations, in cooperation with the Ministry of Education, Culture and Science, supervise the implementation of the SEP by means of the Meta Evaluation Committee (MEC), which makes an annual report and recommendation.

Wageningen University conducts its external evaluations where the graduate school is the leading entity. In 2007, the Graduate School WIMEK (Wageningen Institute for Environment and Climate Research) was given an external evaluation, and midterm evaluations were conducted for various other graduate schools. The external review of WIMEK confirmed the positive findings of the midterm evaluation. Much of the research is of world-class quality. There were relatively few points of criticism.

The midterm self-evaluations of the graduate schools CERES, EPS, MG3S, PE&RC, VLAG and WIAS Are currently being discussed. All graduate schools showed good progress. Two points of attention that recur concern the critical mass of a number of research groups and the focus of the research. The results of the midterm evaluations are published on the websites of the graduate schools. These documents are also provided to the Meta Evaluation Committee (MEC), the body that supervises compliance with the SEP.

The external reviews look back over a longer period, and on this basis the strategy for the future is adapted. The quality assurance cycle also includes the periodic consultations of the Sciences Groups (monthly) and the graduate schools (yearly), which are conducted with the Executive Board and the Rector, respectively.

1.6 Van Hall Larenstein University of Applied Sciences

Within the framework of cooperation of Wageningen UR, the focus of Van Hall Larenstein University of Applied Sciences is on training professionals and translating scientific expertise into practical applications. Together with the university, the university of applied sciences provides a broad spectrum of academic and professional study programmes, including good transfer possibilities for students.

The focus is on the students. Based on their interests, knowledge and experience, Van Hall Larenstein University of Applied Sciences supports them along the route that enables them to become a learning professional with a degree in higher professional education (HBO). We do this not only by offering professional Bachelors and Masters programmes, but also with training and education during their careers (see 1.6.1.1 and Appendix I B Table 1).

The education is competence-oriented, and learning in the professional context is given a great deal of attention. Students become acquainted as quickly as possible and as much as possible with professional practice by means of teaching methods such as learning-working placements, internships and thesis assignments. The lecturers not only supervise the students, but are also involved in applied research. This research takes place in the expertise groups surrounding the lecturers or through the contract activities of the Training & Consultancy Foundation (in formation) (see 1.6.3). These activities support innovation in education, increase the expertise of the lecturers and strengthen the relations of the University of Applied Sciences with the professional field. The university of applied sciences is open to other cultures and welcomes students and course participants from all over the world (see 1.6.1.8).

• Developments in 2007

An extensive summary of the substantive, organisational and financial developments in 2007 can be found in the executive report and the financial annual report of Van Hall Larenstein University of Applied Sciences (see 2.2).

• Wageningen location

During the summer of 2007, the Wageningen location of Van Hall Larenstein University of Applied Sciences moved to the Forum building on the Wageningen Campus.

1.6.1 Education and students

1.6.1.1 Study programmes

The educational assortment of Van Hall Larenstein University of Applied Sciences (see Appendix B, Table 1) comprises 20 professional Bachelors programmes, 3 Professional Masters programmes and since 2006-2007, the short programme in Animal Husbandry leading to an Associate Degree in Dairy Cattle Farming. In September 2007, two other short programmes began: as part of the Environmental Sciences programme, the Associate Degree in

Integral Enforcement of Environmental Law, and as part of the Agribusiness and Management programme, the Associate Degree in Entrepreneurship. The study programmes fall into the following domains:

- Integrated Regional Planning;
- Agricultural Entrepreneurship;
- Nutrition and Health;
- Animals.

The educational assortment comprises 41 majors and 56 minors. Wherever possible, the minors are offered institution-wide and provide in-depth knowledge, broad knowledge or focus on continuing to the university. The Masters and Bachelors programmes in Wageningen are taught entirely in English. In the Bachelors study programmes that are taught in Dutch, we strive to offer at least one major that is taught in English.

Various study programmes cooperate with other schools of higher professional education. Since 2005, the study programme in Laboratory Science in Velp has been provided by the HAN University of Applied Sciences. Until 2008, Van Hall Larenstein University of Applied Sciences will retain responsibility for the quality/implementation of the education in this programme. At the Leeuwarden location, VHL offers a number of technological programmes in cooperation with the NHL University within the Life Sciences unit. The laboratory programmes of the Friesland College (mbo) have also been included in the above joint programme.

The university of applied sciences aims to improve the linkage of senior secondary vocational education with higher professional education (regular or Associate degree). At the Leeuwarden location, for example, this has already been achieved in the Life Sciences unit with the new Associate Degree programmes. In addition, Van Hall Larenstein University of Applied Sciences is participating in various consultations with other schools, including secondary/higher education (VOHO) in Velp and Leeuwarden, the AOC consultation in Leeuwarden and AOC Oost. Continuous learning routes have also been developed in cooperation the Helicon study programmes in Velp. The intention is to use bridging courses and summer courses to make the transition to Van Hall Larenstein University of Applied Sciences easier.

In 2007, the university of applied sciences continued with the development and implementation of competence-oriented education. For example, work took place on making the final years of the study programme more competence-oriented, adapting the testing policy and revising the Education and Examination Regulations (OER). With the exception of the chapter on the final evaluations, this has led to a single joint set of regulations for Van Hall Larenstein University of Applied Sciences.

1.6.1.2 Internal and external quality assurance

• Internal quality assurance

In 2006, the evaluation of the educational modules was streamlined throughout the organisation, where the 'HBOspiegel' was widely used as a digital survey instrument. Adaptation of the question lists to the new competence-oriented education has taken place partially, but still requires attention. Improvement measures resulting from the educational evaluations are being documented better, and are also being fed back to the students.

The annual plans for 2008 for all educational departments (including several staff departments) show more improvements than the 2007 plans. As a result, each annual plan is increasingly becoming the desired central instrument in the Plan-Do-Check-Act cycle. The results of the HBO Monitor (Alumni survey), the staff satisfaction survey (MTO) and the higher education guide scores were available, but were not yet sufficiently usable to link to concrete actions. These aspects will be worked on in 2008.

• External quality assurance/accreditations

In 2007, the Accreditation Organisation of the Netherlands and Flanders (NVAO) accredited four existing Bachelors programmes: Forestry and Nature Management, Land and Water Management, Landscape Architecture and Environmental Science.

• External reviews (visitations)

In mid-2007, *Certiked* conducted an external review of Coastal and Sea Management and International Business and Management Studies (IBMS). This resulted in good assessments, which were used for the formal accreditation request to the NVAO. The internal quality team of Van Hall Larenstein University of Applied Sciences (Q team) assists this visitation and accreditation process with information provision, scenarios, joint reading campaigns, trial visitations and by coordinating and monitoring the actual accreditation request. The following round of visitations will take place at the end of 2008/beginning of 2009 and will involve the 'pure' agricultural study programmes. As a result, the first round of external evaluations under the accreditation regime of the NVAO will be complete.

1.6.1.3 Study progress and study yields

Table 4 of Appendix I B shows the average study duration of graduates of Van Hall Larenstein University of Applied Sciences. In 2007, this was 4.35 years on average. Table 3 of Appendix I B breaks down the average study duration according to a study programme and location.

VHL works with a compulsory negative study recommendation for students who have not earned sufficient credits after their first year of study and for students who have not completed the foundation course (*propedeuse*) after two years. After the academic year 2006/2007, VHL made 86 negative study recommendations (58 in Leeuwarden; 28 in Velp/Wageningen). Five students appealed these negative recommendations with the Examination Appeals Board. The result of these appeals is shown in 1.4.7.

During the academic year 2006/2007 a total of 424 students ended their studies at Van Hall Larenstein University of Applied Sciences after an average study duration of 1.9 years (see Table 4 of Appendix I B).

1.6.1.4 Support services for students

The Education Bureau has six work processes:

- the administration of Dutch students;
- the administration and supervision of international students;
- the administration of internships;
- scheduling;
- the front office function;
- the collection and processing of management information.

VHL has three locations: Leeuwarden, Velp and Wageningen. In 2007, the Education Bureau continued to develop with the aim of providing better services for students and lecturers.

The registration for the academic year 2007/2008 was organised more efficiently due to standard registration forms for all three locations. During the second half of 2007, the *Studielink* project (digital registration programme) was speeded up with the aim of achieving full linkage in December 2007. However, technical problems resulted in a delay.

The International Office assisted the international students with housing, requesting temporary residence permits and similar aspects. The support for international students in Velp and Wageningen was also a point of attention in 2007. Major efforts were especially required to arrange housing in Wageningen. In Wageningen, the study programmes and the Education Bureau are jointly responsible for the social support provided to the international students. To this end, 0.3 FTE has been made available. In Velp, the first steps have been taken in a new working method for the social support for international students. The Leeuwarden location has been faced with a declining number of international students.

In both Velp and Wageningen, efforts are being made to achieve better quality in scheduling by having more efficient and clearer procedures, training the relevant staff and ensuring more intensive communication with the education process. In Leeuwarden, the new school year began with a separate schedule for the lectures and regular exams and a schedule for the re-sits

In Velp and Wageningen, the central contact point for students has been expanded further. At both central contact points, they can ask administrative and financial questions and/or take care of these matters, and in Velp the central contact point can also deal with ICT questions. In Leeuwarden, the desk of the Education Bureau is the first contact point for students. Since the spring of 2007, this desk has also been the contact point for students and staff of Friesland College, for whom the MBO laboratory programmes are conducted at the Leeuwarden location of Van Hall Larenstein University of Applied Sciences .

In Velp, the administration of internships has been greatly simplified and for students takes place largely via the website. There is intensive contact between the various locations to coordinate the procedures.

1.6.1.5 Study development counselling

Study development counselling and a digital student portfolio are essential elements in the competence-based learning of Van Hall Larenstein University of Applied Sciences. As the student progresses through the programme, the emphasis shifts from directive counselling to self-direction by the student. With the digital portfolio, students can independently ascertain and demonstrate their competence development.

1.6.1.6 Student counselling

The Student Deans Office of Van Hall Larenstein University of Applied Sciences comprises five part-time deans. Almost 20% of all students visit the Deans Office one or more times. In addition, many questions are asked and answered on the telephone or by e-mail. During the academic year 2006/2007, 827 students contacted the Student Deans Office. In total, 1,852 consultations were conducted with them. In 2007, the deans focused attention on the following topics, among others:

- **Consultations with students**

Regarding study problems, personal and psychological problems, questions about choices of study or profession, studying with a functional limitation (especially dyslexia). The majority of student help requests concerned problems with study progress and personal circumstances.

- **Studying with a functional limitation**

A memorandum with the above name was discussed in the Larenstein Participational Council. The memorandum was also publicised within the study programmes. In Velp, an agreement was made with the Education Bureau about how the various exam facilities would be arranged.

- **Training**

In Leeuwarden, the deans were involved with setting up and teaching several training courses (including study skills) for the Student Assistance Expertise Centre (Expertisecentrum Studentenhulpverlening). This is a framework of cooperation between the three schools of higher professional education in Leeuwarden (NHL University, CHN University and Van Hall Larenstein University of Applied Sciences) and the Mental Health Authority (GGZ). In Velp, the course 'Studying actively and effectively' was given once.

- **Consultation with Programme Directors**

In the Management Platform it has been agreed that the deans will meet twice per year with the programme directors to discuss ongoing matters, bottlenecks and trends. These consultations began in 2007.

- **Exit interviews**

Students who leave prematurely are requested to complete an electronic exit interview to acquire a picture of the reason for their departure. The Deans Office reports the results of the exit interviews to the study programmes. During the academic year 2006/2007, 141 exit interviews were conducted. These were frequently first-year students who had decided that their study was not sufficiently interesting. Part-time students stated almost unanimously that they had to stop due to personal circumstances.

- **Intervision**

In 2007, the deans began an intervision process with external supervision.

- **Evaluation of the Deans Office**

In order to acquire an impression of the client-friendliness of the Deans Office, a questionnaire was sent to all students who had contacted the Office during the academic year 2007/2008. The results showed the students were very satisfied about the operation of the Deans Office.

1.6.1.7 Student facilities

At every location, students of Van Hall Larenstein University of Applied Sciences can make use of a broad range of student facilities, including student associations, work or study groups for individual study programmes, organisations that support students in looking for housing or attractive offers for sports facilities.

The student associations of Van Hall Larenstein University of Applied Sciences organise substantive and social activities and offer students the opportunity to acquire experience with executive and committee work. In Leeuwarden, the student Association Osiris is active. This association is proud that it is one of the largest student associations in the city. In Velp, there are no less than five active student associations. In Wageningen, there are two student associations, Nji Sri and Opportuno. Opportuno is an international student association that focuses not only on international students, but also on Dutch students who enjoy participating in social activities while coming into contact with international students. Students in Leeuwarden can contact Leeuwarden Studiestad for services related to housing and sports. Besides these services, Leeuwarden Studiestad also organises annual events, such as the student football tournament and the *student startspektakel* in September for all first-year students. In Wageningen students can make use of the University Sport Centre de Bongerd and for housing they can contact Idealis and the WSO Kamerbalie.

Studentensport Arnhem offers sports facilities to students in Velp. The Larenstein student housing foundation helps students in Velp find a room.

Van Hall Larenstein University of Applied Sciences attaches a great deal of importance to a properly functioning assortment of facilities, and where necessary provides additional support.

1.6.1.8 International mobility and exchange

- **Internationalisation in education**

Van Hall Larenstein University of Applied Sciences has an international orientation in education and contract activities. Especially the Wageningen location has an international "couleur locale". The basic conditions for internationalisation are satisfied by using the European Credit Transfer System (ECTS), a simplified diploma supplement and by using English for many study programmes and facilities. Since the end of 2007, a great deal of work has taken place on establishing an internationalisation programme within the 'Agricultural Expertise Cooperative' (Groene Kennis Coöperatie).

- **International Education**

The Bachelors and Masters programmes that are taught in English, especially those in Wageningen, traditionally attract many international students. The two Masters study programmes with many students who have an NFP scholarship (Netherlands Fellowship Programme) have enabled Larenstein to maintain its status as an International Education Institute, and have given Van Hall Larenstein University of Applied Sciences a strong position in international development cooperation. The projects of the Training & Consultancy Foundation (in formation) in the area of capacity building provide up-to-date expertise.

At the Wageningen location, the study programmes are taught entirely in English. At the other locations, there is at least one thesis/major in every study programme that is taught in English.

As of 1 October 2007, there were students with 60 nationalities enrolled at Van Hall Larenstein University of Applied Sciences. This includes large numbers of German (218) and Chinese (112) students.

<i>Nationality of international students</i>	<i>Leeuwarden</i>	<i>Velp/Wageningen</i>	<i>Total Van Hall Larenstein University of Applied Sciences</i>
EER countries	119	132	251
Other European countries	3	4	7
Africa	3	70	73
Asia	30	158	188
North and South America	6	7	13
Total	161	371	532

• **Recruitment and preparation**

The recruitment of international students takes place via existing markets and contacts. There is a specific recruitment programme aimed at Germany, while other recruitment takes place via partner institutes, especially in China. The preparation of a large group of Asiatic students for studying in the Netherlands takes place partly in China via a so-called 2+2 programmes. This means that they complete the first and second years of their study at a Chinese university with which VHL has a framework of cooperation. In the third year, they enrol at Van Hall Larenstein University of Applied Sciences.

• **Mobility**

Regarding European nobility, Van Hall Larenstein University of Applied Sciences participates in the Erasmus scholarship programmes. In 2007 this led to 47 outgoing students and 29 incoming scholarship students, involving a total of 20 partner institutes in 14 European countries.

With a number of majors involving a professional field in the tropics, a study or internship period abroad is mandatory. This usually takes place outside of Europe, so a EU scholarship cannot be used. As a result, the actual mobility is much greater than indicated by the number of EU scholarships. The international mobility of lecturers is almost always linked to contract activities in the European programmes Tempus and NPT. In 2007, four lecturers made use of a reimbursement with Erasmus Lecturers mobility funding.

1.6.2 Alumni and fundraising

Van Hall Larenstein University of Applied Sciences is working on a redefinition of alumni policy, partly in the context of lifelong learning. The aim is to use more alumni for the recruitment and counselling of the students. The development of the alumni policy is given shape in cooperation with the alumni associations. Consultation with the Alumni Centre of Wageningen University has led to the awareness that our forces can be joined. These plans were worked out in greater detail in 2007.

1.6.3 Training and Consultancy

At Van Hall Larenstein University of Applied Sciences, the Training & Consultancy Foundation (in formation) is responsible for contract activities and holds an important position due to its expertise in institution building and capacity building. An increasing number of projects are being conducted together with other partners of Wageningen UR. With most projects, institutions in developing countries are supported with institution building and capacity building, specifically focusing on their education and training capacity. In addition, experts from VHL provide training and/or give advice directly to the target groups.

The number of projects in the portfolio of the Training & Consultancy Foundation (in formation) remains constant. However, there is more emphasis on working in a demand-driven fashion. An exploration is taking place about the study programmes at Van Hall Larenstein University of Applied Sciences in terms of how the implementation of international projects can be optimally utilised, while always keeping the core activity of education in mind.

The university of applied sciences is well represented in Africa and parts of Asia. For each study programme, a geographical delineation can take place. Moreover, in the future more attention will be paid to the content of projects, the alumni network and student recruitment. Finally, there will be as much attention as possible to involving the business community in projects. The latter is especially important to ensure feedback to the curricula and to obtain locations for internships and work/study possibilities.

1.6.4 Research

The applied research of the university of applied sciences takes place in the lectorates, in KIGO projects (expertise dissemination and innovation in agricultural education) and via contract activities of the Training & Consultancy Foundation (in formation).

• Lectorates

The lectorates contribute to the mission of the university of applied sciences to develop from an educational institute into an expertise institute. The most important tasks of the lectorates are promoting applied research, establishing external and internal expertise networks and innovation in education. At Van Hall Larenstein University of Applied Sciences, five lectorates have been approved by the Expertise Development Foundation (SKO lectorates):

- Food Safety;
- Rural Development;
- Integrated Water Management and Spatial Development;
- Animal Welfare;
- Green Environment.

The lectorates in Rural Development, Food Safety and Integrated Water Management and Spatial Development have been reviewed by the SKO of the HBO Council and an internal evaluation has been conducted. According to the evaluation, the lectorates of Van Hall Larenstein University of Applied Sciences function well and have relatively high scores on the number of projects and their contacts with the business community. At the end of 2006, the lectorate Green Living Environment of Cities was extended for a period of four years. At the end of 2007, the extensions of the lectorates in Integrated Water Management and Spatial Development and Animal Welfare were approved for a full lectorate period of four years. During this period, the task assignment will be continually broadened. For the lectorates in Food Safety and Rural Innovation, the extension review will take place in 2008. Besides these SKO lectorates, Van Hall Larenstein University of Applied Sciences has an endowed lectorate in wastewater technology that is partly financed by the business community.

• RIGO / KIGO

Van Hall Larenstein University of Applied Sciences makes extensive use of the incentive funding of the Expertise Dissemination Scheme (Regeling Kennisverspreiding) and the Innovation in Agricultural Education scheme (Innovatie Groen Onderwijs - KIGO, formerly RIGO). There are two important benefits for the university of applied sciences. Firstly, this is due to the experience that the lecturer and students acquire when working on a project basis and when building networks in professional practice. Secondly, the projects form an educational component with a major contribution from professional practice, focusing on finding concrete solutions to problems from daily practice. Beginning in 2007, this incentive scheme will be administered by the Groene Kennis Coöperatie (GKC) in 15 programme themes. During the formation of the programmes, Van Hall Larenstein University of Applied Sciences has taken a leading role and is responsible for four programme requests. Van Hall Larenstein University of Applied Sciences is represented on virtually all programme teams.

- At the beginning of 2007, 30 RIGO projects were still ongoing from the funding cycles in 2004, 2005 and 2006.
- During the 2007 funding cycle, 10 new requests were approved, including four programmes.
- During the course of 2007, the last 3 projects from 2004 and 12 projects from 2005 were entirely completed.
- As a result, at the end of 2007 the university of applied sciences was the leader of 25 KIGO projects and was a partner in 15 other KIGO projects.
- Also in 2007, approximately 15 FTE of work took place on RIGO/KIGO projects and programmes.

- **Incentive funding (*Impuls*)**

At the end of 2006, incentive funding was also obtained from the Ministry of Agriculture, Nature and Food Quality. The expenditure of this funding was coordinated within the GKC. Similar to the expenditure of 2005 incentive funding, a choice was made to fund GKC programmes, events, initial costs for cooperation and network activities, competence development of staff and innovation in education. Most of the actual spending will continue through 2008.

- **Contract Research/ Training & Consultancy**

The implementation of various research projects takes place under the auspices the Training & Consultancy Foundation (in formation).

1.7 DLO Foundation

1.7.1 Research

1.7.1.1 Research policy

The research conducted at the DLO Foundation partly comprises the LNV-financed programmes Knowledge Base Research (KB), Policy Support Research (BO) and Legal Research Assignments (WOT), and partly assignments that are financed in other ways. Knowledge Base Research focuses on the knowledge needs in the middle to long term of the LNV, the business community, nongovernmental organisations (NGOs), other government agencies and public bodies, and Wageningen UR itself. The budget for Knowledge Base Research is also used for additional investments, such as those listed in Section 1.5.3.1. The Policy Support Research and the Legal Research Assignments focus on topical policy issues and/or providing detail to statutory frameworks. Within KB, BO and WOT, thematic clusters/themes are used. The results are communicated, among other ways, via Knowledge Online Newsletters, e-News and the website (www.kennisonline.wur.nl).

- In 2007, the work backlog on already begun but not yet completed LNV projects was reduced by € 14-15 million to an acceptable level.
- The Policy Support Research aims to strengthen the ties with agricultural education (Higher Education in Agriculture, Agricultural Training Centres) and cooperative projects are being carried out or initiated in all BO clusters.
- To provide the Ministry with more insight into the results of the Knowledge Base Research, a Knowledge Base Day was held by the Ministry of Agriculture, Nature and Food Quality. The Knowledge Base leaders presented the main themes of their research, which were then discussed by LNV staff. Due to its success, the Knowledge Base Day will be repeated in 2008.
- The Policy Support Research continues to work on strengthening the relation management with the LNV, expertise exploitation and improved efficiency of the internal organisation. One example was the successful help desk to which LNV staff could submit their ad hoc questions. This led to a rapid and adequate response to the knowledge demand from LNV.
- In 2007, the LNV began a policy evaluation of the WOT. This was related to the renewal of the implementation agreements that will take place in 2008 and 2009. Evaluation of the WOT Animal Health has begun.

Another portion of the DLO research is financed by other parties, such as the private market, the European Union, product boards and other government agencies and public bodies. In substantive terms, this research falls within the three related core areas (nutrition and food production, living environment and health, lifestyle and livelihood).

An important part of the DLO research takes place within public-private partnerships. In these public-private consortia, solutions are found for societal problems in frameworks of cooperation between the business community, universities and research institutes and the government. Co-innovation frequently takes place, where the business community and the DLO Foundation each conduct part of the joint programme.

1.7.1.2 Quality assurance

In 2007, two external reviews (visitations) were conducted at the DLO Foundation. These external reviews are a mandatory part of the agreements between the Ministry of Agriculture, Nature and Food Quality and the DLO Foundation; as such they have been included in the DLO Foundation Funding Scheme. The external reviews take place according to an evaluation protocol that is derived from the Standard Evaluation Protocol for universities (SEP). The institutes are evaluated based on their scientific impact, socio-economic impact, research management and viability. In addition, the WOT institutes are evaluated regarding the implementation of their legal tasks.

In 2007, two institutes, Alterra and the LEI, were subjected to external reviews. Both institutes can look back on good results, but there were also a few points of criticism. The visitations showed that the institutes have outstandingly achieved their ambition to position themselves as contract research organisations with a great deal of attention for their market and client-oriented approach. The efforts to achieve this ambition also had a negative side. For example, it was ascertained at the LEI, and to a lesser extent at Alterra, that more emphasis must be placed on scientific depth and performance. At some places in the organisation, attention is also required for sufficient critical mass. Finally, both institutes were advised to develop a strategy to facilitate the further integration between the university and the DLO Foundation. The visitation reports were sent to the Minister of LNV and various LNV directorates.

1.8 Sustainability

According to its mission, Wageningen UR has sustainable development as a fundamental scientific philosophy. Besides operationalising sustainable development in education and research, Wageningen UR also views sustainability as an important point of departure for its operational management. This involves achieving a balance in the complex relationships between the current social, environmental and economic needs, without endangering future needs. To strengthen the sustainability of its operational management, Wageningen UR instituted a number of improvements in 2007. Regarding measures in the social area, refer to the corporate social responsibility report (Chapter 3). In the area of the environment, Wageningen UR has made the following improvements:

- The Multiyear Agreement II between the Association of Universities in the Netherlands and the Ministry of Housing, Spatial Planning and the Environment (VROM) contains agreements about energy efficiency. It has been agreed that an energy savings plan will be formulated. Based on this plan, an internal energy control programme will be started. In 2010, this system must be implemented;
- Wageningen UR has joined the energy savings campaign of the municipality of Wageningen. Our organisation was the first to receive a certificate of participation for this campaign;
- As part of the Wageningen UR-wide project WUR-profit, partly to benefit complex permit applications, measures have been surveyed in the areas of energy, energy monitoring and water and waste, and were placed in a database;
- During the year under review, PricewaterhouseCoopers conducted a sustainable entrepreneurship scan as a follow-up to a previous scan in 2003. By means of questionnaires, interviews and a limited check on policy documents, the level of sustainability Wageningen UR was mapped out. The results of the scan will be available in the spring of 2008;
- During the year under review, a process has been initiated to make our activities in the area of sustainability more visible for staff and students. This should result in, among other things, a sustainability website;
- In 2007, sustainability was periodically a topic of discussion with our students and the Joint Representative Advisory Bodies;
- The Atlas and Forum buildings on the Wageningen Campus, which were completed in 2007, have been built in a sustainable fashion; this results in a significant annual reduction in CO₂ emissions. Among other things, 100 m-deep water reservoirs in the Gelderse Vallei provide natural heating and cooling for the above buildings (storage of heat and cold);
- A wide range of water-saving, energy-saving and environmental measures have been taken on the Wageningen Campus. Here are only a few examples. After closing time, the grounds lighting is switched to a lower level. All

- toilets have a flush restrictor. Wastewater is regenerated (cleaned of chemical pollutants) before it enters the sewer system. Paper, plant waste and other waste are collected separately;
- In 2007, policy preparations were made for sustainable purchasing. Beginning in 2008, sustainability will be a point of departure for purchasing. However, additional costs or limitations will be considered in the decision;
 - Wageningen UR has three wind turbine parks in the province of Flevoland. The 26 wind turbines at these locations generate 76.5 million kWh, comparable to the electricity consumption of more than 25,000 households. This is more electricity than is used by all of Wageningen UR. Consequently, we have become a net producer of electricity;
 - An agreement has been signed with Windunie to offer green energy from 'our own wind turbines' to the staff and students of Wageningen UR.

1.9 Facilities

1.9.1 Accommodation

The first phase of the Strategic Plan for New Construction on the Wageningen Campus was near completion in 2007. The next projects from the Strategic Plan for New Construction are:

- Estate development: completion of roads and lighting, various ponds and waterways, completion of landscaping, including a terrain for large gatherings;
- Delivery of the Forum building;
- New construction, Radix building for the Plant Sciences Group (delivery at the end of 2008);
- Plan preparation for the renovation/new construction of office/laboratory building and animal accommodations for the Animal Sciences Group.

Due to the realisation of the Strategic Plan for New Construction, the following buildings were declared redundant and were sold in 2007:

- Kortenoord Complex;
- The former Jan Kopshuis library;
- The De Hucht building, which previously housed the Environmental Sciences Group.

In addition, studies were conducted into the redevelopment of the building complex of Van Hall Larenstein University of Applied Sciences in Velp, the redevelopment of De Born-East and the sale of the southern strip of building land on the Wageningen Campus.

Besides the projects in the Strategic Plan for New Construction, the following construction projects were developed and implemented in 2007:

- Delivery of the Restaurant of the Future (*Restaurant van de Toekomst*), a nutrition research facility of the Agrotechnology & Food Sciences Group;
- New construction for Wageningen UR Greenhouse Horticulture (Applied Plant Research) in Bleiswijk: 11,000 m² of greenhouses and a utility building of 1,200 m²;
- Implementation of the new construction for Applied Plant Research, including the accommodation for the field crop, edible fungi and insect research on the Wageningen Campus (delivery in mid-2008);
- Implementation of the renovation and new construction of the RIKILT Institute for Food Safety (delivery in early 2009).

In addition, the following accommodation-related actions were taken in 2007:

- Energy savings measures, with special attention to communication, energy reporting and cooperation with the Sciences Groups in the Energy Platform;
- Fire safety inspections for virtually all buildings of Wageningen UR as part of the usage permit procedure. For buildings that will become redundant in the near future, limited investment measures have been taken in consultation with the municipality to ensure safety for the users;
- Tackling the overdue maintenance on various buildings to bring the condition up to the desired level;

- Continuing the bundling of contract maintenance services, focusing on optimal contracting procedures while maintaining quality and user satisfaction;
- Plan-based maintenance, taking account of the status of the buildings (to be retained, sold or demolished).

At the Leeuwarden location of Van Hall Larenstein University of Applied Sciences, more property is being rented to third parties for applied research and startups which operate within the sphere of activity of VHL. In addition, investments are being prepared to improve the laboratories and technology halls for applied and fundamental research.

As in 2006, during the year under review VHL worked with the municipality of Rheden on a master plan for the future development of the Larenstein estate in Velp. A portion of the old building has been rented to third parties.

On 1 September 2007, the Wageningen location of Van Hall Larenstein University of Applied Sciences moved to the Forum building. At this location of VHL, education is provided to approximately 750 students. At the locations in Leeuwarden and Velp, plans are being developed for improving the coordination of the buildings with new educational concepts and the changing needs of students.

1.9.2 Information and communication technology in education

EDUweb and EDUclass are an established concepts within Wageningen University. In 2007, work continued on implementing this digital learning environment at Van Hall Larenstein University of Applied Sciences.

The ICT service provision took an important step towards a more client-oriented approach in education. The opening of the Forum building and the service provision in the form of EDUsupport were prepared and implemented. In 2007, EDUsupport staff periodically supported lecturers on location. In addition, lunch meetings were held every two weeks at various locations within Wageningen UR. This turned out to be a successful way to allow lecturers to become acquainted with new developments.

In 2007, the development of a long-term vision was initiated regarding the future of the Electronic Learning Environment and Student Information Systems for Wageningen UR. In this context, a pilot of the SURF project 'knowledge worker of the future' was conducted. In addition, the Triple L projects (to make lectures accessible via the Web) and Video Recordings (Video On Demand, VOD) as facilities for students with a functional limitation provided important insights and tools for using video and recycling content in education.

1.9.3 Facilities and Services

In 2007, Facilities and Services achieved a positive result, thereby contributing to reducing costs for Wageningen UR. The office of Real Estate and Buildings achieved outstanding results with the sale of redundant property. The Purchasing office achieved the projected € 9.6 million savings in costs for components such as energy, chemicals and labware, as well as the outsourcing to the Occupational Health and Safety Service. Compared to other university libraries, the Wageningen UR library offered the best price-quality ratio.

Facilities and Services made significant progress in a number of important and far-reaching processes such as the WURcard, the printers/copiers (multifunctionals), invoicing via the Electronic Ordering System (EBS) and introducing the integral cost price. In September 2007, the Forum building was taken into full use. As a result, the centralisation of the Library was completed, the Centre for Language Education made a new start and the Wageningen study programmes of Van Hall Larenstein University of Applied Sciences were given a definitive location. For the fourth time, the sports facilities for Wageningen UR achieved the highest scores in the rankings of university sports centres.

During 2007, improving the communication with the various target groups was given full attention. For example, the front office function was improved and Facilities and Services began a pilot of the new Intranet for Wageningen UR.

Facilities and Services initiated the discussion about renovating the facilities organisation of Wageningen UR. In 2008, this will be developed into an additional, cost-effective improvement in facilities and services.

In 2007, the facilities and services at the various locations of Van Hall Larenstein University of Applied Sciences became more coordinated and the cooperation between VHL and the other entities of Wageningen UR in purchasing and service provision continued to be expanded.

1.9.4 Safety and Environment

- **Aggregate Environmental Permits**

In 2006, the Executive Board decided to revise the Aggregate Environmental Permits of Wageningen UR. During the year under review, a new permit for De Dreijen was approved and the permit request for the Wageningen Campus was submitted. The new permits include responsibility aspects in the areas of energy, water and waste.

- **Openness in animal testing**

Together with other Dutch universities, a code for openness in animal testing is being developed. The code will serve as a substantive basis for complying with the public annual report, which is expected to be mandatory after 1 January 2009. In addition, the consultation with relevant parties, including industry and special-interest organisations for animal welfare, has been intensified.

- **Terrorism**

In relation to possible CBRN terrorism (chemical, biological, radiological and nuclear), a threat analysis and risk determination has been made for various organisational components of Wageningen UR. This has led to concrete proposals for increasing awareness and security in this area. The proposals will be worked out during the years to come and implemented together with the Ministry of Agriculture, Nature and Food Quality.

2 Financial report

2.1 Financial report of Wageningen University

• Development of result

In 2007 Wageningen University achieved a positive result of € 11.4 million. Compared to the prognosis of € 0.8 million, this is an improvement of € 10.6 million. The result includes incidental items related to the Strategic Plan for New Construction:

- Book profits on sales of real estate: € 9.8 million;
- Specific declines in value (exceptional write downs) for Biotechnion, Botanisch Centrum and Jan Kopshuis: € 12.7 million;

The incidental results were therefore negative on balance by € 2.9 million.

The positive result of Wageningen University is also related to the delay that was incurred at the project level in converting available means to benefit policy intensification (priority areas, quality improvement, innovation). During this process, the quality of the project has priority, not "using up the budget". The government regulations on determining the result stipulate that government funding which is not converted into costs during the same year (using funding to implement tasks/projects) must be included in of result.

In 2007, the expenditure of the central apparatus and facilities and services was € 3.5 million lower than budgeted. In addition, government funding was higher than budgeted.

There were positive developments in income during 2007. Compared to 2006, government funding from the Ministry of Agriculture, Nature and Food Quality (LNV) rose by € 11.2 million, to € 151.9 million. This increase was caused by using balance assets for accommodation and earmarked projects (€ 4.4 million.), compensation for salary measures and price increases (€ 3.9 million) and an increase in the basic funding by € 2.9 million due to a rise in the number of funded undergraduate diplomas and PhD degrees by 12.9% and 12.5%, respectively.

Revenues from the third funding source (contract research) rose by € 14.4 million to € 69.1 million, an increase of 26.5%. Of this increase, € 5 million was due to a reclassification of the turnover from the Top Institute Food & Nutrition (TIFN), which was included in other income through 2006.

Compared to 2006, personnel costs increased by € 7.8 million to € 138.8 million. This increase was caused by a rise in the number of employees (1.7%) due to additional contract research projects and by salary rises (2.7%). In addition, the costs of temporary employees increased and more funds were allocated to unemployment insurance.

The correct interpretation of the result requires further explanation. The result has therefore been broken down into the following components:

	2007	2006
Net operating profit (surplus) in accordance with guidelines of the Ministry of Education, Culture and Science	€ 11.4 million	€ 5.5 million
Allocation to appropriated reserve for project costs later years	€ -0.7 million	€ -1.1 million
Operating result based on income and expenditure system	€ 10.7 million	€ 4.4 million
Book profits and exceptional write downs	€ 2.9 million	
Extra allocation to reorganisation provision		€ 5.3 million
Regular result	€ 13.6 million	€ 9.7 million
Corrections related to Strategic Plan for New Construction (SNP):		
Result transitional scheme SNP	€ 1.7 million	€ 2.7 million
Regular returns from ordinary operations	€ 11.9 million	€ 7.0 million

Explanation:

In accordance with the guidelines, Wageningen University accounts for government funding received as income. To the extent that this income concerns project costs that will be incurred in later years, this leads to a positive result during the year under review and a negative result in later years. This distorting effect on the result is neutralised by means of the appropriated reserve. In this way, € 0.7 million of the result from 2007 was added to this appropriated reserve, from which withdrawals are expected to be made in later years.

In connection with the transitional scheme of the structural operational costs for the Strategic Plan for New Construction, in 2007 a positive result of € 1.7 million was realised. This concerns an incidental result that will disappear when the buildings are delivered as a result of higher accommodation expenditure.

• Developments in the balance sheet

In 2007 the liquidity of Wageningen University rose from € 21.4 million to € 25.5 million. Compared to the prognosis, this is an improvement of € 24.1 million. The following factors explain the improved liquidity position:

Improved opening balance 1-1-2007	€ 17.4 million
Result is higher than budgeted	€ 10.6 million
Higher depreciation (including exceptional write downs)	€ 11.5 million
Lower investments	€ 2.2 million
Less need for external financing for the SNP	€ 20.5 million -/-
Other items	€ 2.9 million
Total	€ 24.1 million

The solvency ratio of Wageningen University is 43% (in 2006, 44%). This worsening was caused by the advance that was received for the sale of Kortenoord, resulting in an increase in short-term loan capital. The equity position offers sufficient assurance for the continuity of the organisation.

- **Prognoses 2008**

Developments in the result

For 2008, Wageningen University has budgeted a negative result of € 3.4 million. In addition to small book profits (€ 1.1 million) on the incidental sales of real estate, the budget takes account of an exceptional write down of € 5.9 million on real estate at the De Dreijen complex, due to a possible positive decision with respect to the accelerated move of the ATV to the de Born complex. In 2008, € 3.0 million will be invested in the theme areas from the Strategic Plan 2007-2010.

Strategic Plan for New Construction (SNP)

In 2007, the Forum Building was finished. The new construction for the Plant Sciences Group began. This building, which will also accommodate chair groups of Wageningen University, will become the property of the DLO. In 2008 Wageningen University will invest € 3.4 million as part of the SNP.

2.1.1 Annual accounts

Balance sheet

After allocation of the net result

ASSETS		31-12-2007	Budget 2007	31-12-2006
FIXED ASSETS				
1	Tangible fixed assets	201,544	217,100	196,071
2	Financial fixed assets	1,105	300	363
Total fixed assets		202,649	217,400	196,434
CURRENT ASSETS				
3	Stock	6,239	-3,900	448
4	Receivables and accrued income	37,791	23,800	25,219
5	Liquid assets	25,527	1,400	21,411
Total current assets		69,557	21,300	47,078
TOTAL ASSETS		272,206	238,700	243,512
LIABILITIES				
EQUITY CAPITAL				
	General reserves	109,176	107,100	98,481
	Designated reserves	8,323	7,700	7,657
6	EQUITY CAPITAL	117,499	114,800	106,138
7	EQUALISATION ACCOUNT FOR EQUIPMENT SUBSIDIES	1,821	2,200	1,360
8	PROVISIONS	24,887	24,400	29,907
9	LONG-TERM LIABILITIES	16,847	35,000	16,850
10	SHORT-TERM LIABILITIES	111,152	62,300	89,257
TOTAL LIABILITIES		272,206	238,700	243,512

Amounts * € 1000

Profit and loss account

	Result 2007	Budget 2007	Result 2006
11 INCOME			
Direct government funding LNV	151,872	148,300	140,715
Tuition, course and examination fees	11,095	11,000	10,733
Income from work for third parties	69,126	57,900	54,661
Other income	23,821	12,900	18,157
TOTAL INCOME	255,914	230,100	224,266
EXPENDITURE			
12 Personnel costs	138,799	140,100	130,999
13 General costs	72,680	57,300	59,842
14 Specific costs	32,325	30,100	27,112
Total expenditure	243,804	227,500	217,953
OPERATING RESULT	12,110	2,600	6,313
15 Financial income and expenditure	-528	-1,800	-725
RESULT FROM ORDINARY ACTIVITIES BEFORE TAXES	11,582	800	5,588
Taxes from ordinary activities	0	0	0
16 Result from participating interests	-222	0	-36
RESULT FROM ORDINARY ACTIVITIES AFTER TAXES	11,360	800	5,552
Share of third parties	0	0	0
Extraordinary income and expenditure	0	0	0
Net result	11,360	800	5,552

Amounts * € 1000

Cash flow statement

	<i>Result 2007</i>	<i>Budget 2007</i>	<i>Result 2006</i>
OPERATIONAL ACTIVITIES			
Net result	11,360	800	5,553
Depreciation and exceptional write-downs	26,300	14,800	12,816
	<hr/>	<hr/>	<hr/>
	37,660	15,600	18,368
Changes in provisions	-5,021	-1,800	2,328
Changes in working capital	3,533	-2,400	-4,213
Result from non-consolidated participating interests	221	0	36
	<hr/>	<hr/>	<hr/>
	-1,267	-4,200	-1,849
Cash flow from operational activities	<hr/>	<hr/>	<hr/>
	36,393	11,400	16,519
INVESTMENT ACTIVITIES			
Investments in buildings and grounds	-18,286	-25,700	-30,742
Investments in other tangible assets	-14,976	-13,200	-6,180
Investments in participating interests and members' capital contributions	-337	0	-52
Divestments in fixed assets	1,498	4,600	351
Cash flow from investment activities	<hr/>	<hr/>	<hr/>
	-32,101	-34,300	-36,624
FINANCING ACTIVITIES			
Changes in long-term receivables	-635	0	8
Changes in other long-term liabilities	-2	20,000	16,831
Changes in equity capital	0	0	0
Changes in equalisation reserve	461	300	-30
Cash flow from financing activities	<hr/>	<hr/>	<hr/>
	-176	20,300	16,809
CASH FLOW	<hr/>	<hr/>	<hr/>
	4,116	-2,600	-3,296
CHANGE IN LIQUID ASSETS			
Balance of liquid assets on 1 January	21,411	4,000	24,706
Balance of liquid assets on 31 December	25,527	1,400	21,411
Change in liquid assets	<hr/>	<hr/>	<hr/>
	4,116	-2,600	-3,296

Principles of valuation

• General

These are the annual accounts of Wageningen University. The accounts were prepared in accordance with the principles of valuation listed below. In cases where there was a deviation from these principles of valuation, this is indicated. The figures presented about the annual accounts from previous years are in accordance with the annual accounts of the corresponding year, with the exception of the processed system change of the multi-year savings variant for leave. Deviations can occur due to corrections and/or mutual shifts. In situations where this is the case and is relevant, this is indicated.

• General accounting policies for preparing the annual accounts

Wageningen University – together with WU Holding, the ISRIC Foundation and the Restaurant of the Future Foundation – is part of a group.

The annual accounts are prepared based on historic costs. Unless stated otherwise, assets and liabilities are included in the accounts at their nominal value.

Monetary assets and liabilities in foreign currency are converted at the exchange rate on the balance sheet date. Exchange rate differences are explained in the profit and loss account. In the profit and loss account, revenues and costs in foreign currency are processed according to the exchange rate in force at the time of settlement.

The annual accounts are prepared in accordance with the relevant guidelines of the Ministry of Education, Culture and Science (*OCenW-Richtlijn Jaarverslaggeving 'Richtlijn jaarverslaggeving hoger onderwijs en wetenschappelijk onderzoek* – amended with the *Regeling tot wijziging van de richtlijn hoger onderwijs en wetenschappelijk onderzoek* on 18 October 2005); in cases where these guidelines do not apply, the *Richtlijnen voor de Jaarverslaggeving* are used.

• Accounting policies for the valuation of assets and liabilities

Tangible fixed assets

The tangible fixed assets are valued according to the purchase or manufacturing cost, reduced by the cumulative depreciation. Depreciation takes place linearly based on the estimated useful life and the residual value. In the year of purchase, depreciation takes place proportionally.

Tangible fixed assets under construction or on order are valued according to the manufacturing price or the amounts that have already been invoiced to the corporation by third parties. Investments less than € 2,500 are charged directly to the profit and loss account.

The depreciation for the various groups of objects is shown below:

<i>Component</i>	<i>Depreciation</i>
Corporate estates / Work in progress	0 %
Estate development and infrastructure	50 years linear
Corporate buildings	50 years linear
Permanent furnishing/fittings for corporate buildings	15 years linear
Greenhouses, sheds, various structures/buildings:	15 years linear
Machinery and equipment:	
– Office furniture / machines and tools / machinery and equipment for foodservice facilities / glass fibre network / other machinery and equipment	10 years linear
– Office furniture purchased before 1/1/2005	5 years linear
– Laboratory apparatus / audiovisual apparatus / vehicles / public relations and communication material	5 years linear
– Automation apparatus, including programming (hardware for networks)	5 years linear
– Automation apparatus, including programming (other hardware)	3 years linear

The third flow of funds is an exception to the above:

<i>Component</i>	<i>Depreciation</i>
All investments except grounds:	100% in the year of acquisition
Machinery and equipment:	100% in the year of acquisition

Write offs due to sustained decline in value, sales, loss or discontinuation are reported separately.

Financial fixed assets

Participating interests and members' capital contributions, where significant influence is exerted on the business and financial policy, are valued according to the net asset value. This value is calculated based on the same accounting policies used by the group when establishing value and determining the result.

Participating interests and members' capital contributions, where no significant influence is exerted on the business and financial policy, are valued according to the purchase price. This valuation takes account of sustained declines in value.

Stock

This item comprises the trading stock, finished product, livestock and the stock of harvested agricultural products. The trading stock and finished product are valued according to the FIFO method according to the purchase or replacement costs, including a supplement for indirect costs. There is no valuation of livestock and stocks of harvested agricultural products. In case of un-marketability or lower market value, the stock is devalued accordingly.

Work in progress

The valuation of work in progress on behalf of third parties takes place according to the costs of direct material use and labour, including a supplement for indirect costs. Declared payments and anticipated losses on projects are charged against this balance. Allocation of the result takes place proportionally according to the progress (degree of realised costs) of a project.

The stock of semi-finished goods is valued according to the First In First Out (FIFO) method according to the purchase or replacement costs, including a supplement for indirect costs.

Receivables and accrued income

Receivables are valued at nominal value, reduced if necessary by an uncollectible debt provision.

Securities

The securities are valued at acquisition cost (FIFO method) or the lower market value.

Equity capital

- Statutory reserve
For the activated amount on the balance sheet concerning costs related to research and development, there is an obligation to maintain a statutory reserve.
- General reserve
This reserve is changed for the operating result of a year for which there are no designated allocations.
- Designated reserve
Two designated reserves have been established within the equity capital at the corporate level:
 - the innovation fund;
 - a reserve for projects that are still to be implemented.

Equalisation account for investment subsidies

The equalisation account for investment subsidies is valued at nominal value, reduced by the amounts released. The account contains the subsidies received from the government to fund investments in equipment. The subsidy is released in proportion to the depreciation on the relevant equipment, and the released amounts are subtracted from the depreciation expenditure on the operating statement.

Provisions

The provisions are valued according to nominal value. The amount of the provision is the best estimate of the amount that will be required to settle the corresponding obligations and losses on the balance sheet date.

Provisions are made for:

- legally enforceable or actual obligations that exist on the balance sheet date;
- situations where it is probable that the settlement of the obligations will require an outflow of funds;
- where a reliable estimate can be made of the magnitude of the obligations.

Provision for Unemployment Insurance Act obligations

The provision for Unemployment Insurance Act obligations has been made to cover unemployment insurance obligations existing on the balance sheet date and for the expected future expenditure in connection with staff who have already left employment and staff with a temporary employment contract.

Provision for Invalidity Insurance Act

The provision for obligations related to invalidity insurance is made to cover the expected invalidity insurance obligations on the balance sheet date.

Other staff provisions - jubilee bonuses

The expected obligation for future jubilee bonuses is based on historical data; the transfer is based on realisation.

Other staff provisions - pensions

Pension insurance is provided by the Algemeen Burgerlijk Pensioenfonds (ABP). The arrangement is a committed pension scheme, whereby future developments in premiums and investment results must be taken into account. The obligation is accounted for as a committed contribution based on RvJ 271.310. For a committed contribution scheme, besides the payment of premiums, there are no further obligations on account of the pension scheme. The premiums are accounted for as personnel costs as they are incurred. Prepaid premiums are accounted for as accrued income to the extent that they are reimbursed by the pension fund or are credited to future premiums owed.

Provision for reorganisation costs

This provision is intended to cover expected costs based on decisions made and announced within the organisation related to ongoing and proposed reorganisations.

Provision for product and contract risks

This provision covers loss-making contracts, guarantees and claims emerging from services and products supplied to third parties.

Provision for repairs and maintenance

The buildings that are to be sold in due course in connection with the Strategic Plan for New Construction will be maintained at a minimum level. The maintenance provision is intended for extra maintenance costs that arise from statutory obligations, requirements of the municipality of Wageningen and modifications of the Strategic Plan for New Construction.

Provisions for students

There are three provisions for students:

- the Graduation Fund for students who incur a study delay due to executive activities;
- the Compensation Fund for the 5th year of study for students in several study programmes that do not qualify for a 5th year of student grants;
- the Social Emergency Fund, for students who are experiencing serious difficulties.

Other provisions

The other provisions concern obligations to staff related to unused days of leave that may be carried to the end of their period of employment. In addition, provisions have been made to ensure that workplaces meet health and safety norms and to benefit staff mobility measures.

Provision for jubilee bonuses

This provision was taken in 2005 in accordance with the RJ 271 guideline. The expected obligation for future jubilee bonuses is based on historical data.

Provision for pensions

Pension insurance is provided by ABP. The arrangement is a committed pension scheme, whereby future developments in premiums and investment results must be taken into account. The obligation is accounted for as a committed contribution based on RvJ 271.310. For a committed contribution scheme, besides the payment of premiums, there are no further obligations on account of the pension scheme. The premiums are accounted for as personnel costs as they are incurred. Prepaid premiums are accounted for as accrued income to the extent that they are reimbursed by the pension fund or are credited to future premiums owed.

Long-term liabilities

Long-term liabilities exist when the term of debt is longer than one year after the end of the annual accounts year.

Short-term liabilities

Short-term liabilities exist when the term of debt is shorter than one year after the end of the annual accounts year.

• Accounting policies for determining income and expenditure

General

Revenues and costs are accounted for as the income and expenditure that can be allocated to the current annual accounts year or activity, regardless of whether or not they are actually received and spent in the corresponding year.

Amounts * € 1000

Revenues are accounted for in the year in which the goods are delivered and/or services provided to clients. Losses and risks that originate from before the end of the fiscal year are taken into account if they are known before the annual accounts are prepared.

Direct government funding and other payments

Direct government funding is posted to revenues in the year it is received. Other payments are included in the result of the year in which the project is implemented and the costs are incurred.

Tuition and course fees

Tuition fees are the statutory tuition fees allocated to the year under review. Course fees include the institutional tuition fees received and the payments for postgraduate courses.

Income from work for third parties

The revenues from contract activities for work on behalf of third parties are posted to income. The revenues are calculated based on direct costs including a supplement for indirect costs, up to the maximum rate to be paid by the party providing the funding. Results are included in proportion to the progress of the project.

• Accounting policies for preparing the cashflow statement

The indirect method is used for preparing the cashflow statement.

• Consolidated accounts

These consolidated annual accounts include the separate annual accounts of Wageningen University, WU Holding BV, ISRIC Foundation and *Stichting Restaurant van de Toekomst*.

Participating interests are valued according to acquisition cost or net asset value (nav)

	<i>Registered Office</i>	<i>% in 2006</i>	<i>% in 2007</i>
Wageningen University Holding BV – (acquisition cost)	Wageningen	100	100
Nexus Holding BV	Wageningen		100
CAN-iT BV	Wageningen		100
Ceradis BV	Wageningen		50
Biqualy BV	Wageningen		33
Biopartner BV	Wageningen	68	68
Green Dino BV	Wageningen	11	11
Stichting ISRIC	Wageningen		
Stichting <i>Restaurant van de Toekomst</i>	Wageningen		

Based on the provisions in a shareholders agreement, Wageningen University cannot independently determine the policy of Biopartner. The annual accounts of Biopartner BV have therefore not been consolidated. The annual accounts of Nexus Holding BV and CAN-iT BV have also not been consolidated due to their negligible importance in 2007.

• System changes

In accordance with guidelines RJ 140.208/140.209, the obligation related to multi-years savings variants for leave has been posted as a liability. This concerns an amount of € 2.8 million.

Amounts * € 1000

Explanation of the balance sheet

1 TANGIBLE FIXED ASSETS

	Grounds	Buildings	Machinery and equipment	Work in progress	Total
Book value 31-12-2006	13,071	125,775	13,532	43,693	196,071
investments	0	57,799	14,976	-39,513	33,262
Divestments *	828	218	443	0	1,489
Depreciation	76	6,660	6,822	0	13,558
Exceptional write downs		12,742			12,742
Book value 31-12-2007	12,167	163,954	21,243	4,180	201,544
Purchase value 31-12-2006	18,495	228,925	70,937	43,693	362,050
Purchases 2007	0	57,799	14,976	-39,513	33,262
Purchase value divestments 2007	1,045	1,854	2,182	0	5,081
Purchase value 31-12-2007	17,450	284,870	83,731	4,180	390,231
Cumulative depreciation	5,283	108,174	62,488	0	175,945
Cumulative write downs	0	12,742	0	0	12,742
Book value 31-12-2007	12,167	163,954	21,243	4,180	201,544
* Divestments, of which:					
- Purchase price	1,045	1,854	2,182	0	5,081
- Depreciation	217	1,636	1,739	0	3,592
Total divestments	828	218	443	0	1,489

Wageningen UR is implementing a major programme of new construction. In 2004 construction began on the Forum building, which would contain most of the educational facilities; this was followed in 2005 by the ATLAS building for the Environmental Sciences Group. The Atlas building was completed in 2006, the Forum building in 2007. In 2006, the construction activities began for the new facilities for the Plant Sciences Group. Decisions about the other components of the plan will be made at a later date.

Of the total depreciation of € 26.3 million, € 12.6 million concerns accelerated depreciation in connection with the intended demolition of the Biotechnion and the completed sales agreement for the Botanical Centre.

Wageningen UR has signed a sales agreement for the Kortenoord complex with the MAB Bouwfonds. The delivery of the corresponding assets has taken place. The definitive sales price will be determined in accordance with the development of plans for the area. Because Wageningen University still formally owns the assets in economic terms, the assets (with a book value of € 20.9 million) are still on balance sheet. The prepayment has been posted to short-term liabilities. Section 1.9.1 Accommodation provides a further explanation of the development of the SNP.

The property of Wageningen University is insured for € 354.6 million (reference date 1-7-2007).

The valuation for municipal tax purposes (WOZ) is € 182.1 million (reference date 1-1-2005, including the Forum and Atlas buildings). In 2007, € 19.1 million was invested as part of the Strategic Plan for New Construction.

Amounts * € 1000

2 FINANCIAL FIXED ASSETS

	31-12-2007	31-12-2006
Participating interests in group companies	30	0
Other participating interests	390	319
Members' capital contributions	39	32
Other receivables	646	12
Total financial fixed assets	1,105	363

Wageningen University has a 68% interest in Biopartner Center Wageningen BV (€ 0.3 million). Based on the provisions in a shareholders agreement, Wageningen University cannot independently determine the policy of Biopartner.

In 2002, Wageningen University Holding BV was founded. This fully-owned subsidiary of Wageningen University participates in Green Dino BV and KLV Professional Match BV. In 2007, the Holding acquired participating interests in Nexxus Holding BV, CAN-iT BV, ICG, Ceradis BV and Biqualyis BV. The other receivables concern amounts to be received from the sale of fixed assets.

Itemisation of participating interests in group companies:

<i>Description</i>	<i>Book value 31-12-2006</i>	<i>Investments/ divestments</i>	<i>Other changes</i>	<i>Book value 31-12-2007</i>
Nexxus Holding BV	0	18	-6	12
CAN-iT BV	0	18	0	18
Total group companies	0	36	-6	30

Itemisation of other participating interests

<i>Description</i>	<i>Book value 31-12-2006</i>	<i>Investments/ divestments</i>	<i>Other changes</i>	<i>Book value 31-12-2007</i>
Biopartner Center BV	319		-84	235
Green Dino BV	0			0
KLV Professional Match BV	0			0
ICG	0	20		20
Ceradis BV	0	175	-75	100
Biqualyis BV		100	-65	35
Subtotal	319	295	-224	390

¹⁾ The change for Biopartner Center BV comprises the share of Wageningen University in the 2006 result.

Amounts * € 1000

Specification of members' capital contributions

<i>Description</i>	<i>Book value 31-12-2006</i>	<i>increase</i>	<i>decrease</i>	<i>Book value 31-12-2007</i>
Members' capital contributions Friesland Foods	32	7	0	39
Total members' capital contributions	32	7	0	39

Specification of other long-term receivables

<i>Description</i>	<i>Book value 31-12-2006</i>	<i>Increase</i>	<i>Decrease</i>	<i>Book value 31-12-2007</i>
Theater 't Hemeltje	12	0	0	12
KDG	0	634	0	634
Total other long-term receivables	12	634	0	646

3 STOCK

	<i>31-12-2007</i>	<i>31-12-2006</i>
STOCK		
Trading stock	20	24
Livestock	104	115
Stock of semi-finished goods	25	90
	149	229
Less: Provision for un-marketability	0	0
SUBTOTAL STOCK	149	229
WORK IN PROGRESS		
Costs of activities conducted on behalf of third parties	163,033	123,405
Less: Declared payments	155,458	121,572
Assignments from third parties, not LNV	7,575	1,833
	7,575	1,833
Less: Expected losses	-1,485	-1,614
Subtotal work in progress	6,090	219
TOTAL STOCK	6,239	448

Work in progress comprises the balance of allocated project costs minus the declared payments. The item is corrected with a provision for anticipated losses.

Amounts * € 1000

In 2007, the income from activities conducted on behalf of third parties totalled € 69.1 million. The result is allocated according to the percentage of completion method. The standard is the percentage of realisation of the projected costs. Losses on projects are immediately accounted for.

The item assignments from third parties comprises projects with a positive balance (where the value of the activities conducted is greater than the declared payments) and projects with a negative balance (where the value of the declared payments exceeds the value of the activities conducted). The assignments from third parties is itemised below:

– Projects with a positive balance for work in progress	34,380
– Projects with a negative balance for work in progress	26,805
– Balance of assignments from third parties	7,575

4 RECEIVABLES AND ACCRUED INCOME

	31-12-2007	31-12-2006
Accounts receivable	13,808	13,929
Accounts receivable affiliated parties	550	276
Less: Provision for possibly uncollectible receivables	–897	–835
Total accounts receivable	13,461	13,370
Advances	4,654	4,460
Claims on other affiliated parties	10,668	532
Accrued income	5,405	5,492
Other	1,243	1,365
Total advances and accrued income	24,330	11,849
Total receivables and accrued income	37,791	25,219

The receivables from affiliated parties concerns the Van Hall Larenstein Foundation in the amount of € 550. The claims on affiliated parties concerns the DLO Foundation. This concerns open current account balances that were settled in 2008.

5 LIQUID ASSETS

	31-12-2007	31-12-2006
Cash in hand	24	41
Current account bank (including cross booking)	16,942	20,869
Deposits	8,561	501
Total liquid assets	25,527	21,411

In 2007, liquidity increased to € 25.5 million. The budget provided for a liquidity position van € 1.4 million. the improvement with respect to the budget can be explained as follows (amounts * € 1 million).

Amounts * € 1000

	Budget	Realisation	Change compared to budget
Liquid assets on 1 January 2007	4.0	21.4	17.4
Result	0.8	11.4	10.6
Depreciation	14.8	26.3	11.5
Decreased provisions	-1.8	-5.0	-3.2
Change in working capital	-2.4	3.5	5.9
Result from participating interests	0.0	0.2	0.2
Cash flow from operational activities	11.4	36.4	25.0
Cash flow from investment activities	-34.3	-32.1	2.2
Cash flow from financing activities	20.3	-0.2	-20.5
Total liquid assets	1.4	25.5	24.1

Operational activities

- The liquid assets on 1 January 2007 were € 17.4 million higher than expected in the 2007 budget. This was caused by an improvement in the operational cash flows (higher allocation to provisions of € 3.6 million) and a stable working capital, while a decline had been expected (€ 15.9 million).
- The result in 2007 was € 10.6 million higher than budgeted.
- Due to the exceptional write down of the Botanic Centre and Biotechnion, the depreciation was € 11.5 million higher than budgeted.
- Allocations to the provisions increased by € 0.2 million, while the actual payments were € 3.4 million higher than budgeted.
- The working capital increased especially due to the receipt of € 17.6 million in connection with the conveyance of the Kortenoord location. This amount was included in the balance as a short-term liability.

Investment activities

- The investments were € 2.2 million under budget due to delays in the final construction activities for the Environmental Sciences Group and the completion of the Forum building.
- During the third quarter, the conveyance of the Kortenoord was completed with the receipt of € 20 million as an advance on the sales price, to be determined later. The share of Wageningen University was € 17.6 million, which was included in the balance sheet as a short-term liability.
- The sale of a number of locations (such as experimental facilities) resulted in a positive cash flow of € 10.3 million.

Financing activities

- Due to the beneficial development in liquidity, the budgeted loan of € 20 million was not needed in 2007.
- In the budget, the assumption was made that the activities of the *Restaurant van de Toekomst* would be taken over by the DLO, department AFSG CRO. This settlement was delayed and is now expected to take place in 2008.
- Due to a system change in the multi-year savings variant for leave, € 2.8 million was charged against equity capital was accounted for as a short-term liability.

Amounts * € 1000

6 EQUITY CAPITAL

	<i>General reserve</i>	<i>Allocated reserve</i>	<i>Total</i>
Balance on 31-12-2006	101,277	7,657	108,934
System change in the multi-year savings variant for leave	-2,796	0	-2,796
Allocation from the result	10,695	666	11,361
Balance on 31-12-2007	109,176	8,323	117,499

The designated reserve concerns the innovation fund of € 3.9 million and the reserve for projects yet to be implemented of € 4.4 million. In 2007, € 0.7 million was allocated to the latter reserve from the result. In 2007 a system change took place regarding the unused leave of personnel. As a result, € 2.8 million was withdrawn from the general reserve in the 2006 opening balance. In the net result in the present annual accounts, € 10.6 million was posted to the general reserve and € 0.7 million to the designated reserve.

7 EQUALISATION ACCOUNT FOR EQUIPMENT SUBSIDIES

	<i>Balance on 31-12-2006</i>	<i>Addition / withdrawal</i>	<i>Balance on 31-12-2007</i>
Equalisation account for equipment subsidies	1,360	461	1,821
Total equalisation account for equipment subsidies	1,360	461	1,821

Under the equalisation account for apparatus subsidies, the subsidies from third parties for investments in apparatus have been shown as a liability. The subsidy is released in proportion to the depreciation of the relevant equipment and is subtracted from the depreciation.

Amounts * € 1000

8 PROVISIONS

	Balance on 31-12-2006	Transfer	Withdrawal	Release	Balance on 31-12-2007
Unemployment insurance obligations	7,728	1,577	2,186	182	6,937
Provision for Invalidation Insurance Act	605	118	230	243	250
Other personnel provisions	2,610	303	255	0	2,658
Reorganisation costs	14,844	1,401	3,569	883	11,793
Product and contract risks	500	561	0	0	1,061
Major repairs	1,829	0	1,370	0	459
Student provisions	303	810	836	0	277
Other provisions	1,488	0	-158	194	1,452
Total provisions	29,907	4,770	8,288	1,502	24,887
			31-12-2007		31-12-2006
Specification of the term of the provisions					
Short term (ending on or before 31-12-2007)			11,422		24,128
Long term (ending between 31-12-2007 and 31-12-2012)			9,097		4,428
Long term (ending after 31-12-2012)			4,367		1,352
Total provisions			24,887		29,907

Unemployment insurance obligations

The provision for Unemployment Insurance Act obligations has been made to cover unemployment insurance obligations existing on the balance sheet date and for the expected future expenditure in connection with staff who have already left employment and staff with a temporary employment contract. In 2007 a transfer was made in the amount of € 1,577, and a release of € 182.

Invalidation insurance obligations

The provision for obligations related to invalidity insurance is made to cover expected future invalidity benefits.

Other personnel provisions

The other personnel provisions item includes a provision for future obligations concerning jubilee bonuses.

Reorganisation costs

The provision for reorganisation costs is made for expected expenditures in relation to reorganisations. As part of Focus 2006, € 9 million was transferred to the reorganisation provision in 2005. Due to the good job market and active management efforts with the transfer candidates, € 833 of the provision could be released.

Provision for repairs and maintenance

The buildings that are to be sold in connection with the Strategic Plan for New Construction will be maintained at a minimum level. The maintenance provision is intended for extra maintenance costs that arise from statutory obligations, requirements of the municipality of Wageningen and modifications of the Strategic Plan for New Construction.

Amounts * € 1000

Provisions for students

There are three provisions for students:

- the Graduation Fund for students who incur a study delay due to administrative activities;
- the Compensation Fund for the 5th year of study for students in several study programmes that do not qualify for a 5th year of student grants;
- the Social Emergency Fund, for students who are experiencing serious difficulties.

Other provisions

The other provisions item concerns possible claims that are made against Wageningen University by third parties.

9 LONG-TERM LIABILITIES

	<i>Balance on 31-12-2006</i>	<i>Increased liability</i>	<i>Decreased liability</i>	<i>Balance on 31-12-2007</i>
Other long-term liabilities	16,850	0	3	16,847
Total long-term liabilities	16,850	8,747	8,750	16,847

<i>Description</i>	<i>Total</i>	<i>Interest</i>	<i>Term</i>	<i>Cumulative repayment</i>	<i>Long-term > 5 years</i>	<i>Short-term < 1 year</i>
ABN Amro Bank	15,000	4.9%	10 years	0	15,000	0
Rabobank Vallei en Rijn	2,000	4.4%	10 years	400	1,400	200
Rabobank Vallei en Rijn	300			22	248	30
Total	17,300			422	16,848	230

10 SHORT-TERM LIABILITIES

	<i>31-12-2007</i>	<i>31-12-2006</i>
Advance payments from third parties	59,145	40,179
Debts owed to suppliers	13,825	13,301
Debts owed to suppliers of affiliated parties	0	0
Taxes to be paid	4,771	2,258
Debts owed to other affiliated parties	3,636	4,119
Research for LNV that is yet to be completed	6,977	6,932
Accrued and deferred liabilities	8,993	8,197
Other	13,805	14,271
Total short-term liabilities	111,152	89,257

The advance payments increased in 2007 due to an advance on the sale of Kortenoord. The debts to affiliated parties concerns debts to the DLO Foundation in the amount of € 3.6 million (in 2006 € 4.1 million). The other debts were accounted for the 2007 liabilities in connection with unused hours of leave based on the multiyear savings variant in the amount of € 2.8 million.

Obligations and rights not included on the balance sheet

Multiyear financial obligations

Summary of obligations incurred regarding rentals, operational leases and similar agreements:

Description	Total obligations	Ending in 2008	Ending between 2008 and 2012	Ending after 2012
Rental obligations	450	225	225	0
Insurances	770	770	0	0
Maintenance contracts	3,050	2,674	376	0
Energy deliveries	21,342	10,770	10,572	0
Various purchased services	3,721	3,693	28	0
Machinery and equipment deliveries	1,888	1,888	0	0
Investments	11,980	11,976	4	0
Total	43,201	31,996	11,205	0

As security for the financing of the SNP, Wageningen University has pledged to the financier all transactions, securities, receivables and future receivables that Wageningen University has, or will have in the future, with respect to the financier. Wageningen University has provided a guarantee in the amount of € 1.9 million for the financing of the *Stichting Restaurant van de Toekomst*. Regarding construction contracts signed or under negotiation, Wageningen University has received guarantees in the amount of € 5.2 million.

Interest rate instruments

To limit interest rate risks as much as possible, Wageningen University uses financial instruments in accordance with the guidelines of the treasury charter. The treasury charter has been approved by the Executive Board.

Wageningen University is making major investments in new construction totalling more than € 86.7 million. For this purpose, approximately € 15 million of external financing will be obtained. By using financial instruments, the interest rate risk for this external financing has been covered. On the balance sheet date, forward starting interest rate swaps and a forward starting cap/floor were being used.

The following summary shows the progression of the investments and the financing to be acquired. The covered volume indicates the percentage of the financing for which the interest rate risk has been covered. Amounts * € 1 million.

	2007	2008	2009	2010	2011	2012
Loan at the end of the year	15.0	15.0	5.0	0.0	0.0	0.0
Covered volume* at the end of the year	48.0	48.0	46.0	46.0	40.0	34.0

* excluding CAP/Floor

The following interest rate instruments have been acquired:

<i>Instrument</i>	<i>Volume in millions</i>	<i>Starting date</i>	<i>Ending date</i>
Interest rate swap	10.0	3-1-2005	2-1-2017
Interest rate swap	7.0	3-1-2005	4-1-2016
Interest rate swap	6.0	3-1-2005	2-1-2015
Interest rate swap	5.0	3-1-2005	2-1-2014
Interest rate swap	6.0	1-7-2005	2-1-2013
Interest rate swap	6.0	1-7-2005	2-1-2012
Interest rate swap	6.0	1-7-2005	3-1-2011
Interest rate swap	2.0	1-7-2005	2-1-2009
Cap	max 15.0	1-7-2005	1-7-2010
Floor	max 15.0	1-7-2005	1-7-2010

When the interest rate instruments were acquired, the interest rate committee approved a policy that the interest rate risks should be covered for up to 80% of the funds to be borrowed. With the interest rate swaps, the interest rates for the above volumes are set in advance; as a result the interest risks are covered. Due to the delay in the investment programme, the loans will be taken out at a later date than expected, and there is a discrepancy between the financing requirement and the interest rate instruments that have been acquired. In September 2006, the package of interest rate instruments was modified for 2006 and 2007. In 2008, it will be determined which additional modifications are necessary.

Affiliated Parties

Wageningen University participates in the following organisations either directly or through Wageningen University Holding BV:

	<i>Registered Office</i>	<i>% in 2006</i>	<i>% in 2007</i>	<i>Equity capital 31-12-2007</i>	<i>Equity capital 31-12-2006</i>	<i>Result 2007</i>	<i>Result 2006</i>
Wageningen University Holding BV	Wageningen	100	100	-219	-84	-135	0
Nexus Holding BV	Wageningen		100	-5	0	13	not applicable
CAN-IT BV	Wageningen		100	0	0	18	not applicable
Ceradis BV	Wageningen		50	201	0	51	not applicable
Biqualy BV	Wageningen		33	283	0	-194	not applicable
Biopartner BV	Wageningen	68	68			not available	-125
Green Dino BV	Wageningen	11	11	0	0	not available	not available
Stichting ISRIC	Wageningen			487	342	145	-3
Stichting <i>Restaurant van de Toekomst</i>	Wageningen			-56	-49	-7	-49

The consolidated annual accounts include the annual accounts of Wageningen University, WU Holding BV, Stichting ISRIC and *Stichting Restaurant van de Toekomst*. Based on the provisions in a shareholders agreement, Wageningen University does not have deciding control in Biopartner BV. This BV was therefore not included in the consolidated annual accounts.

Based on its mission, Wageningen University participates in a number of foundations. The University provides one or more board members for these foundations and is involved in other ways. Consolidation of the foundations that satisfy the criteria would not have had any material effect on the result of Wageningen University.

Amounts * € 1000

Explanation of the profit and loss statement

11 INCOME

	<i>Result 2007</i>	<i>Result 2006</i>
DIRECT GOVERNMENT FUNDING		
Direct government funding from LNV	150,423	139,629
Other payments	1,449	1,086
TOTAL DIRECT GOVERNMENT FUNDING	151,872	140,715
TUITION AND COURSE FEES		
Tuition and examination fees	9,247	9,214
Course fees	1,848	1,519
TOTAL TUITION AND COURSE FEES	11,095	10,733
INCOME FROM WORK FOR THIRD PARTIES		
Revenues from work for third parties	63,384	52,357
Change in work in progress	5,742	2,304
TOTAL INCOME FROM WORK FOR THIRD PARTIES	69,126	54,661
OTHER INCOME		
Sales and use of facilities	752	703
Rental income	862	966
Sports cards	367	343
Book profit on sales of fixed assets	9,786	660
Other income	12,054	15,485
TOTAL OTHER INCOME	23,821	18,157
TOTAL INCOME	255,914	224,266

There were positive developments in income during 2007. The funding from LNV increased by € 11.2 million to € 151.9 million. Revenues from the third funding source rose by € 14.5 million to € 69.1 million, an increase of 26%. Some of this increase (€ 5 million or 9% of total LNV funding) can be explained by a reclassification of the "TIFN turnover" which until 2007 was classified as other income.

Compared to 2006, income from tuition fees increased due to a small rise in the number of students. The tuition fees received are equal to the budgeted amount for 2007.

The other income rose with respect to 2006 due to sales of fixed assets (€ 9.8 million).

Appendix 3 contains an itemisation of the work conducted on behalf of third parties according to the type of financier and the type of turnover.

Amounts * € 1000

EXPENDITURE

12 PERSONNEL COSTS

	<i>Result 2007</i>	<i>Result 2006</i>
Costs of permanent staff	93,587	90,594
Costs of temporary staff	34,316	31,920
Temp workers and hired personnel	6,006	4,510
Other personnel costs	3,317	3,527
Transfer to provision for unemployment insurance obligations	1,395	-354
Transfer to provision for invalidity insurance	-125	872
Transfer to other staff provisions	303	-70
Total personnel costs	138,799	130,999

Total staff increased in 2007 from 2,239 FTE to 2,276 FTE. The average salary rose by 2.7%. In 2007, an addition was made to the provision for unemployment insurance obligations in the amount of € 1.4 million: a transfer in the amount of € 1.6 million minus a released amount of € 0.2 million.

In 2007 the share of Wageningen University in the salary costs of the Executive Board was € 391 (2006: € 360). From the item costs of permanent staff, € 32 (2006: € 34) was used to pay members of the Supervisory Board. Section 2.4 contains the compensation and benefits summary in accordance with the WOPT (Disclosure of top incomes funded with public means).

Personnel with a permanent employment contract are included under permanent staff. Temporary staff include guest staff and personnel with a temporary employment contract.

13 GENERAL COSTS

	<i>Result 2007</i>	<i>Result 2006</i>
Accommodation costs	15,043	12,568
Depreciation of tangible and intangible fixed assets	26,300	12,816
Other equipment costs	7,293	5,972
Other general costs	22,349	18,393
Transfer to provisions		
Reorganisation costs	518	8,222
Product and contract risks	561	560
Major repairs	0	0
Student provisions	810	810
Other provisions	-194	501
Total transfers to general provisions	1,695	10,093
Total general costs	72,680	59,842

The item other general costs includes office expenses, travel and lodging expenses, representation expenses, automation expenses, public relations activities and the costs of catering.

Amounts * € 1000

SPECIFICATION OF DEPRECIATION

	<i>Result 2007</i>	<i>Result 2006</i>
Tangible fixed assets	13,558	12,816
Exceptional write downs	12,742	
Total depreciation	26,300	12,816

In 2007, the Executive Board signed sales agreements for the Jan Kopshuis and the Botanic Centre in connection with the SNP. The delivery of the properties will take place in 2008 and 2009, respectively. The book losses as a result of these sales agreements of € 0.2 million and € 2.7 million were accounted for in the planning of the SNP and have been included in the 2007 annual accounts as exceptional write-downs.

In 2007, the Executive Board decided to demolish the Biotechnion in 2010. The book loss of € 9.9 million was determined based on the book value on 31-12-2009, the predicted demolition costs and the market value of the land after rezoning, and was included in the 2007 annual accounts as an exceptional write down.

14 SPECIFIC COSTS

	<i>Result 2007</i>	<i>Result 2006</i>
Specific costs	12,332	10,873
Services by third parties	13,507	11,473
Contributions and subsidies	6,486	4,766
Total specific costs	32,325	27,112

15 FINANCIAL INCOME AND EXPENDITURE

	<i>Result 2007</i>	<i>Result 2006</i>
Financial income	831	510
Financial expenditure	-1,359	-1,235
Total financial income and expenditure	-528	-725

The financial income concerns interest received on the bank accounts held during the year under review. In addition, interest costs were accounted for in relation to the derivatives. Based on the derivatives in the portfolio, more interest was paid than financing was acquired. Due to the delay in the investment programme, the loans will be taken out at a later date than expected, and a discrepancy has occurred between the financing requirement and the present interest rate instruments. In September 2006, the package of interest rate instruments was modified for 2006 and 2007. In 2008, it will be determined which additional modifications are necessary.

Amounts * € 1000

16 RESULT FROM PARTICIPATING INTERESTS

	<i>Result 2007</i>	<i>Result 2006</i>
Biopartner Center BV	-85	-36
Ceradis BV	-75	
Biqualyis BV	-65	
Other participating interests	3	
Total result from participating interests	-222	-36

¹⁾ The share of Wageningen University in the result of Biopartner Center BV for 2006 was included in the 2007 annual accounts of Wageningen University.

Amounts * € 1000

NON-CONSOLIDATED BALANCE SHEET

ASSETS	31-12-2007	31-12-2006
FIXED ASSETS		
Tangible fixed assets	201,536	195,753
Financial fixed assets	700	279
Total fixed assets	202,236	196,032
CURRENT ASSETS		
Stock	6,156	615
Receivables and accrued income	35,864	25,130
Liquid assets	24,603	18,691
Total current assets	66,623	44,436
TOTAL ASSETS	268,859	240,468
LIABILITIES		
EQUITY CAPITAL	117,067	105,845
EQUALISATION ACCOUNT FOR EQUIPMENT SUBSIDIES	1,821	1,360
PROVISIONS	24,887	29,907
LONG-TERM LIABILITIES	15,000	15,000
SHORT-TERM LIABILITIES	110,084	88,356
TOTAL LIABILITIES	268,859	240,468

The non-consolidated balance sheet does not include the figures from Stichting ISRIC and Stichting *Restaurant van de Toekomst*. In addition, the figures from WU Holding BV are not included. However, this balance sheet does include the receivables of Wageningen University from Stichting ISRIC and WU Holding BV. The equity capital deviates with respect to the consolidated balance sheet by € 293; this concerns the equity capital of Stichting ISRIC (€ 487) and Stichting *Restaurant van de Toekomst* (€ -55).

Amounts * € 1000

NON-CONSOLIDATED PROFIT AND LOSS STATEMENT

	Result 2007	Result 2006
INCOME		
Direct government funding LNV	150,715	139,580
Tuition, course and examination fees	11,095	10,733
Income from work for third parties	69,126	54,661
Other income	23,234	17,680
Total income	254,170	222,653
EXPENSES		
Personnel costs	137,707	129,965
General costs	72,321	59,528
Specific costs	32,149	26,815
Total expenses	242,177	216,308
OPERATING RESULT	11,993	6,345
Financial income and expenditure	-551	-705
RESULT FROM ORDINARY ACTIVITIES BEFORE TAXES	11,442	5,640
Taxes on ordinary activities	0	0
Result from participating interests	-220	-36
RESULT FROM ORDINARY ACTIVITIES AFTER TAXES	11,222	5,604
Share of third parties	0	0
Extraordinary income and expenditure	0	0
NET RESULT	11,222	5,604

The government funding from LNV in the amount of € 150.7 million excludes the government funding posted to Stichting ISRIC in the amount of € 1.2 million. The result of WU Holding BV is € -135, that of Stichting ISRIC is € 145, the result of *Stichting Restaurant van de Toekomst* in 2007 amounted to € -7.

2.1.2 Other data

• Events after the balance sheet date

There were no events after the balance sheet date that lead to modification or reporting in the annual accounts.

- **Auditor's report**

To: College van Bestuur en de Raad van Toezicht van Wageningen Universiteit

Report on the consolidated financial statements

We have audited the accompanying financial statements 2007, which are part of the financial statements of Wageningen Universiteit, in Wageningen which comprise the consolidated and company balance sheet as at 31 December 2007, the consolidated and company profit and loss account for the year then ended and the notes.

The management's responsibility

The management of the institution is responsible for the preparation and fair presentation of the consolidated financial statements and for the preparation of the management report, both in accordance with 'Richtlijn jaarverslaggeving hoger onderwijs en wetenschappelijk onderzoek', most recently amended on 18 October 2005 (CFI/EFA-2005/130785).

Also the management of the institution is responsible for the financial rightfulness of the income, expenses, and balance transactions included in the financial statements. This implies that these amounts should be in accordance with the provisions in the applicable rules and regulations.

This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error, and for the compliance with applicable rules and regulations, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on the financial statements based on our audit, based on section 2.9, paragraph 3 of the 'Wet op het hoger onderwijs en wetenschappelijk onderzoek'. We conducted our audit in accordance with Dutch law and the 'Controleprotocol OCW 2007'. This law requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the institution's preparation and fair presentation of the financial statements and relevant to the compliance with applicable rules and regulations 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 institution'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 financial statements give a true and fair view of the financial position of Wageningen Universiteit as at 31 December 2007, and of its result for the year then ended in accordance with 'Richtlijn jaarverslaggeving hoger onderwijs en wetenschappelijk onderzoek', most recently amended on 18 October 2005 (CFI/EFA-2005/130785).

Furthermore we are of the opinion that the income, expenses, and balance transactions included in the financial statements 2007 comply with the requirements of financial rightfulness. This implies that the amounts are in accordance with the provisions in the applicable rules and regulations, as stated in the 'Controleprotocol OCW 2007'.

Report on other legal and regulatory requirements

In addition, we report, to the extent of our competence, that the management report is consistent with the financial statements as required by article 34, paragraph 5 of the 'Richtlijn jaarverslaggeving hoger onderwijs en wetenschappelijk onderzoek', most recently amended on 18 October 2005 (CFI/EFA-2005/130785).

Utrecht, 13 May 2008
PricewaterhouseCoopers Accountants N.V.

drs. Th.A.J.C. Snepvangers RA

2.1.3 Appendixes

• Appendix 1 Clarifications

Outsourcing one or more components of CROHO-registered study programmes to a private organisation (+ costs)

At Wageningen University, no such outsourcing of activities takes place. In cases where outside expertise is hired to provide education (for example as a result of the previous operations 'Task division and concentration'), this takes place at other public institutions of higher education, and not at private institutions.

Customisation route for companies/organisations

Wageningen University does not provide customisation routes for companies/organisations in the form of CROHO-registered study programmes that lead to a certificate. Under the umbrella organisation of Wageningen UR, customised work is provided in the form of post-initial courses by Wageningen International (WI) and Wageningen Business School (WBS).

Own personnel enrolled in initial study programmes

Once again in 2007, Wageningen University had a large number of students who were also appointed as members of staff at the University, or stated another way, members of staff who were also enrolled as students. The names of these individuals are known. This concerns, for example, student assistants and students with a part-time job who work only few hours. None of these 'staff-students' are taking one of the initial study programmes of the University as part of the education and training of Wageningen University personnel. Therefore, the University has not paid the tuition fees for any member of staff.

Use of government funding for private activities

Wageningen University uses financial means to pay for the following private activities:

- post-initial education in relation to establishing new study programmes and transferring knowledge to society;
- student facilities, such as student refectories, sports facilities and training activities. Wageningen University has a sports complex and provides operating subsidies to student associations that conduct activities in the areas of student refectories, sports and training.

These activities are compatible with the activities for which Wageningen University receives government funding.

In 2007 Wageningen University invested € 331,000 in spinouts through WU Holding BV. For a specification, refer to the explanation of the financial fixed assets. The activities of these spinouts are compatible with the activities for which Wageningen University receives government funding. The spinouts apply market-based rates.

• **Appendix 2 Level of staffing**

Average level of staffing

	<i>2007</i>	<i>2006</i>
FACULTY		
Scientific staff:		
Professor	94.4	90.6
Associate professor	140.2	137.6
Assistant professor	256.5	245.2
Researchers	218.9	205.2
Lecturers and other scientific staff	34.5	33.5
Trainee research assistant	481.0	473.0
TOTAL SCIENTIFIC STAFF	1,225.5	1,185.1
Support staff and management:		
Scale 13 and higher	24.3	34.6
Scale 9 - 12	218.3	238.6
Lower than scale 9	365.1	353.3
TOTAL SUPPORT STAFF AND MANAGEMENT STAFF	607.7	626.5
TOTAL FACULTY	1,833.2	1,811.6
GENERAL SERVICE		
Scale 13 and higher	38.2	38.1
Scale 9 - 12	171.6	167.9
Lower than scale 9	226.2	215.5
TOTAL GENERAL SERVICE	436.0	421.5
TOTAL	2,269.2	2,233.1

• **Appendix 3 Work on behalf of third parties according to type of financier and type of turnover**

Specification of revenues according to ordering customer

	<i>Result 2007</i>	<i>Result 2006</i>
Second flow of funds	13,550	11,669
National government	6,756	4,672
Other Dutch government	9,595	7,331
Business community	9,384	7,398
European Union	12,302	8,399
Foreign governments and public sectors	1,351	1,623
Charities	720	459
DLO	2,712	1,795
Other	12,756	11,315
Total revenues according to ordering customer	69,126	54,661

• Appendix 4 Target funding, accrued and deferred liabilities and amounts from LNV to be repaid

Project description	Decision	Approved amount	Received though 2006	Spending through 2006	Balance 31-12-2006	Received 2007	Spending 2007	Settlement previous years ¹	Balance 31-12-2007
Target funding									
Plan Service Provision 2004	DWK 2003/4281 dated 4-12-2003	683,500	683,500	683,500	0		0		0
Plan Service Provision 2005	DWK 2004/3107 dated 25-11-2004	683,500	683,500	331,007	352,493		352,493		0
Plan Service Provision 2006	DWK 2005/3173	683,500	683,500	0	683,500		54,118		629,382
WURKS 2008	DK 2007/3376 dated 11-12-2007	903,000				903,000	0		903,000
ICT	DWK 2003/4269 dated 9-12-2003	182,000	182,000		182,000		0		182,000
	DWK 2003/4269 dated 9-12-2003	150,000	150,000	150,000	0				0
BAMA	DWK 2002/4101 dated 9-12-2002	499,158	499,158	311,602	187,556			129,324	58,232
GKC, annual plan 2004	DWK 2003/4885 dated 17-12-2003	910,000	910,000	910,000	0		0		0
GKC, annual plan 2005	TRCDWK/2004/3287 dated 17-12-2004, DK 2005/3038	5,000,000	5,000,000	5,000,000	0		0		0
GKC, annual plan 2006	DK 2005/3038 dated 16-12-2005	4,000,000	2,920,000	915,104	2,004,896		2,004,869		0
GKC, annual plan 2007	DK 2007/2775 dated 13-11-2007	3,000,000			0	3,000,000	1,190,901		1,809,099
Cultural diversity 2003	DWK 2003/4560 dated 4-12-2003	14,533	14,533		14,533		0		14,533
Renewal of PhD studies	TRCDKH/2006/2907 dated 27-11-2006	67,000	67,000		67,000		0		67,000
Business Club Learning and Working	DK 2007/3189 dated 30-11-2007	60,000				48,000	0		48,000
Funding settlements									
ICT 2001-2004 ¹	DWK 2002/2546 dated 24-9-2002	713,158	681,158	390,025	291,133			291,133	0
BAMA	DWK 2001/4145 dated 8-11-2001	499,158	499,158	324,759	174,399			174,399	0
Research evaluated	TRCDK-DH/2005/2871 dated 5-12-2005	90,000	90,000	14,021	75,979			75,979	0
Cultural diversity 2002	DWK 2002/3647 dated 8-11-2002	22,180	22,180		22,180			22,180	0
Renewal of 'green education'	DWK 2003/1936 dated 17-6-2003	62,240	62,240		62,420			62,240	0
Accrued and deferred liabilities national government funding memorandum									
More dynamic funding	TRCDK-DH/05/2671 dated 15-11-2005	179,000	179,000		179,000		0		179,000
Admission policy	TRCDK-DH/05/2671 dated 15-11-2005	34,000	34,000		34,000		0		34,000
Accommodation funds	TRCDK-DH/06/2543 dated 18-10-2006	1,317,000	2,528,000		2,528,000		1,482,239		1,045,761
Amounts to be repaid									
PhDs at WU 2007	DK 2007/1845					2,000,000	0		2,000,000
Total posted to LNV funding		19,752,927	15,889,107	9,030,018	6,859,089	5,959,000	5,084,647	755,435	6,978,007
Investment subsidies									
Education building	DWK 2003-4887 dated 17-12-2003	2,269,000	2,269,000	936,277	1,332,723		1,332,723		0
Total investment subsidies		2,269,000	2,269,000	936,277	1,332,723	0	1,332,723		0

¹ Concerns settlement of target funding accounted for in previous years.

2.2 Financial report of Van Hall Larenstein Foundation

The consolidated annual accounts ended 2007 with a positive balance of k€ 264. In 2006 that figure was k€ –18, an in 2005 k€ –123, clearly showing a positive trend.

Indicators

The number of enrolled students at Van Hall Larenstein University of Applied Sciences

	<i>funded</i>	<i>total, including non-funded</i>	
	2006	2007	2007
Van Hall Institute	1,844	1,874	1,952
Larenstein	2,206	2,005	2,130
Total	4,050	3,879	4,082

Further specifications of the number of students per study programme, the enrolment and the development of student numbers during the period 2002-2007 is contained in Appendix 1B.

The total number of staff, including employees at the Training & Consultancy Foundation (in formation), for contract activities, declined from 415 at the end of 2006 to 407 at the end of 2007. This is a decline of 2%. Looking at the progression in FTE during the past three years, this indicator declined at the end of 2007 by 5% with respect to the end of 2005. Looking at the percentage of temporary staff, this indicator rose from 14.5% in 2005 to 17.9% at the end of 2007.

The result for 2007 can be interpreted as an improvement in the relevant financial indicators. As shown on the consolidated balance sheet the solvency/capital base ratio of Van Hall Larenstein was virtually stable at 20.1% (2006: 20.5%). The liquidity (current ratio) declined from 0.95 to 0.92 and the return on equity capital during the year under review amounted to 2.6%.

The regular operations are still inefficient. The objective of achieving a return of at least 2% on the direct government funding is still entirely in force.

Treasury

The treasury management aims at minimising the financial risks. Possible temporary surpluses are kept in the form of deposits. The frameworks for the treasury function have been established in the treasury charter of Wageningen UR.

Schutte Committee

As previously reported, the repayment claimed by the national government regarding excessive government funding received between 1996 and 2001 has been established at an amount of € 4.5 million. During the past year steps have been taken in the defence procedure. The case was heard by the court in Arnhem in mid-2007. The decision led to an appeal, which will be heard in April 2008. In the meantime, monthly repayments have been made since September 2006. These repayments will take place over a period of three years.

At the beginning of 2007, the audit service of the Ministry of Agriculture, Nature and Food Quality reported on the follow-up study into the funding of international students for the budget year 2005 (reference date 1-10-2003). For the Ministry, this report led to a resolution at the end of 2007 to claim repayment of € 0.4 million which, except for two cases, was based on deficiencies in the student files. Van Hall Larenstein University of Applied Sciences believes this claim for repayment is unjust. The consultation on this topic is continuing.

Clarity regarding funding

In this area, no new developments have taken place during the year under review. The management is making sure that no activities are developed or implemented within the institution where funds are spent in conflict with the interpretation as formulated in the memorandum "Clarity in the funding of higher education" (*Helderheid in de bekostiging Hoger Onderwijs*) from August 2003 and the supplement (*Nadere aanvulling*) from January 2005.

Private activities

Besides implementing funded education, since 1986 activities have been developed with the aim of transferring knowledge to society. The implementation and financial management of these contract activities are in the hands of the Training & Consultancy Foundation (in formation). The executive committee of this foundation is made up of the members of the university of applied sciences management. The project administration is conducted separately within the total financial administration. The so-called second flow of funds projects are also registered in the administration and administered according to the same procedures and guidelines.

The basic principle of the policy is that the activities of the Training & Consultancy foundation (in formation) will be covered entirely by private funding acquired independently by the foundation from the so-called third flow of funds. The task of the foundation is to acquire projects that provide added value for education and are profitable. The activities are conducted in or from the buildings of the university of applied sciences, partly using employees of the foundation and partly instructors and other staff from the school. The costs of the space used, facilities, current account and the use of school staff are charged internally to the foundation at cost price. The internal rates are established so that the Foundation can support itself without direct or indirect government funding. Generally speaking, the external rates are in accordance with the market. Moreover, the Foundation is obligated to charge VAT, preventing unfair competition.

In accordance with the relevant guideline (*jaarverslaggeving Hoger Onderwijs*), the costs and revenues of the Training & Consultancy foundation (in formation) are consolidated in the annual accounts of the Van Hall Larenstein Foundation. Any surpluses from the foundation are added to its assets; any losses are charged against its assets and are not paid off by the university of applied sciences. The latter provision was made deliberately and emphatically to avoid conflicts with the guidelines according to the memorandum *Helderheid in bekostiging Hoger Onderwijs*. In case of doubt, consultation takes place with the auditing accountants.

In 2006, the result of the Training & Consultancy Foundation (in formation) was strongly negative (€ -653). In order to give the Training & Consultancy Foundation (in formation) a proper restart and to simultaneously get out of the red, an interim director was appointed in 2007. The primary task of the interim director was to restructure T&C and to invest in continuing professionalisation, including strengthening the cooperation with Wageningen Business School and Wageningen International.

The objective for 2007 was to break even at the end of the year. Although this objective was not attained entirely (the result was € -85), there has been a clear improvement in the result with respect to previous years.

Outsourcing of study programmes

None of the CROHO-registered education programmes of the university of applied sciences, or parts thereof, are conducted by private organisations.

Customisation routes

Customisation routes, as defined in the memo "Clarity in higher education funding" (*Helderheid in bekostiging Hoger Onderwijs (thema 8)*) which aim to earn an HBO certificate, are not present at the Van Hall Larenstein Foundation. However, the contract foundation Training & Consultancy (in formation) does offer course activities for third parties from Velp, Leeuwarden and Wageningen. These courses are based on the education modules that were developed for regular education. The majority are short courses ranging from 1 to 12 half days, culminating with a certificate. A few examples of these courses are: Advanced microbiology, Pig and poultry farming, Real estate, Soil specialist, GEO informatics, Management of public landscaping, Dog behaviour and Groundwater hydrology. Participants in these

activities are registered in a separate registration system and are not enrolled as students at the university of applied sciences, nor are they presented as such for government funding. In 2007, there were 650 participants in various courses offered by the Foundation.

Exchange agreements

Students at Van Hall Larenstein University of Applied Sciences participate actively in the Socrates exchange programmes. This does not include the large group of students that complete part of their study (usually an internship) outside Europe. In 2007 exchanges were conducted with 18 partner institutes in 14 European countries. The number of incoming international students with a Socrates scholarship was 29; these exchange students fall outside the government funding system. In the other direction, 47 students from Van Hall Larenstein studied abroad with a Socrates scholarship. A specification can be found in Table 5 of Appendix IB.

Own personnel

No employees of the university of applied sciences are enrolled as students in the initial study programmes.

Steering group/Intensification of cooperation between Van Hall Larenstein and Wageningen University

The Steering Group, which was established in 2006 with the aim of giving further shape to the cooperation between Van Hall Larenstein University of Applied Sciences and Wageningen University in the mutual House of Education, continued to work hard in 2007. Work took place, among other things, on the following issues:

- Transfer minors, as a component of the HBO curriculum, ensure seamless linkage with corresponding university Masters programmes, while shortening the Masters phase.
- Initiatives for jointly developed Masters programmes in Coast and Sea Management and Water technology. In the meantime, both Masters routes have been developed to such an extent that the first students will be able to start in September 2008.
- Further coordination of the recruitment campaigns; cooperation with respect to stands at education fairs, folders, websites, open days, school visits, etc.
- Joint management of the Communication Office (a single head for student recruitment).
- Development of a national network for, among other things, higher professional education and university education in landscape architecture.
- A system for crediting the exchange of lecturers: agreements (protocol) have been established.
- Coordination of facilities for the students of the university of applied sciences at the Wageningen location.

Executive Board

In 2007, monthly consultation took place between the management of Van Hall Larenstein University of Applied Sciences and the Executive Board (all members or the portfolio holder for education/Van Hall Larenstein) about ongoing matters at the university of applied sciences. In addition, the half-yearly management discussions focused more closely on the financial results and the strategic choices. The budget, half-year figures and the annual accounts were the main themes of these discussions. In addition, the Executive Board Attended several discussions of the Joint Participational Council (*Gemeenschappelijke Medezeggenschapsraad*).

Prognoses 2008

The year 2007 was an important year for the implementation and/or further development of the various initiatives that began in 2006. Many of these initiatives concerned (and still concern) matters that primarily involve the university of applied sciences, while some of them concern matters that relate to the position of the university of applied sciences within Wageningen UR.

• Portfolio

The portfolio of Van Hall Larenstein University of Applied Sciences was modified in 2007 in accordance with market developments and the chosen strategy. This also led to cutbacks: a number of majors and minors were terminated. Moreover it is expected that termination dates will be set for several smaller programmes due to continuing low enrolments. The recruitment campaign has been adapted to this new situation; moreover a supplementary market

exploration has been started to determine the feasibility of a number of innovative proposals. The results of the market exploration are expected in mid-2008.

- **Educational assortment in 2007**

In 2007, the educational assortment of Van Hall Larenstein University of Applied Sciences (see Appendix 1B, Table 1) comprised 20 Bachelors programmes, 3 Professional Masters programmes and in Leeuwarden the short programme Animal Husbandry, leading to an Associate Degree in Dairy cattle farming. In September 2007, two other short programmes began: 1) as part of the Environmental Sciences programme, the Associate Degree in Integral enforcement of environmental law: 2) as part of the Agribusiness and Management programme in Leeuwarden, the Associate Degree in Entrepreneurship.

The joint educational assortment comprises 41 majors and 56 minors. Where possible, the minors are offered institution-wide. The Masters and Bachelors programmes in Wageningen are taught entirely in English.

- **Quality of education**

The successful accreditation of all programmes during the past year does not mean that the topic of quality can be removed from the education agenda. This topic requires continuous attention. One of the priority areas in the Wageningen UR strategic plan is therefore educational quality. The university of applied sciences especially wants to improve the conditions for educational quality, sometimes referred to as daily quality. This concerns aspects such as timely information provision for students and good and timely scheduling of education.

- **Institutional merger**

In order to be innovative and to work out the educational vision in greater detail, a decisive organisation is required. The management believes that an institutional merger is an essential precondition for this objective. Therefore, preparations for a merger began in 2007. The expectation is that in mid-2008 it will become clear how this process can be completed.

- **Transfer of Personeels- en Salarisadministratie (PSA) to Wageningen UR**

In 2008, the possibility of transferring the PSA of Van Hall Larenstein University of Applied Sciences to Wageningen UR will be explored.

- **Training & Consultancy (T&C)**

In mid-2008 will be clear under which conditions T&C will be able to continue to exist, and if so, how the cooperation with WBS and WI should be given further shape .

- **CMO**

In 2007 a Wageningen UR-wide discussion was conducted about the design of an overarching, supplementary, Wageningen UR-wide Participational Council, known as the Central Participational Council (Centraal Medezeggenschapsorgaan - CMO). At present (Spring of 2008) a second proposal is being discussed. The expectation is that the discussions on this proposal within Van Hall Larenstein University of Applied Sciences will fall partly together with the discussions about giving shape to the joint representative advisory bodies at the university of applied sciences.

- **Internal communication**

In 2008, internal communication will also be given a great deal of attention from management and supervisors. Ambitions in both education and operational management can only be achieved jointly. As a result, good internal communication is essential, primarily via the line of management, programme directors and heads of staff. On this point, a major improvement must be made via management development and other ways. A single, shared intranet is essential to this process. For that matter, management development is seen as an essential precondition to provide a follow-up to the Staff Satisfaction Survey, the results of which were discussed in 2007.

- **Lectorates**

The lectorates fulfil a linking role between companies, the societal environment and education. In 2008, this linkage and the anchoring of the lectorates in education will be expanded further, with the aim of giving a leading role to Van Hall Larenstein University of Applied Sciences in regional expertise circulation and the innovation in the expertise areas of the school.

Van Hall Larenstein University of Applied Sciences has five so-called SKO lectorates in the areas of Food Safety, Rural Development, Integrated Water Management, Animal Welfare and Green Environment. The lectorates in Animal Welfare and Integrated Water Management were extended for a period of four years at the end of 2007. Besides these SKO lectorates, the university of applied sciences also has the lectorate in Wastewater Technology, partly financed by the business community.

- **Cooperation within Wageningen UR**

Possibilities have been sought and utilised for a further intensification of the cooperation with other components of Wageningen UR, especially in education and support tasks (student recruitment, facilities, ICT, student housing, etc.). In 2008, in addition to the ongoing activities, there will be an explicit focus on closer cooperation between the staff services of Van Hall Larenstein University of Applied Sciences and Wageningen UR (priority area Strategic Plan, embedding Van Hall Larenstein operational management).

Amounts * € 1000

2.2.1 Annual accounts

Consolidated balance sheet

ASSETS	31-12-2007	Budget 2007	31-12-2006
FIXED ASSETS			
1 Tangible fixed assets	32,568	33,400	34,573
Total fixed assets	32,568	33,400	34,573
CURRENT ASSETS			
2 Stock	75	100	72
3 Receivables and accrued income	4,914	6,500	5,642
4 Liquid assets	11,511	4,700	9,018
Total current assets	16,500	11,300	14,732
TOTAL ASSETS	49,068	44,700	49,305
LIABILITIES			
EQUITY CAPITAL			
Other reserves	1,598	1,900	1,334
5 EQUITY CAPITAL	1,598	1,900	1,334
GROUP EQUITY CAPITAL	1,598	1,900	1,334
6 EQUALISATION ACCOUNT FOR INVESTMENT SUBSIDIES	8,273	8,300	8,762
7 PROVISIONS	10,276	7,700	12,138
8 LONG-TERM LIABILITIES	11,055	10,800	11,536
9 SHORT-TERM LIABILITIES	17,866	16,000	15,535
TOTAL LIABILITIES	49,068	44,700	49,305

Amounts * € 1000

Consolidated operating statement

	<i>Result 2007</i>	<i>Budget 2007</i>	<i>Result 2006</i>
10 INCOME			
Direct government funding LNV	26,521	25,500	24,416
Tuition, course and examination fees	6,346	6,600	6,287
Income from work for third parties	9,780	7,200	12,374
Other income	3,523	2,900	6,226
Total income	46,170	42,200	49,303
EXPENDITURE			
11 Personnel costs	29,000	25,800	25,998
12 General costs	10,746	12,800	12,268
13 Specific costs	5,827	2,600	6,967
Total expenditure	45,573	41,200	45,233
OPERATING RESULT	597	1,000	4,070
14 Financial income and expenditure	-333	-500	-455
NET RESULT	264	500	3,615

Amounts * € 1000

Consolidated cash flow statement

	<i>Result 2007</i>	<i>Budget 2007</i>	<i>Result 2006</i>
OPERATIONAL ACTIVITIES			
Net result	264	500	3,615
Depreciation	2,915	3,700	3,077
	<hr/> 3,179	<hr/> 4,200	<hr/> 6,692
Changes in provisions	-1,862	-3,400	-1,941
Changes in working capital	3,056	300	-2,848
	<hr/> 1,194	<hr/> -3,100	<hr/> -4,789
Cash flow from operational activities	<hr/> 4,373	<hr/> 1,100	<hr/> 1,903
INVESTMENT ACTIVITIES			
Investments in buildings and grounds	-130	0	0
Investments in other tangible assets	-780	-2,300	-2,244
Divestments in fixed assets	0	0	2,137
Cash flow from investment activities	<hr/> -910	<hr/> -2,300	<hr/> -107
FINANCING ACTIVITIES			
Changes in other long-term liabilities	-481	-800	-692
Changes in equalisation account	-489	-500	-489
Cash flow from financing activities	<hr/> -970	<hr/> -1,300	<hr/> -1,1181
CASH FLOW	<hr/> 2,493	<hr/> -2,500	<hr/> 615
CHANGE IN LIQUID ASSETS			
Balance of liquid assets on 1 January	9,018	7,200	8,403
Balance of liquid assets on 31 December	11,511	4,700	9,018
Change in liquid assets	<hr/> 2,493	<hr/> -2,500	<hr/> 615

Principles of valuation

• General

These are the annual accounts of the Van Hall Larenstein Foundation. The accounts were prepared in accordance with the principles of valuation listed below. In cases where there was a deviation from these principles of valuation, this is indicated. The figures presented about previous years are in accordance with the figures from annual accounts from the corresponding year. Deviations can occur due to corrections and/or mutual shifts. In situations where this is the case and is relevant, this is indicated.

• General accounting policies for preparing the annual accounts

The annual accounts are prepared based on historic costs. Unless stated otherwise, assets and liabilities are included in the accounts at their nominal value.

Monetary assets and liabilities in foreign currency are converted at the exchange rate on the balance sheet date. Exchange rate differences are explained in the profit and loss account. In the profit and loss account, revenues and costs in foreign currency are processed according to the exchange rate in force at the time of settlement.

The basic principle for preparing the annual accounts are the requirements from the Ministry of Education, Culture and Science Annual Report Guidelines *OCenW-Richtlijn Jaarverslaggeving*; in cases where these guidelines do not apply, the *Richtlijnen voor de Jaarverslaggeving* are used.

• Accounting policies for the valuation of assets and liabilities

Tangible fixed assets

The tangible fixed assets are valued according to the purchase or manufacturing cost, reduced by the cumulative depreciation. Depreciation takes place linearly based on the estimated useful life and the residual value. In the year of purchase, depreciation takes place proportionally.

Tangible fixed assets under construction or on order are valued according to the manufacturing price or the amounts that have already been invoiced to the corporation by third parties. Investments less than € 2,500 are charged immediately to the profit and loss account.

The depreciation for the various groups of objects is shown below:

<i>Component</i>	<i>Depreciation</i>
Corporate estates / Work in progress	0 %
Estate development and infrastructure	33 years linear
Corporate buildings	33 years linear
Permanent furnishings/fittings of corporate buildings	15 years linear
Greenhouses, sheds, various structures/buildings:	15 years linear
– Automation apparatus (including programming) and other machinery and equipment:	
– Office furniture / machines and tools / machinery and equipment for foodservice facilities / glass fibre network / other machinery and equipment	10 years linear
– Office furniture purchased before 1/1/2006	5 years linear
– Laboratory apparatus / audiovisual apparatus / vehicles / public relations and communication material	5 years linear
– Automation apparatus, including programming (hardware for networks)	5 years linear
– Automation apparatus, including programming (other hardware)	3 years linear

The third funding source is an exception to the above:

<i>Component</i>	<i>Depreciation</i>
All investments except grounds :	100% in the year of acquisition
Machinery and equipment:	100% in the year of acquisition

Write offs due to sustained decline in value, sales, loss or discontinuation are reported separately.

Stock

This item comprises the trading stock, finished product, livestock and the stock of harvested agricultural products. The trading stock and finished product are valued according to the FIFO method according to the purchase or replacement costs, including a supplement for indirect costs. There is no valuation of livestock and stocks of harvested agricultural products. In case of un-marketability or lower market value, the stock is devalued accordingly.

Work in progress

The valuation of work in progress on behalf of third parties takes place according to the costs of direct material use and labour, including a supplement for indirect costs. Declared payments and anticipated losses on projects are charged against this balance. Allocation of the result takes place proportionally according to the progress (degree of realised costs) of a project.

The stock of semi-finished goods is valued according to the First In First Out (FIFO) method according to the purchase or replacement costs, including a supplement for indirect costs.

Receivables and accrued income

Receivables are valued at nominal value, reduced if necessary by an uncollectible debt provision.

Equity capital

– General reserve

This reserve is changed for the operating result of a year for which there are no designated allocations.

Equalisation account for investment subsidies

The equalisation account for investment subsidies is valued at nominal value, reduced by the amounts released. The account contains the subsidies received from the government to fund investments in equipment. The subsidy is released in proportion to the depreciation on the relevant equipment, and the released amounts are subtracted from the depreciation expenditure on the operating statement.

Provisions

The provisions are valued according to nominal value. The amount of the provision is the best estimate on the balance sheet date of the amount that will be required to settle the corresponding obligations and losses.

Provisions are made for:

- legally enforceable or actual obligations that exist on the balance sheet date;
- situations where it is probable that the settlement of the obligations will require an outflow of funds; and
- situations where a reliable estimate can be made of the magnitude of the obligations.

Provision for Unemployment Insurance Act obligations

The provision for Unemployment Insurance Act obligations has been made to cover unemployment insurance obligations existing on the balance sheet date and for the expected future expenditure in connection with staff who have already left employment and staff with a temporary employment contract.

Provision for reorganisation costs

This provision is intended to cover expected costs based on decisions made and announced within the organisation related to ongoing and proposed reorganisations.

Provision for maintenance

The strategic maintenance plan is the basis for the provision.

Provisions for students

This concerns the Graduation Fund for students who incur a study delay due to executive activities.

Other provisions

The other provisions concern obligations that apply to schools of higher professional education (*HBOs*) in accordance with the charter of the *Stichting Waarborgfonds HBO* in Den Haag, pursuant to Section 2.15 of the Higher Education and Research Act. In compliance with legislation, the amount of the provision is set at 1% of the normative government operational funding from 1993. The obligation on account of the *Commissie Rekenschap* is also included below.

Long-term liabilities

Long-term liabilities exist when the term of debt is longer than one year after the end of the year covered by the annual accounts.

Short-term liabilities

Short-term liabilities exist when the term of debt is shorter than one year after the end of the year covered by the annual accounts.

• Accounting policies for determining income and expenditure

General

Revenues and costs are accounted for as the income and expenditure that can be allocated to the current annual account or activity, regardless of whether or not they are actually received and spent in the corresponding year.

Revenues are accounted for in the year in which the goods are delivered and/or services provided to clients. Losses and risks that originate from before the end of the fiscal year are taken into account if they are known before the annual accounts are prepared.

Direct government funding and other payments

Direct government funding is posted to revenue in the year it is received. Other payments are credited to the result in the year in which the project is implemented and the costs are incurred.

Tuition and course fees

The tuition fees are the statutory tuition fees allocated to the year under review.

Course fees include the institutional tuition fees received and the payments for postgraduate courses.

Income from work for third parties

The revenues from contract activities for work on behalf of third parties are posted to income. The revenues are calculated based on direct costs including a supplement for indirect costs, up to the maximum rate to be paid by the party providing the funding. Results are included in proportion to the progress of the project.

- **Accounting policies for preparing the cash flow statement**

The indirect method is used for preparing the cash flow statement.

Amounts * € 1000

Explanation of the balance sheet

1 TANGIBLE FIXED ASSETS

	Corporate estates	Corporate buildings	Autom. app. and progr. and other mach. and equip.	Total
Book value 31-12-2006	3,945	26,729	3,899	34,573
Investments	0	130	780	910
Depreciation	0	1,680	1,235	2,915
Book value 31-12-2007	3,945	25,179	3,444	32,568
Purchase value 31-12-2006	3,945	44,111	20,342	68,398
Purchases 2007	0	130	780	910
Purchase value 31-12-2007	3,945	44,241	21,122	69,308
Cumulative depreciation	0	19,062	17,678	36,740
Book value 31-12-2007	3,945	25,179	3,444	32,568

2 STOCK

	31-12-2007	31-12-2006
STOCK		
Trading stock	75	72
SUBTOTAL STOCK	75	72
WORK IN PROGRESS		
Costs of activities conducted on behalf of third parties	17,136	14,782
Less: Declared payments	16,502	14,200
Subtotal	634	582
Less: Expected losses	-634	-582
Subtotal work in progress	0	0
TOTAL STOCK	75	72

In 2007, the income from activities conducted on behalf of third parties totalled € 17.1 million. The result is allocated according to the 'percentage of completion' method. The standard is the percentage of realisation of the projected costs. Losses on projects are immediately accounted for.

The balance assignments from third parties comprises projects with a negative balance (where the value of the declared payments exceeds the value of the completed work).

Amounts * € 1000

3 RECEIVABLES AND ACCRUED INCOME

	31-12-2007	31-12-2006
Accounts receivable	1,773	2,688
Accounts receivable group companies (elimination statement)	161	249
Less: Provision for possible uncollectible receivables	-172	-405
Total accounts receivable	1,762	2,532
Accrued income	192	59
Other	2,960	3,051
Total advances and accrued income	3,152	3,110
Total receivables and accrued income	4,914	5,642

Of the receivables, € 285 is older than 1 year.

4 LIQUID ASSETS

	31-12-2007	31-12-2006
Cash in hand	11	8
Current account bank (including cross booking)	5,988	9,010
Deposits	5,512	0
Total liquid assets	11,511	9,018

The liquid assets of the unit comprise cash and bank accounts.

5 EQUITY CAPITAL

	<i>General reserve</i>	<i>Total</i>
Balance on 31-12-2006	1,334	1,334
Allocation from the result	264	264
Balance on 31-12-2007	1,598	1,598

The profit (surplus) for the year under review has been allocated entirely to the general reserve.

Amounts * € 1000

6 EQUALISATION ACCOUNT FOR INVESTMENT SUBSIDIES

	<i>Balance on 31-12-2006</i>	<i>Addition / withdrawal</i>	<i>Balance on 31-12-2007</i>
Equalisation account for investment subsidies	8,762	-489	8,273
Total equalisation account for investment subsidies	8,762	-489	8,273

Under the Equalisation Account for Investment Subsidies, the subsidies from third parties for investments have been shown as a liability. The subsidy is released in proportion to the depreciation of the relevant asset and is subtracted from the depreciation.

7 PROVISIONS

	<i>Balance on 31-12-2006</i>	<i>Transfer</i>	<i>Withdrawal</i>	<i>Release</i>	<i>Balance on 31-12-2007</i>
Unemployment insurance obligations	2,747	1,154	221	0	3,680
Reorganisation costs	2,902	30	730	0	2,202
Major repairs	2,043	0	291	252	1,500
Student provisions	83	50	71	0	62
Other provisions	4,363	0	1,531	0	2,832
Total provisions	12,138	1,234	2,844	252	10,276

	<i>31-12-2007</i>	<i>31-12-2006</i>
Specification of the term of the provisions		
Short term (ending within 1 year)	3,145	2,700
Long term (ending between 1 and 5 years)	6,566	7,263
Long term (ending after 5 years)	565	2,175
Total provisions	10,276	12,138

The provision for Unemployment Insurance Act obligations has been made to cover unemployment insurance obligations existing on the balance sheet date and for the expected future expenditures in connection with staff who have already left employment and staff with a temporary employment contract. A transfer in the amount of € 1,195 was charged to the 2007 accounts, and the withdrawal during 2007 was € 255.

8 LONG-TERM LIABILITIES

	<i>Balance on 31-12-2006</i>	<i>Decreased liability</i>	<i>Balance on 31-12-2007</i>
Other long-term liabilities	11,536	481	11,055
Total long-term liabilities	11,536	481	11,055

The interest percentages lie between 3.05% and 6.28%.

Amounts * € 1000

For the loans as well as the current account credit at the Friesland Bank, the rights and receivables for the government funding for the accommodation of Van Hall Institute through 2024 were pledged and a loan guarantee (surety) was provided by the Stichting Waarborgfonds HBO in The Hague. The surety from the *Stichting Waarborgfonds HBO* in The Hague to benefit this foundation is a positive/negative mortgage statement given with respect to the loans from the Bank Nederlandse Gemeenten.

9 SHORT-TERM LIABILITIES

	31-12-2007	31-12-2006
Advance payments from third parties	2,058	2,190
Debts owed to suppliers	1,571	1,516
Debts owed to suppliers group companies (elimination statement)	550	250
Taxes to be paid	972	777
Research for LNV that is yet to be completed	4,450	2,417
Accrued and deferred liabilities	4,644	4,737
Other	3,621	3,648
Total short-term liabilities	17,866	15,535

Amounts * € 1000

Obligations and rights not included on the balance sheet

Multiyear financial obligations:

On behalf of the *Stichting Waarborgfonds HBO* in The Hague, the bankers have provided guarantees totalling the balance of the provision in the amount of € 279.

• Explanation of the profit and loss statement

10 INCOME

	<i>Result 2007</i>	<i>Result 2006</i>
DIRECT GOVERNMENT FUNDING		
Direct government funding from LNV	25,392	23,526
Other payments	1,129	890
TOTAL DIRECT GOVERNMENT FUNDING	26,521	24,416
TUITION AND COURSE FEES		
Tuition and examination fees	6,346	6,287
TOTAL TUITION AND COURSE FEES	6,346	6,287
INCOME FROM WORK FOR THIRD PARTIES		
Revenues from work for third parties	9,728	11,792
Change in work in progress	52	582
TOTAL INCOME FROM WORK FOR THIRD PARTIES	9,780	12,374
OTHER INCOME		
Rental income	1,676	1,537
Other income	1,847	4,689
TOTAL OTHER INCOME	3,523	6,226
TOTAL INCOME	46,170	49,303

In 2006 the item income from work for third parties included a recoup item from 2005. For the same reason, the specified costs were also significantly higher in 2006.

The other income item from 2006 includes a profit on the sale of buildings in the amount of € 3,283.

The other income item in 2007 includes € 282 of revenues from Repro, € 121 of revenues from photocopying, € 154 profit sharing Agrojobs and a € 138 settlement from Stichting HAO.

Amounts * € 1000

EXPENDITURE

11 PERSONNEL COSTS

	<i>Result 2007</i>	<i>Result 2006</i>
Costs of permanent staff	23,986	24,019
Temp workers and hired personnel	2,635	1,578
Other personnel costs	1,225	480
Transfer to provision for unemployment insurance obligations	1,154	-79
Total personnel costs	29,000	25,998

The number of FTE decreased by one to a total of 407. The value of unused leave is € 0.4 million and was included as a debt to the staff on the balance sheet. The change in the value of unused leave during the 2007 was € 0.1 million (in 2006 € 0.1 million was released) and was included in the result. The personnel costs include € 2.8 million for social security (in 2006 this was € 2.7 million) and pension contributions of € 1.4 million (in 2006 this was € 1.5 million).

12 GENERAL COSTS

	<i>Result 2007</i>	<i>Result 2006</i>
Accommodation costs	2,481	2,339
Depreciation of tangible and intangible fixed assets	2,915	3,077
Other equipment costs	100	122
Other general expenses	5,312	6,602
Transfer to provisions		
Reorganisation costs	30	78
Major repairs	-252	0
Student provisions	50	50
Total transfers to general provisions	-172	128
Subtotal general costs	10,636	12,268
Concern funding	110	0
Total general costs	10,746	12,268

The item other general costs includes office expenses, travel and lodging expenses, representation expenses, automation expenses, public relations activities and the costs of catering.

The accommodation costs increased due to a rise in rental costs in the amount of € 300. The decline in the other general costs comprises € 300 for advisory costs, € 200 in the material costs of study programmes, € 200 for the reception of international students and € 100 for business travel.

Amounts * € 1000

13 SPECIFIC COSTS

	<i>Result 2007</i>	<i>Result 2006</i>
Specific costs	3,137	4,743
Services by third parties	2,690	2,224
Total specific costs	5,827	6,967

14 FINANCIAL INCOME AND EXPENDITURE

	<i>Result 2007</i>	<i>Result 2006</i>
Financial income	286	140
Financial expenditure	-619	-595
Total financial income and expenditure	-333	-455

The financial income and expenditure concerns interest paid and received on the bank accounts and credits held during the year under review.

Amounts * € 1000

NON-CONSOLIDATED BALANCE SHEET

After allocation of the net result

ASSETS	31-12-2007	31-12-2006
FIXED ASSETS		
Tangible fixed assets	27,148	28,838
Financial fixed assets	4,125	4,408
Total fixed assets	31,273	33,246
CURRENT ASSETS		
STOCK	75	283
Receivables and accrued income	5,550	5,024
Liquid assets	9,484	8,025
Total current assets	15,109	13,332
TOTAL ASSETS	46,382	46,578
LIABILITIES		
EQUITY CAPITAL		
Other reserves	82	1,584
EQUITY CAPITAL	82	1,584
GROUP EQUITY CAPITAL	82	1,584
EQUALISATION ACCOUNT FOR EQUIPMENT SUBSIDIES	8,273	8,762
PROVISIONS	10,287	10,863
LONG-TERM LIABILITIES	11,055	11,536
SHORT-TERM LIABILITIES	16,685	13,833
TOTAL LIABILITIES	46,382	46,578

Amounts * € 1000

NON-CONSOLIDATED PROFIT AND LOSS STATEMENT

	<i>Result 2007</i>	<i>Result 2006</i>
INCOME		
Direct government funding LNV	26,521	24,416
Tuition, course and examination fees	6,346	6,287
Income from work for third parties	3,919	1,835
Other income	5,623	9,180
Total income	42,409	41,718
EXPENDITURE		
Personnel costs	27,844	24,607
General costs	12,802	13,170
Specific costs	3,036	322
Total expenses	43,682	38,099
OPERATING RESULT	-1,273	3,619
Financial income and expenditure	-229	-315
NET RESULT	-1,502	3,304

2.2.2 Other data

• **Events after the balance sheet date**

There were no events to be reported after the balance sheet date.

- **Auditor's report**

To: College van Bestuur en de Raad van Toezicht van Stichting Van Hall Larenstein

Report on the consolidated financial statements

We have audited the accompanying financial statements 2007, which are part of the financial statements of Stichting Van Hall Larenstein, in Leeuwarden which comprise the consolidated and company balance sheet as at 31 December 2007, the consolidated and company profit and loss account for the year then ended and the notes.

The management's responsibility

The management of the institution is responsible for the preparation and fair presentation of the consolidated financial statements and for the preparation of the management report, both in accordance with 'Richtlijn jaarverslaggeving hoger onderwijs en wetenschappelijk onderzoek', most recently amended on 18 October 2005 (CFI/EFA-2005/130785).

Also the management of the institution is responsible for the financial rightfulness of the income, expenses, and balance transactions included in the financial statements. This implies that these amounts should be in accordance with the provisions in the applicable rules and regulations.

This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error, and for the compliance with applicable rules and regulations, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on the financial statements based on our audit, based on section 2.9, paragraph 3 of the 'Wet op het hoger onderwijs en wetenschappelijk onderzoek'. We conducted our audit in accordance with Dutch law and the 'Controleprotocol OCW 2007'. This law requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the institution's preparation and fair presentation of the financial statements and relevant to the compliance with applicable rules and regulations 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 institution'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 financial statements give a true and fair view of the financial position of Stichting Van Hall Larenstein as at 31 December 2007, and of its result for the year then ended in accordance with 'Richtlijn jaarverslaggeving hoger onderwijs en wetenschappelijk onderzoek', most recently amended on 18 October 2005 (CFI/EFA-2005/130785).

Furthermore we are of the opinion that the income, expenses, and balance transactions included in the financial statements 2007 comply with the requirements of financial rightfulness. This implies that the amounts are in accordance with the provisions in the applicable rules and regulations, as stated in the 'Controleprotocol OCW 2007'.

Report on other legal and regulatory requirements

In addition, we report, to the extent of our competence, that the management report is consistent with the financial statements as required by article 34, paragraph 5 of the 'Richtlijn jaarverslaggeving hoger onderwijs en wetenschappelijk onderzoek', most recently amended on 18 October 2005 (CFI/EFA-2005/130785).

Utrecht, 13 May 2008
PricewaterhouseCoopers Accountants N.V.

drs. J.W. Stoker RA

2.2.3 Appendixes

• Appendix 1 Level of staffing

	<u>2007</u>
Scientific staff	
Lector	3.0
Lecturer	220.1
Assistant	12.0
Total scientific staff	<u>235.1</u>
Support staff	
Scale 13 and higher	13.6
Scale 9 - 12	59.5
Lower than scale 9	98.5
Total support administrative staff	<u>171.6</u>
Total staffing level	<u>406.7</u>

• **Appendix 2 Work on behalf of third parties according to type of financier and type of turnover**

	<u>2007</u>
DGIS/Nuffic	3,377
EU	274
National government	166
Other government	2,529
Businesses	3,270
Other private parties	112
	<hr/>
Total turnover	9,728
In the Netherlands:	
Contract research	2,959
Second flow of funds	3,964
In or with developing countries:	
Contract research/education	377
Scholarships	2,428
	<hr/>
	9,728

2.3 Financial report of the DLO Foundation

• Financial developments

In 2007, the DLO Foundation achieved a positive net result of € 25.4 million. Compared to the net result of 2006 (€ 13 million), this is an improvement of € 12.4 million. This positive development is primarily due to higher productivity and the reduced discrepancy between the acquired and available capacity resulting from the restructuring plan Focus 2006.

The result of DLO Foundation can be broken down into components as follows:

– Institutes	7.1 million
– Internal margin for capital costs	6.7 million
– Executive Board / Staff departments / Facilities and Services:	
incidental	6.0 million
operational	5.6 million
– Total result DLO Foundation	25.4 million

The result for 2007 contains a number of incidental components, with a total positive effect of € 6.0 million. The most important of these incidental components are:

- Release of the Focus 2006 provision and other provisions € 3.3 million positive;
- Devaluation as a result of the demolition of the Naaldwijk facility € 2.7 million negative;
- Book profits due to the sale of assets (in Boskoop, Naaldwijk, Aalsmeer, Deinum, Lelystad and Wageningen) of € 4.5 million;
- Loss on the sale of real estate Bornsesteeg € 0.3 million negative;
- Other incidental items € 1.2 million positive.

The turnover for 2007 was € 341.2 million. The largest client of the DLO Foundation is the Ministry of Agriculture, Nature and Food Quality (LNV), with approximately 52% of the total research turnover.

At the end of 2007, the solvency ratio improved to 43% due to the positive net result for 2007. In 2006 the solvency was still 37%.

At the end of 2007, the liquid assets declined by € 20.4 million compared to 2006. This decline is primarily the result of the extra activities to reduce the magnitude of the research still to be conducted on behalf of the Ministry LNV. The item research still to be conducted declined by € 24.4 million. This decline has two causes: the decline in the item LNV research still to be conducted and the limitation of advance financing from LNV with € 9.2 million.

• Changes and expansion of activities

In 2007 a number of changes took place in the group:

- The equity participation in Calendula Oil BV fell from 70% to 56% as a result of dilution;
- The equity participation in Solar Dew BV and VOF Letsgrow.com was sold in 2007.

• Focus 2006

The staff reduction objective (Wageningen University and DLO) from Focus 2006 of 758 FTE was more than realised with an actual reduction during the reorganisation period of 896 FTE. The related reduction in personnel costs also met the objectives of the reorganisation. The objectives for reducing material costs, including purchasing benefits, infrastructure and Facilities Management ID-Lelystad and material costs for ICT, were also realised. The total reduction objective of Focus 2006, comprising personnel costs and material costs, was € 60.4 million. In March 2007, the total realisation (€ 54.2 million in personnel costs and € 15.0 million in material costs) was € 69.2 million. It can therefore be concluded that the objectives of Focus 2006, as formulated in 2004, have now been realised.

The reduction in personnel should lead to a healthy balance between revenues and expenditure for the DLO. In 2006 and 2007, the net result of DLO increased strongly compared to previous years. The result in 2007 was € 25 million positive, while in 2004 the result was € 26 million negative. This improvement in the operations is structural in nature and has resulted in a healthy balance between expenditure in revenues for the DLO.

- **Early Warning System (EWS)**

In 2005, the Early Warning System (EWS) was implemented. This system provides monthly management information to the Executive Board about operational management (development of turnover and result, productivity, liquidity development, etc.). Based on these reports, the health of Wageningen UR is monitored very closely. These monthly reports allow timely managerial measures to be taken where this is necessary.

- **Prognoses 2008**

A net result of € 13.6 million has been budgeted for the DLO Foundation. The result from normal operations (= net result minus incidental result Executive Board) is estimated at € 9.1 million. Consequently, the objective of the Strategic Plan – an increase in the result from normal operations to a structural minimum of € 10 million – will be almost achieved in 2008. Due to the positive result, solvency has increased to 43%, and based on the budgeted result, will continue to increase to 47% (the objective in the Strategic Plan 2007-2010 is 45%).

- **Investments**

In 2008 € 73.8 million will be invested in buildings and grounds. The most important projects are the Strategic Plan for New Construction for the Plant Sciences Group in Wageningen and the new construction for Rikilt/VWA. For the financing, a current account credit of € 1.0 million must be used at the end of the year including the service provision plan).

Amounts * € 1000

2.3.1 Annual accounts

Balance sheet

After allocation of the net result

ASSETS	31-12-2007	31-12-2006
FIXED ASSETS		
Intangible fixed assets	0	119
Tangible fixed assets	315,613	309,522
Financial fixed assets	86,035	93,269
Total fixed assets	401,648	402,910
CURRENT ASSETS		
Stock	30,501	29,086
Receivables and accrued income	48,090	50,789
Liquid assets	55,882	76,320
Total current assets	134,473	156,195
TOTAL ASSETS	536,121	559,105
LIABILITIES		
EQUITY CAPITAL		
Statutory reserve	0	119
Other reserves	232,897	207,361
EQUITY CAPITAL	232,897	207,480
SHARE OF THIRD PARTIES	54	-30
GROUP EQUITY CAPITAL	232,951	207,450
PROVISIONS	49,235	58,262
LONG-TERM LIABILITIES	153,599	160,966
SHORT-TERM LIABILITIES	100,336	132,427
TOTAL LIABILITIES	536,121	559,105

Amounts * € 1000

Profit and loss account

	Result 2007	Result 2006
INCOME	341,180	316,230
EXPENDITURE		
Personnel costs	174,904	176,830
General costs	75,476	70,751
Specific costs	62,197	57,416
TOTAL EXPENDITURE	312,577	304,997
Other income and expenditure		0
OPERATING RESULT	28,603	11,233
Financial income and expenditure	-2,553	-2,884
RESULT FROM ORDINARY ACTIVITIES BEFORE TAXES	26,050	8,349
Taxes from ordinary activities	691	-207
Result from participating interests	-1,510	4,812
RESULT FROM ORDINARY ACTIVITIES AFTER TAXES	25,231	12,954
Share of third parties	186	35
Extraordinary income and expenditure	0	0
NET RESULT	25,417	12,989

Amounts * € 1000

Cash flow statement

	Result 2007	Result 2006
OPERATIONAL ACTIVITIES		
Net result	25,417	12,989
Depreciation and exceptional write-downs	23,664	17,979
	49,081	30,968
Changes in provisions	-9,027	-9,243
Changes in working capital	-30,807	13,231
Result from non-consolidated participating interests	1,510	-894
	-38,324	3,094
Cash flow from operational activities	10,757	34,062
INVESTMENT ACTIVITIES		
Investments in intangible assets	0	0
Investments in buildings and grounds	-19,554	-51,975
Investments in other tangible assets	-24,592	-5,540
Investments in participating interests and members' capital contributions	1,779	-368
Divestments in fixed assets	14,510	6,311
Cash flow from investment activities	-27,857	-51,572
FINANCING ACTIVITIES		
Change in long-term receivable from Ministry LNV	3,945	3,896
Change in long-term debt to Ministry LNV	-3,944	-3,944
Changes in other long-term liabilities	-3,117	27,494
Decline in lease obligations	-306	-620
Changes in equity capital	0	0
Changes in share of third parties	84	1,315
Cash flow from financing activities	-3,338	28,141
CASH FLOW	-20,438	10,631
Balance of liquid assets on 1 January	76,320	65,689
Balance of liquid assets on 31 December	55,882	76,320
Change in liquid assets	-20,438	10,631

Principles of valuation

• General

The credit and debt relations between the various group components (transfer pricing) have been eliminated. The figures presented above previous years are in accordance with the figures from annual accounts from the corresponding year. Deviations could be the result of corrections and/or mutual shifts and a different method of rounding off. In situations where this is the case and is relevant, this is stated.

• General accounting policies for preparing the annual accounts

The DLO Foundation is part of a group that includes DLO Holding BV and various smaller subsidiaries. Staff are employed by the DLO Foundation. The real estate, which is used by the operating entities based on user agreements, is owned by the DLO Foundation. Staff are employed at the various operating entities by passing on the actual employment costs to these entities.

The annual accounts are prepared based on historic costs. Unless stated otherwise, assets and liabilities are included in the accounts at their nominal value.

Monetary assets and liabilities in foreign currency are converted at the exchange rate on the balance sheet date. Exchange rate differences are explained in the profit and loss account. In the profit and loss account, revenues and costs in foreign currency are processed according to the exchange rate in force at the time of settlement.

The basic principles for preparing the annual accounts are derived from the provisions in the Civil Code, Book 2 Title 9 and the guidelines of the *Raad voor de Jaarverslaggeving*.

• Accounting policies for the valuation of assets and liabilities

Intangible fixed assets

Development costs, patents and licences, software, goodwill and production rights are not shown as assets unless these are purchased from third parties and/or the manufacturing costs can be reliably ascertained. Moreover, the intangible fixed asset must be able to generate future economic advantages. Valuation takes place according to the purchase or manufacturing cost. Depreciation takes place proportionally to the realisation of the expected revenues in 5 years. If the realisation of the revenues cannot be ascertained reliably, the linear method is used. In compliance with legal obligations, a statutory reserve is maintained for the amount shown as assets. Write offs due to sustained decline in value, sales, loss or discontinuation are reported separately.

Tangible fixed assets

The tangible fixed assets are valued according to the purchase or manufacturing cost, reduced by the cumulative depreciation. Depreciation takes place linearly based on the estimated useful life and the residual value. In the year of purchase, depreciation takes place proportionally. Tangible fixed assets under construction or on order are valued according to the manufacturing price or the amounts that have already been invoiced to the corporation by third parties. Investments less than € 2,500 are charged immediately to the profit and loss account.

The depreciation for the various groups of objects is shown below:

<i>Component</i>	<i>Depreciation</i>
Corporate estates / Work in progress	0%
Estate development and infrastructure	40 years linear
Corporate buildings	40 years linear
Permanent furnishings/fittings of corporate buildings	15 years linear
Greenhouses	15 years linear
Machinery and equipment:	
– Office furniture / machines and tools / machinery and equipment for foodservice facilities / glass fibre network / other machinery and equipment	10 years linear
– Office furniture purchased before 1-1-2005	5 years linear
– Laboratory apparatus / audiovisual apparatus / vehicles / public relations and communication material	5 years linear
– Automation apparatus, including programming (hardware for networks)	5 years linear
– Automation apparatus, including programming (other hardware)	3 years linear

An exception to the above is formed by buildings and apparatus that, in accordance with the requirements of the financier, are depreciated in one step. For these fixed assets, 100% of the costs are processed in the year of purchase.

Write offs due to sustained decline in value, sales, loss or discontinuation are reported separately.

Financial fixed assets

Participating interests and members' capital contributions, where significant influence is exerted on the business and financial policy, are valued according to the net asset value. This value is calculated based on the same accounting policies used by the group when establishing value and determining the result.

Participating interests and members' capital contributions, where significant influence is exerted on the business and financial policy, are valued according to the purchase price. This valuation takes account of sustained declines in value.

Stock

This item comprises the trading stock, finished product, livestock and the stock of harvested agricultural products. The trading stock and finished product are valued according to the First In First Out (FIFO) method according to the purchase or replacement costs, including a supplement for indirect costs. The valuation of livestock and the stock of harvested agricultural products is based on market prices. In case of un-marketability or lower market value, the stock is devalued accordingly. Stocks of antisera are devalued by assuming five times the average turnover during the past 10 years.

Work in progress

The valuation of work in progress on behalf of third parties takes place according to the costs of direct material use and labour, including a supplement for indirect costs. Declared payments and anticipated losses on projects are charged against this balance. Allocation of the result takes place proportionally according to the progress (degree of realised costs) of a project.

The stock of semi-finished goods is valued according to the First In First Out (FIFO) method according to the purchase or replacement costs, including a supplement for indirect costs.

Receivables and accrued income

Receivables are valued at nominal value, reduced if necessary by an uncollectible debt provision.

Securities

The securities are valued at acquisition cost (FIFO method) or lower market value.

Equity capital

- Issued capital
The nominal value of the issued and paid-up shares is included here.
- Statutory reserve
For the activated amount on the balance sheet concerning costs related to research and development, there is an obligation to maintain a statutory reserve.
- General reserve
This reserve is changed for the operating result of a year for which there are no designated allocations.

Share of third parties

The interest of third parties in an equity participation that is fully consolidated by the group is included under the item 'Share of third parties' in the annual accounts.

Provisions

The provisions are valued according to nominal value. The amount of the provision is the best estimate of the amount that will be required to settle the corresponding obligations and losses on the balance sheet date.

Provisions are made for:

- legally enforceable or actual obligations that exist on the balance sheet date;
- situations where it is probable that the settlement of the obligations will require an outflow of funds;
- situations where a reliable estimate can be made of the magnitude of the obligations.

Provision for Unemployment Insurance Act obligations

The provision for Unemployment Insurance Act obligations has been made to cover unemployment insurance obligations existing on the balance sheet date and for the expected future expenditures in connection with staff who have already left employment and staff with a temporary employment contract.

Provision for the Invalidity Insurance Act

The provision for obligations related to invalidity insurance is made to cover the expected invalidity insurance obligations on the balance sheet date.

Other staff provisions - jubilee bonuses

The expected obligation for future jubilee bonuses is based on historical data, the transfers are based on realisation.

Other staff provisions - pensions

Pension insurance is provided by the Algemeen Burgerlijk Pensioenfonds (ABP). The arrangement is a committed pension scheme, whereby future developments in premiums and investment results must be taken into account. The obligation is accounted for as a committed contribution based on RvJ 271.310. For a committed contribution scheme, besides the payment of premiums, there are no further obligations on account of the pension scheme. The premiums are accounted for as personnel costs as they are incurred. Prepaid premiums are accounted for as accrued income to the extent that they are reimbursed by the pension fund or are credited to future premiums owed.

Provision for reorganisation costs

This provision is intended to cover expected costs based on decisions made and announced within the organisation related to ongoing and proposed reorganisations.

Provision for product and contract risks

This provision covers loss-making contracts, guarantees and claims emerging from services and products supplied to third parties.

Provision for major repairs

The provision for major repairs is made to cover and evenly distribute the costs of major repairs of corporate estates and buildings.

Long-term liabilities

Long-term liabilities exist when the term of debt is longer than one year after the end of the year covered by the annual accounts.

Short-term liabilities

Short-term liabilities exist when the term of debt is shorter than one year after the end of the year covered by the annual accounts.

• Accounting policies for determining income and expenditure**General**

Revenues and costs are accounted for as the income and expenditure that can be allocated to the current annual account or activity, regardless of whether or not they are actually received and spent in the corresponding year.

Revenues are accounted for in the year in which the goods are delivered and/or services provided to clients. Losses and risks that originate from before the end of the fiscal year are taken into account if they are known before the annual accounts are prepared.

The item 'contract research and programme research LNV' accounts for the revenues from contract activities. The revenues are calculated based on direct costs including a supplement for indirect costs, up to the maximum rate to be paid by the party providing the funding. Results are included in proportion to the progress of the project.

Amounts * € 1000

• **Consolidated accounts**

The annual accounts of the limited corporations (BVs) listed below have been integrally consolidated.

	<i>Registered Office</i>	<i>% at end of 2006</i>	<i>Change</i>	<i>% at end of 2007</i>
Agri New ventures BV	Wageningen	100%	–	100%
Agrotechnology & Food Innovations BV	Wageningen	100%	–	100%
Alterra BV	Wageningen	100%	–	100%
Calendula Oil BV	Wageningen	70%	–14%	56%
DLO Holding BV	Wageningen	100%	–	100%
Exploitiemaatschappij Windmolenparken Lelystad BV	Wageningen	100%	–	100%
ID-Lelystad BV	Wageningen	100%	–	100%
Landbouw-Economisch Instituut (LEI) BV	Wageningen	100%	–	100%
Plant Research International BV	Wageningen	100%	–	100%
Research Institute for Animal Husbandry BV	Wageningen	100%	–	100%
PPO BV	Wageningen	100%	–	100%
PPO Beheer BV	Wageningen	100%	–	100%
Wageningen IMARES BV	Wageningen	100%	–	100%
Wageningen Business Generator BV	Wageningen	100%	–	100%
Wageningen Software Labs BV	Wageningen	100%	–	100%
Windmolenpark Neushoorntocht BV – nav	Wageningen	100%	–	100%
Windmolenpark Mammooethocht BV – nav	Wageningen	100%	–	100%

Participating interests are valued according to acquisition cost or net asset value (nav)

	<i>Registered Office</i>	<i>% at end of 2006</i>	<i>Change</i>	<i>% at end of 2007</i>
Bfactory BV – acquisition cost	Wageningen	17%	–	17%
Isolate BV – acquisition cost	Wageningen	5%	–	5%
Lactase BV – acquisition cost	Lelystad	10%	–	10%
Prionics AG –acquisition cost	Zurich (Switzerland)	2%	–	2%
Solar Dew BV – acquisition cost	Wageningen	5%	–5%	0%
Telemetry Biometry BV – acquisition cost	Heteren	4%	–	4%
CoVaccine BV - nav	Lelystad	25%	–	25%
Fresh Forward Holding BV – nav	Wageningen	49%	–	49%
Knowhouse BV – nav	Horst	35%	–	35%
Nsure Holding BV –nav	Wageningen	44%	–	44%
Oostwaardhoeve Beheer BV – nav	Wageningen	50%	–	50%
Pepscan Systems BV – nav	Lelystad	35%	–	35%
VOF Letsgrow.com – nav	Vlaardingen	60%	–60%	0%
VOF Oostwaardhoeve – nav	Slootdorp	50%	–	50%

• **System changes**

Not applicable.

Amounts * € 1000

Explanation of the balance sheet

INTANGIBLE FIXED ASSETS

	<i>Development costs</i>	<i>Total</i>
Book value 31-12-2006	119	119
Investments	0	0
Divestments	0	0
Depreciation	119	119
Exceptional write downs	0	0
Book value 31-12-2007	0	0
Purchase value -/- divestments	1,866	1,866
Cumulative depreciation	1,866	1,866
Cumulative write downs	0	0
Book value 31-12-2007	0	0

The item development costs concerns the software package ARTIS, which the LEI shows as an asset worth € 1.9 million. ARTIS is proportionally depreciated over a period of 5 years.

Amounts * € 1000

TANGIBLE FIXED ASSETS

	Corporate estates	Corporate buildings	Permanent furnishings /fittings of corporate buildings	Machinery and equipment	Work in progress	Total
Book value 31-12-2006	105,784	165,830	150	15,986	21,772	309,522
Investments	2,976	16,578	0	7,668	16,924	44,146
Divestments *	5,754	8,425	0	331	0	14,510
Depreciation	0	16,787	12	6,603	0	23,402
Exceptional write downs	0	0	0	143	0	143
Book value 31-12-2007	103,006	157,196	138	16,577	38,696	315,613
Purchase value 31-12-2006	105,784	227,524	738	83,585	21,772	439,403
Purchases 2007	2,976	16,578	0	7,668	16,924	44,146
Purchase value divestments 2007	5,754	19,344	17	3,368	0	28,483
Purchase value 31-12-2007	103,006	224,758	721	87,885	38,696	455,066
Cumulative depreciation	not applicable	61,897	583	71,165	0	133,645
Cumulative write downs	0	5,665	0	143	0	5,808
Book value 31-12-2007	103,006	157,196	138	16,577	38,696	315,613
* Divestments, of which:						
- Purchase price	5,754	19,344	17	3,368	0	28,483
- Depreciation	not applicable	10,919	17	3,037	0	13,973
Total divestments	5,754	8,425	0	331	0	14,510

In 2007, € 32.1 million was allocated to the item work in progress, and € 15.2 million was transferred. Besides a number of smaller projects, the allocation to the item work in progress includes the Strategic Plan for New Construction (€ 15.2 million), the renovation-new construction for RIKILT (€ 3.6 million), De Haaff (€ 4.3 million), Facilities and Services ICT 2nd production location (€ 1.1 million) in Wageningen, expansion of Tuberculine ASG/EHW in Lelystad (€ 1.2 million) and Applied Plant Research Bleiswijk Corporate Building (€ 3.0 million).

Completed projects include the building that houses the Restaurant of the Future (*Restaurant van de Toekomst* - € 1.9 million), the greenhouses at Bleiswijk (€ 6.1 million), the corporate building at Bleiswijk (€ 3.9 million) and the Strategic New Construction *Groene Ruimte* Alterra East-West (€ 2.1 million).

The property of the DLO Foundation is insured for € 425 million (reference date 1-7-2007). The valuation for municipal tax purposes (WOZ) is € 270.3 million (reference date 1-1-2005 with the exception of the real estate in Lelystad, for which the reference date is 1-1-2003).

Amounts * € 1000

FINANCIAL FIXED ASSETS

	31-12-2007	31-12-2006
Participating interests in group companies	2,487	2,735
Other participating interests	6	6
Receivables from group companies	0	0
Receivables from other affiliated parties	817	3,592
Members' capital contributions	1,146	947
Other securities	554	1,019
Receivables from Ministry LNV	81,025	84,970
Total financial fixed assets	86,035	93,269

Itemisation of participating interests in group companies:

<i>Description</i>	<i>Book value 31-12-2006</i>	<i>Investments/ divestments</i>	<i>Other changes</i>	<i>Devaluation</i>	<i>Result 2007</i>	<i>Book value 31-12-2007</i>
Covaccine BV	50	0	0	0	-22	28
Fresh Forward Holding BV	1,169	0	0	0	-203	966
Knowhouse BV	0	0	0	0	0	0
Nsure Holding BV	154	0	9	0	-117	46
Oostwaardhoeve Beheer BV	18	0	0	0	0	18
Pepscan Systems BV	1,078	1,081	60	0	-1,084	1,135
VOF Letsgrow.com	0	0	0	0	0	0
VOF Oostwaardhoeve	266	100	0	0	-72	294
Total	2,735	1,181	69	0	-1,498	2,487

Itemisation of the item other participating interests

<i>Description</i>	<i>Book value 31-12-2006</i>	<i>Investments/ divestments</i>	<i>Other changes</i>	<i>Devaluation</i>	<i>Result 2007</i>	<i>Book value 31-12-2007</i>
Bfactory BV	5	0	0	0	0	5
Isolife BV	1	0	0	0	0	1
Lactive BV	0	0	0	0	0	0
Solar Dew BV	0	0	0	0	0	0
Telemetry Biometry BV	0	0	0	0	0	0
Total	6	0	0	0	0	6

Amounts * € 1000

The receivables from other affiliated parties include the following:

<i>Description</i>	<i>Book value 31-12-2006</i>	<i>Change</i>	<i>Book value 31-12-2007</i>
Fresh Forward BV	1,000	-250	750
Knowhouse BV	67	0	67
Lactive BV	50	-50	0
Telemetronics Biometry BV	0	0	0
Wageningen University	2,475	-2,475	0
Total	3,592	-2,725	817

Different from last year, beginning in 2007 the receivables from Wageningen University are posted to short-term receivables.

The members' capital contributions include the following:

<i>Description</i>	<i>Book value 31-12-2006</i>	<i>Change</i>	<i>Book value 31-12-2007</i>
Avebe	139	-1	138
Agrico	-	1	1
Bloemenveiling Aalsmeer (VBA)	5	0	5
Boskoopse Veiling	0	0	0
Campina	396	46	442
Coberco	21	4	25
Cosun	5	55	60
CSM	11	-2	9
Flora Holland	4	-1	3
Friesland Foods	280	56	336
Fruitmasters	1	0	1
Greenery	14	-4	10
Koelhuis Mastland	3	0	3
Nautilus	0	0	0
Nedato	2	0	2
Noliko	7	0	7
Potatopol	1	0	1
Windunie	58	46	104
Rounding off	0	-1	-1
Total	947	199	1,146

Amounts * € 1000

Itemisation of other securities

<i>Description</i>	<i>Book value 31-12-2006</i>	<i>Investments/ divestments</i>	<i>Other changes</i>	<i>Dividend</i>	<i>Result 2007</i>	<i>Book value 31-12-2007</i>
Prionics AG	1,019	0	-81	-384	0	554
Total	1,019	0	-81	-384	0	554

The shares in Prionics AG, which were valued at the end of 2007 according to the visible equity capital of Prionics AG at the end of 2006, were converted to the exchange rate of the Swiss franc at the end of 2007.

The receivables from the Ministry of LNV comprise three items:

<i>Description</i>	<i>Total</i>	<i>Interest</i>	<i>Cumulative repayment</i>	<i>Long-term</i>	<i>Short-term</i>
Conveyance of buildings and grounds due to the privatisation of the DLO	83,949	0%	25,198	55,951	2,800
Conveyance of buildings and grounds due to the integration of the Institutes for Applied Plant Research	28,702	0%	6,937	20,808	957
Conveyance of buildings and grounds IAC and ILRI	5,627	0%	1,173	4,266	188
Total	118,278	0%	33,308	81,025	3,945

The share of the receivables that becomes payable annually is € 3.9 million and is posted to other receivables.

Amounts * € 1000

STOCK	31-12-2007	31-12-2006
STOCK		
Trading stock	3,145	3,104
Livestock	1,951	1,969
Harvested agricultural products	481	0
Stock of semi-manufactured products	3,919	3,281
Advance payments on stock	0	0
	9,496	8,354
Less: Provision for un-marketability	-1,036	-987
SUBTOTAL STOCK	8,460	7,367
WORK IN PROGRESS		
Costs of activities conducted on behalf of third parties	424,308	314,265
Less: Declared payments	400,168	289,361
Orders from third parties	24,140	24,904
Less: Expected losses	-2,099	-3,185
Subtotal work in progress	22,041	21,719
TOTAL STOCK	30,501	29,086

Work in progress comprises the balance of allocated project costs minus the declared payments. The item is corrected with a provision for anticipated losses. The result is allocated according to the 'percentage of completion' method. The standard is the percentage of realisation of the projected costs. Losses on projects are immediately accounted for.

The balance of assignments from third parties comprises projects with a positive balance (where the value of the activities conducted is greater than the declared payments) and projects with a negative balance (where the value of the declared payments exceeds the value of the activities conducted). The item assignments from third parties is specified below:

- Projects with a positive balance for work in progress	49,535
- Projects with a negative balance for work in progress	25,395
- Balance of assignments from third parties	24,140

Amounts * € 1000

RECEIVABLES AND ACCRUED INCOME

	31-12-2007	31-12-2006
Accounts receivable	33,055	34,453
Accounts receivable affiliated parties	0	46
Less: Provision for possible uncollectible receivables	-3,124	-4,484
Total accounts receivable	29,931	30,015
Advances	1,460	1,094
Receivables from affiliated parties	3,585	4,118
Accrued income	8,606	11,208
Other	4,508	4,354
Total advances and accrued income	18,159	20,774
Total receivables and accrued income	48,090	50,789

The accounts receivable declined slightly by € 1.4 million. Due to a simultaneous decline in the provision for potentially uncollectible receivables, the total receivables remained virtually the same. The accrued income declined due, among other things, to the settlement of a number of items from the previous working year.

LIQUID ASSETS

	31-12-2007	31-12-2006
Cash in hand	34	40
Current account bank (including cross booking)	36,848	76,280
Deposits	19,000	0
Total liquid assets	55,882	76,320

Despite the positive result of € 25.4 million, the liquidity declined by € 20.4 million. This was primarily due to a decline in working capital of € 30.8 million. This was largely caused by the € 24.4 million decline in the item LNV research still to be conducted.

In addition, the relevant provisions were paid out. This is shown by the € 9.0 million decline in the provisions. Moreover, the increase in real estate (€ 6.1 million) contributes to the decline in the liquidity position.

Of the liquid assets balance, € 4.1 million is frozen as a result of bank guarantees and sureties; the remaining balance is freely available. The credit facility of the DLO Foundation is € 3.2 million.

Amounts * € 1000

EQUITY CAPITAL

	<i>General reserve</i>	<i>Statutory reserve</i>	<i>Total</i>
Balance on 31-12-2006	207,361	119	207,480
Allocation from the result	25,417	0	25,417
Addition to reserve	119	0	119
Withdrawal from reserve	0	119	119
Balance on 31-12-2007	232,897	0	232,897

For the depreciation costs related to the development costs of the ARTIS software package, an amount of € 0.1 million has been released from the statutory reserve. The profit (surplus) for the year under review has been allocated entirely to the general reserve.

SHARE OF THIRD PARTIES

	<i>Balance on 31-12-2006</i>	<i>Addition / withdrawal</i>	<i>Balance on 31-12-2007</i>
Share of third parties	-30	84	54
Total share of third parties	-30	84	54

Specification of the item share of third parties

<i>Description</i>	<i>Book value 31-12-2006</i>	<i>Investments/ divestments</i>	<i>Other changes</i>	<i>Dividend</i>	<i>Result 2007</i>	<i>Book value 31-12-2007</i>
Calendula Oil BV	-30	0	138	0	-54	54
Total	-30	0	138	0	-54	54

The assets and liabilities of Calendula Oil BV have been entirely included in the consolidated annual accounts. The equity participation in Calendula Oil BV at the end of 2007 was 56% (at the end of 2006 this was 70%). For this reason, the item share of third parties is directly adjacent to the item equity capital in these annual accounts.

Amounts * € 1000

PROVISIONS

	<i>Balance on 31-12-2006</i>	<i>Transfer</i>	<i>Withdrawal</i>	<i>Release</i>	<i>Balance on 31-12-2007</i>
Unemployment insurance obligations	5,748	1,784	820	2,105	4,607
Invalidity insurance	525	83	130	200	278
Provision for jubilee bonuses	5,150	778	355	0	5,573
Reorganisation costs	34,916	329	6,871	3,672	24,702
Product and contract risks	2,030	1,254	206	0	3,078
Major repairs	9,886	2,960	1,849	0	10,997
Other material provisions	7	0	7	0	0
Total provisions	58,262	7,188	10,238	5,977	49,235

	<i>31-12-2007</i>	<i>31-12-2006</i>
Specification of the term of the provisions		
Short term (ending within 1 year)	13,716	16,400
Long term (between 1 and 5 years)	27,446	33,688
Long term (ending after 5 years)	8,073	8,174
Total provisions	49,235	58,262

The item reorganisation costs includes, among other things, the provision for the restructuring plan Focus 2006. In 2007, an amount of € 6.4 million was paid out from this provision.

LONG-TERM LIABILITIES

	<i>Balance on 31-12-2006</i>	<i>Increased liability</i>	<i>Decreased liability</i>	<i>Balance on 31-12-2007</i>
Debt owed to LNV	119,630	0	3,944	115,686
Multi-year savings model	753	146	49	850
Other long-term liabilities	38,877	1,740	4,954	35,663
Subtotal long-term liabilities	159,260	5,537	12,598	152,199
Financial lease obligations	1,706	0	306	1,400
Total long-term liabilities	160,966	5,537	12,904	153,599

Amounts * € 1000

The debt owed to the Ministry of LNV comprises three loans:

<i>Description</i>	<i>Total</i>	<i>Interest</i>	<i>Cumulative repayment</i>	<i>Long-term</i>	<i>Short-term</i>
Conveyance of buildings and grounds due to the privatisation of the DLO	135,408	4.50%	41,997	90,610	2,800
Conveyance of buildings and grounds due to the integration of the Institutes for Applied Plant Research	28,701	5.20%	6,936	20,809	957
Conveyance of buildings and grounds IAC and ILRI	5,627	5.00%	1,171	4,267	188
Total	169,736		50,104	115,686	3,945

The annual linear repayment of the loan amounts to € 3.9 million and is posted to other short-term liabilities. Of the long-term component, an amount of € 15.8 million has a term less than five years.

The item multi-year savings model, which in 2006 was still posted to the other long-term liabilities, has been itemised separately beginning in 2007.

Additional information concerning the other long-term liabilities:

	<i>Loan</i>	<i>Interest</i>	<i>Term in years</i>	<i>Cumulative repayment</i>	<i>Long-term</i>	<i>Short-term</i>
Rabobank Flevoland	3,037	3.75%	10	728	1,997	312
De Lage Landen Financial Services	425	not applicable			425	
Triodos Bank, Zeist	20,500	3.00%	10	2,123	16,254	2,123
Triodos Bank, Zeist	19,500	3.00%	10	2,071	15,356	2,072
Rabobank Vallei en Rijn	375	3 month euri-bor+0.2%	10	75	263	37
Stichting Restaurant v/d Toekomst	1,740	10 year funding +0.2%	10	186	1,368	186
Total	45,577			5,184	35,663	4,730

Of the long-term component, an amount of € 18.9 million has a term less than five years.

Amounts * € 1000

The financial lease obligations comprise the following:

Description	Total	Interest	Cumulative lease amounts	Long-term	Short-term
De Lage Landen Financial Services	2,612	not applicable	906	1,400	306
Total	2,612		906	1,400	306

Of the long-term component, an amount of € 1.2 million has a term less than five years.

SHORT-TERM LIABILITIES

	31-12-2007	31-12-2006
Advance payments from third parties	30,374	36,848
Debts owed to suppliers	11,390	11,648
Debts owed to suppliers of affiliated parties	0	0
Taxes to be paid	6,804	10,206
Debts owed to affiliated parties	9,357	559
Research for LNV that is yet to be conducted	-331	24,263
Accrued and deferred liabilities	15,213	21,094
Other	27,529	27,809
Total short-term liabilities	100,336	132,427

The other liabilities include the holiday supplement (€ 5.6 million) owed to personnel and holiday leave not yet taken (€ 5.1 million) as of the balance sheet date. The annual linear repayment of the long-term debt to the Ministry of LNV in the amount of € 3.9 million, the short-term component of the other long term loans (€ 4.7 million) and the lease payment terms falling in 2008 (€ 0.3 million) have also been posted to the other liabilities. The income tax and social security premiums that are to be deducted have been posted to the taxes to be paid.

Description	Book value 31-12-2006	Change	Book value 31-12-2007
TNO Imares	0	63	63
Restaurant van de Toekomst	0	95	95
Wageningen University	559	8,640	9,199
Total	559	8,798	9,357

The item research still to be conducted declined by € 24.4 million. This decline has two causes: the decline in the LNV research still to be conducted and the limitation of advance financing from the Ministry of LNV with € 9.2 million.

Obligations and rights not included on the balance sheet

The total of the outstanding bank guarantees is € 2.5 million and € 4.1 million has been pledged. In addition, the DLO Foundation has made a surety deposit with the European Commission of € 3.7 million

Obligations regarding rental fees, operational leases and similar items amounted to € 20.4 million at the end of 2007 (at the end of 2006 this was € 19.5 million). The payments that fall within one year amount to € 2.6 million in total. The payments that fall between one year and five years amount to € 7.5 million. The payments that fall after five years therefore amount to € 10.3 million .

<i>Description</i>	<i>Total amount obligated</i>	<i>Payments falling within one year</i>	<i>Payments falling between one and five years</i>	<i>Payments falling after five years</i>
Rental obligations	17,175	1,505	5,370	10,300
Lease obligations	689	241	448	0
Maintenance contracts	2,314	679	1,635	0
Bank guarantees	62	25	37	0
Loan Knowhouse BV	142	142	0	0
Total	20,382	2,592	7,490	10,300

On 31 December 2007, the total investment and renovation obligations for tangible fixed assets amounted to € 33.3 million and € 0.5 million, respectively. The total of the investment and renovation obligations becomes payable in the coming year.

The patent and license rights, manure rights and milk quotas have either not been acquired or in accordance with the principles of valuation, have been valued at zero.

DLO has terminated its cooperation in the Bioscience Park. No agreement could be reached about the financial details of this project with the other partners.

On the balance sheet date, the DLO Foundation had access to a credit facility of € 3.2 million.

Windmill parks

Both Windmolenpark Mammoethocht BV and Windmolenpark Neushoorntocht BV have been assigned building rights by the DLO Foundation.

As security for the loan for both of the above companies, a mortgage has been taken out against the building rights. In addition, the wind turbines, the delivery and guarantee agreement, the maintenance agreement, the energy supply agreement and the balances in the bank accounts have been pledged to the financier. Moreover, both companies have agreed with the financier that a deposit of € 1.2 million will be maintained as security for the payments on interest and principal.

On behalf of Exploitatiemaatschappij Windmolenparken Lelystad BV, a bank guarantee has been provided in the amount of € 3.3 million. In addition, the receivables from the energy companies have been pledged to the financier.

The party who purchased Cedi Diagnostics has provided bank guarantees (up to € 2.0 million) regarding possible earn-out post payments in the period 2007-2010 if the milestones in the contract concerning product group turnover are achieved.

Amounts * € 1000

Explanation of the profit and loss statement

INCOME

	<i>Result 2007</i>	<i>Result 2006</i>
Contract research		
EU	18,017	16,314
Government agencies and public bodies	29,955	27,629
Product boards	12,698	14,788
Business community	35,375	30,526
LNV financing - other than the funding scheme	6,457	6,530
Other	9,637	11,125
Total contract research	112,139	106,912
Patents and licences	3,847	4,322
Sales revenues	15,327	14,990
Analyses and consulting	3,841	8,211
Ministry of LNV- in accordance with funding scheme		
Policy-support Research and Legal research assignments	117,558	117,448
Basic knowledge	35,841	29,228
Other, including additional research projects	18,050	15,773
Total Ministry of LNV – in accordance with funding scheme	171,449	162,449
Sales of real estate	4,486	3,285
Course fees (Wageningen International)	1,235	523
Revenues from wind turbines	9,062	4,035
Other	19,794	11,503
Total income	341,180	316,230

Amounts * € 1000

EXPENDITURE

PERSONNEL COSTS

	<i>Result 2007</i>	<i>Result 2006</i>
Costs of permanent staff	150,215	151,461
Costs of temporary staff	8,809	8,425
Temp workers and hired personnel	9,769	9,779
Other personnel costs	5,771	6,177
Transfer to provision for unemployment insurance obligations	-321	825
Transfer to provision for invalidity insurance	-117	-239
Transfer to other staff provisions	778	402
Total personnel costs	174,904	176,830

The direct costs of temporary and permanent staff declined slightly by € 0.9 million. This decline is the result of two opposing trends: 1) a rise in the average personnel expenditure per FTE, and 2) a decline in the total FTE volume of about 45 FTE (including interns). Personnel with a permanent employment contract are included under permanent staff. Temporary staff include guest staff and personnel with a temporary employment contract.

In 2007, the average number of staff including interns was 2,879 (in 2006: 2,924). The personnel costs include € 3.8 million for social security (2006: € 4.2 million) and a pension contribution of € 16.8 million (in 2006: € 16.7 million).

The share of the DLO Foundation remuneration of the Executive Board was € 0.4 million in 2007 (in 2006: € 0.4 million). This includes pension obligations and other benefits. The item costs of permanent staff includes payments to the members of the Supervisory Board in the amount of € 32 (2006: € 34). Section 2.4 contains the compensation and benefits summary in accordance with the WOPT (Disclosure of top incomes funded with public means).

Amounts * € 1000

GENERAL COSTS

	<i>Result 2007</i>	<i>Result 2006</i>
Accommodation costs	26,532	20,800
Depreciation of tangible and intangible fixed assets	23,521	17,962
Exceptional write downs of tangible and intangible fixed assets	143	17
Other equipment costs	7,514	7,715
Other general expenses	16,895	20,197
Transfer to provisions		
Reorganisation costs	-3,343	-22
Product and contract risks	1,254	1,730
Major repairs	2,960	2,448
Other provisions	0	-96
Total transfer to general provisions	871	4,060
Total general costs	75,476	70,751

The other general costs include office expenses, a provision for bad debts, travel and lodging expenses, representation expenses, automation expenses, PR activities and catering expenses. The depreciation costs increased due to the devaluation of € 2.7 million as a result of the demolition in Naaldwijk. In addition, the wind turbine park went into operation during 2006, which resulted in the depreciation costs for 2007 being € 2.5 million higher than those in 2006.

Specification of depreciation and changes in value

	<i>Result 2007</i>	<i>Result 2006</i>
Depreciation		
Intangible fixed assets	119	178
Tangible fixed assets	23,402	17,784
Financial fixed assets	0	0
Total depreciation	23,521	17,962
Change in value		
Tangible fixed assets	143	17
Total change in value	143	17

Amounts * € 1000

SPECIFIC COSTS

	<i>Result 2007</i>	<i>Result 2006</i>
Specific costs	25,501	25,674
Services by third parties	36,194	31,603
Contributions and funding	502	139
Total specific costs	62,197	57,416

OTHER INCOME AND EXPENDITURE

	<i>Result 2007</i>	<i>Result 2006</i>
Transfer to provision for reorganisation costs	0	0
Total other income and expenditure	0	0

FINANCIAL INCOME AND EXPENDITURE

	<i>Result 2007</i>	<i>Result 2006</i>
Financial income	3,977	2,762
Financial expenditure	-6,530	-5,646
Total financial income and expenditure	-2,553	-2,884

The financial income includes the interest received on the bank accounts present during 2007. The financial expenditure includes the interest paid on the loans to finance the buildings and grounds of the Ministry of LNV, amounting to € 5.1 million.

Amounts * € 1000

Taxes from ordinary activities

	<i>Result 2007</i>	<i>Result 2006</i>
Taxes from ordinary activities (corporation tax)	691	-207
Total taxes from ordinary activities	691	-207

In 2007, because a provision related to a possible corporation tax claim expired, € 0.7 million was added to the result.

Result from participating interests

	<i>Result 2007</i>	<i>Result 2006</i>
VOF Oostwaardhoeve	-72	14
Fresh Forward Holding BV	-203	-186
Covaccine BV	-22	39
Pepscan Systems BV	-1,024	2,514
Cedi diagnostics BV	0	1,461
Nsure Holding BV	-108	-46
Lactive BV	0	-3
Prionics AG	-81	1,019
Total result from participating interests	-1,510	4,812

The result from participating interests concerns the result of participating interests valued at net asset value and at acquisition cost.

Share of third parties in the result

	<i>Result 2007</i>	<i>Result 2006</i>
Share of third parties	186	35
Total share of third parties	186	35

The item share of third parties concerns the 44% interest of third parties in Calendula Oil BV.

Amounts * € 1000

Non-consolidated balance sheet

After allocation of the net result

ASSETS	31-12-2007	31-12-2006
FIXED ASSETS		
Tangible fixed assets	263,584	254,521
Financial fixed assets	111,299	107,312
Total fixed assets	374,883	361,833
CURRENT ASSETS		
Stock	3,240	125
Receivables and accrued income	56,500	50,820
Liquid assets	22,773	42,602
Total current assets	82,513	93,547
TOTAL ASSETS	457,396	455,380
LIABILITIES		
Equity capital	232,897	207,480
Provisions	44,431	53,916
Long-term liabilities	117,720	120,274
Short-term liabilities	62,348	73,710
TOTAL LIABILITIES	457,396	455,380

Amounts * € 1000

Non-consolidated profit and loss statement

	Result 2007	Result 2006
INCOME	110,444	96,184
EXPENDITURE		
Personnel costs	31,983	34,174
General costs	38,586	36,147
Specific costs	18,626	17,062
Total expenditure	89,195	87,383
Other income and expenditure		0
OPERATING RESULT	21,249	8,801
Financial income and expenditure	-1,688	-2,246
RESULT FROM ORDINARY ACTIVITIES BEFORE TAXES	19,561	6,555
Taxes from ordinary activities	0	0
Result from participating interests	5,856	6,434
RESULT FROM ORDINARY ACTIVITIES AFTER TAXES	25,417	12,989
Share of third parties	0	0
Extraordinary income and expenditure	0	0
NET RESULT	25,417	12,989

Explanation of the non-consolidated annual accounts

General

Unless stated otherwise, the accounting policies included in the explanation of the consolidated annual accounts also apply to the non-consolidated annual accounts.

TANGIBLE FIXED ASSETS

	Corporate estates	Corporate buildings	Permanent furnishings/fittings of corporate buildings	Machinery and equipment	Work in progress	Total
Book value 31-12-2006	105,717	122,830	2	4,215	21,757	254,521
Investments	2,976	16,585	0	1,507	16,583	37,651
Divestments*	5,754	8,424	0	133	0	14,311
Depreciation	not applicable	12,226	0	1,908	0	14,134
Exceptional write downs	0	0	0	143	0	143
Book value 31-12-2007	102,939	118,765	2	3,538	38,340	263,584
Purchase value 31-12-2006	105,717	181,872	18	14,677	21,757	324,041
Purchases 2007	2,976	16,585	0	1,507	16,583	37,651
Purchase value of divestments 2007	5,754	19,339	0	148	0	25,241
Purchase value 31-12-2007	102,939	179,118	18	16,036	38,340	336,451
Cumulative depreciation	not applicable	54,688	16	12,355	0	67,059
Cumulative write downs	0	5,665	0	143	0	5,808
Book value 31-12-2007	102,939	118,765	2	3,538	38,340	263,584
* Divestments, of which:						
- Purchase price	5,754	19,339	0	148	0	25,241
- Depreciation	not applicable	10,915	0	15	0	10,930
Total divestments	5,754	8,424	0	133	0	14,311

In 2007, € 32.1 million was allocated to the item work in progress, and € 15.2 million was transferred. Besides a number of smaller projects, the allocation to the item work in progress includes the Strategic Plan for New Construction (€ 15.2 million), the renovation-new construction for RIKILT (€ 3.6 million), De Haaff (€ 4.3 million), Facilities and Services ICT 2nd production location (€ 1.1 million) in Wageningen, expansion of Tuberculine ASG/EHW in Lelystad (€ 1.2 million) and Applied Plant Research Bleiswijk Corporate Building (€ 3.0 million).

Completed projects include the building that houses the Restaurant of the Future (*Restaurant van de Toekomst* € 1.9 million), the greenhouses at Bleiswijk (€ 6.1 million), the corporate building at Bleiswijk (€ 3.9 million) and the Strategic New Construction *Groene Ruimte* Alterra East-West (€ 2.1 million).

The property of the DLO Foundation is insured for € 425 million (reference date 1-7-2007). The valuation for municipal tax purposes (WOZ) is € 270.3 million (reference date 1-1-2005 with the exception of the real estate in Lelystad, for which the reference date is 1-1-2003).

Amounts * € 1000

FINANCIAL FIXED ASSETS

	31-12-2007	31-12-2006
Participating interests in group companies	4,453	-1,403
Receivables from group companies	25,821	21,270
Receivables from affiliated parties	0	2,475
Receivable from Ministry LNV	81,025	84,970
Total financial fixed assets	111,299	107,312

Itemisation of participating interests in group companies:

Description	Book value 31-12-2006	Investments/ divestments	Other changes	Devaluation	Result 2007	Book value 31-12-2007
DLO Holding BV	-1,403	0	0	0	5,856	4,453

The receivables from group companies increased in comparison to last year. This was caused by an increase in the mutual receivables between the DLO Foundation and DLO Holding.

The receivables from affiliated parties include the following:

Description	Book value 31-12-2006	Change	Book value 31-12-2007
Wageningen University	2,475	-2,475	0

The receivables from the Ministry of LNV comprise three items:

Description	Total	Interest	Cumulative repayment	Long-term	Short-term
Conveyance of buildings and grounds due to the privatisation of the DLO	83,949	0%	25,198	55,951	2,800
Conveyance of buildings and grounds due to the integration of the Institutes for Applied Plant Research	28,702	0%	6,937	20,808	957
Conveyance of buildings and grounds IAC and ILRI	5,627	0%	1,173	4,266	188
Total	118,278	0%	33,308	81,025	3,945

The share of the receivables that becomes payable annually is € 3.9 million and is posted to the other receivables.

Amounts * € 1000

STOCK	31-12-2007	31-12-2006
Stock		
Trading stock	58	55
Subtotal stock	58	55
Work in progress		
Costs of activities conducted on behalf of third parties	17,576	27,819
Less: Declared payments	13,464	25,952
Orders from third parties	4,112	1,867
Less: Expected losses	-930	-1,797
Subtotal work in progress	3,182	70
Total stock	3,240	125

The balance of assignments from third parties comprises projects with a positive balance (where the value of the activities conducted is greater than the declared payments) and projects with a negative balance (where the value of the declared payments exceeds the value of the activities conducted). The assignments from third parties are itemised below:

- Projects with a positive balance for work in progress	6,188
- Projects with a negative balance for work in progress	2,076
- Balance of assignments from third parties	4,112

Amounts * € 1000

RECEIVABLES AND ACCRUED INCOME

	31-12-2007	31-12-2006
Accounts receivable	3,498	3,877
Less: Provision for possible uncollectible receivables	-39	-3
Total accounts receivable	3,459	3,874
Advances	-511	263
VAT to be received	0	0
Receivables from group companies	43,169	34,631
Receivables from affiliated parties	3,311	4,024
Accrued income	2,903	3,929
Other	4,169	4,099
Total advances and accrued income	53,041	46,946
Total receivables and accrued income	56,500	50,820

The receivables from group companies have risen by € 8.5 million.

This was caused by an increase in the mutual receivables between the DLO Foundation and the institutes.

LIQUID ASSETS

	31-12-2007	31-12-2006
Cash in hand	10	21
Current account bank (including cross booking)	15,263	42,581
Deposits	7,500	0
Total liquid assets	22,773	42,602

The decline in the liquidity was caused primarily by the € 20 million decline in working capital. This decline in working capital was largely caused by the € 14.5 million decline in the item LNV research still to be conducted.

Of the liquid assets balance, € 4.1 million is frozen as a result of bank guarantees and sureties; the remaining balance is freely available. The credit facility of the DLO Foundation is € 0.3 million.

Amounts * € 1000

EQUITY CAPITAL

	<i>General reserve</i>	<i>Total</i>
Balance on 31-12-2006	207,480	207,480
Allocation from the result	25,417	25,417
Addition to reserve	0	0
Withdrawal from reserve	0	0
Balance on 31-12-2007	232,897	232,897

The profit (surplus) for the year under review has been allocated entirely to the general reserve.

PROVISIONS

	<i>Balance on 31-12-2006</i>	<i>Transfer</i>	<i>Withdrawal</i>	<i>Release</i>	<i>Balance on 31-12-2007</i>
Unemployment insurance obligations	2,149	441	325	725	1,540
Invalidity insurance	525	0	130	200	195
Other personnel provisions	5,150	556	345	0	5,361
Reorganisation costs	34,699	0	6,759	3,602	24,338
Product and contract risks	1,500	500	0	0	2,000
Major repairs	9,886	2,960	1,849	0	10,997
Other material provisions	7	0	7	0	0
Total provisions	53,916	4,457	9,415	4,527	44,431

Specification of the term of the provisions

	<i>31-12-2007</i>	<i>31-12-2006</i>
Short term (ending within 1 year)	10,275	13,702
Long term (ending between 1 and 5 years)	26,216	32,274
Long term (ending after 5 years)	7,940	7,940
Total provisions	44,431	53,916

The reorganisation costs include, among other things, the provision for the restructuring plan Focus 2006. In 2007, an amount of € 6.4 million was spent from this provision.

The provision for Unemployment Insurance Act obligations has been made to cover unemployment insurance obligations existing on the balance sheet date and for the expected future expenditure in connection with staff who have already left employment and staff with a temporary employment contract.

Amounts * € 1000

LONG-TERM LIABILITIES

	<i>Balance on 31-12-2006</i>	<i>Increased liability</i>	<i>Decreased liability</i>	<i>Balance on 31-12-2007</i>
Debt owed to LNV	119,630	0	3,944	115,686
Multi-year savings model	306	97	0	403
Other long-term liabilities	338	1,740	447	1,631
Subtotal long-term liabilities	120,274	1,837	4,391	117,720
Financial lease obligations	0	0	0	0
Total long-term liabilities	120,274	1,837	4,391	117,720

The debt owed to the Ministry of LNV comprises three loans:

<i>Description</i>	<i>Total</i>	<i>Interest</i>	<i>Cumulative repayment</i>	<i>Long-term</i>	<i>Short-term</i>
Conveyance of buildings and grounds due to the privatisation of the DLO	135,408	4.50%	41,997	90,610	2,800
Conveyance of buildings and grounds due to the integration of the Institutes for Applied Plant Research	28,701	5.20%	6,936	20,809	957
Conveyance of buildings and grounds IAC and ILRI	5,627	5.00%	1,171	4,267	188
Total	169,736		50,104	115,686	3,945

The annual linear repayment of the loan amounts to € 3.9 million and is posted to other short-term liabilities. Of the long-term component, an amount of € 15.8 million has a term of less than five years.

The item multi-year savings model, which in 2006 was still posted to other long-term liabilities, has been itemised separately beginning in 2007.

Additional information concerning the other long-term liabilities:

	<i>Loan</i>	<i>Interest</i>	<i>Term in years</i>	<i>Cumulative repayment</i>	<i>Long-term</i>	<i>Short-term</i>
Rabobank Vallei en Rijn	375	3 month euri- bor+0.2%	10	75	263	37
Stichting Restaurant v/d Toekomst	1,740	10 year funding +0.2%	10	186	1,368	186
Total	2,115			261	1,631	223

Of the long-term component, an amount of € 0.9 million has a term of less than five years.

Amounts * € 1000

SHORT-TERM LIABILITIES

	31-12-2007	31-12-2006
Advance payments from third parties	15,516	17,528
Debts owed to suppliers	2,270	1,758
Taxes to be paid	4,566	4,549
Debts to group companies	14,757	21,173
Debts to affiliated parties	9,109	453
Research for LNV that is yet to be conducted	-7,362	7,147
Accrued and deferred liabilities	5,853	3,617
Other	17,639	17,485
Total short-term liabilities	62,348	73,710

The other liabilities include the holiday supplement (€ 5.6 million) owed to personnel and holiday leave not yet taken (€ 5.1 million) as of the balance sheet date. The annual linear repayment of the long-term debt to the Ministry of LNV in the amount of € 3.9 million has also been included in the other liabilities. The income tax and social security premiums that are to be deducted have been posted to the taxes to be paid.

The debt to affiliated parties includes the following:

<i>Description</i>	<i>Book value 31-12-2006</i>	<i>Change</i>	<i>Book value 31-12-2007</i>
Wageningen University	453	8,656	9,109

The research still to be conducted declined by € 14.4 million. This decline has two causes: the decline in the LNV research still to be conducted and the limitation of advance financing from the Ministry of LNV with € 9.2 million.

2.3.2 Other data

• Allocation of returns

The charter of the DLO Foundation does not contain any provisions about the allocation of returns. The Executive Board of the DLO Foundation has proposed to add the positive net result of € 25.4 million to the general reserve.

• Events after the balance sheet date

There were no events after the balance sheet date that lead to modification or notification in the annual accounts.

- **Auditor's report**

To: College van Bestuur en de Raad van Toezicht van Stichting Dienst Landbouwkundig Onderzoek

Report on the consolidated financial statements

We have audited the accompanying financial statements 2007, which are part of the financial statements of Stichting Dienst Landbouwkundig Onderzoek, in Wageningen which comprise the consolidated and company balance sheet as at 31 December 2007, the consolidated and company profit and loss account for the year then ended and the notes.

The management's responsibility

The management of the institution is responsible for the preparation and fair presentation of the consolidated financial statements and for the preparation of the management report, both in accordance with Part 9 of Book 2 of the Netherlands Civil Code.

Also the management of the institution is responsible for the financial rightfulness of the income, expenses, and balance transactions included in the financial statements. This implies that these amounts should be in accordance with the provisions in the applicable rules and regulations.

This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error, and for the compliance with applicable rules and regulations, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with Dutch law and the 'Controleprotocol DLO 2007'. This law requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the institution's preparation and fair presentation of the financial statements and relevant to the compliance with applicable rules and regulations 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 institution'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 financial statements give a true and fair view of the financial position of Stichting Dienst Landbouwkundig Onderzoek as at 31 December 2007, and of its result for the year then ended in accordance with Part 9 of Book 2 of the Netherlands Civil Code.

Furthermore we are of the opinion that the income, expenses, and balance transactions included in the financial statements 2007 comply with the requirements of financial rightfulness. This implies that the amounts are in accordance with the provisions in the applicable rules and regulations, as stated in the 'Controleprotocol DLO 2007'.

Report on other legal and regulatory requirements

Pursuant to the legal requirement under 2:393 sub 5 part e of the Netherlands Civil Code, we report, to the extent of our competence, that the management board report is consistent with the financial statements as required by 2:391 sub 4 of the Netherlands Civil Code.

Utrecht, 13 May 2008
PricewaterhouseCoopers Accountants N.V.

drs. Th.A.J.C. Snepvangers RA

Judicial structure

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Wageningen IMARES BV

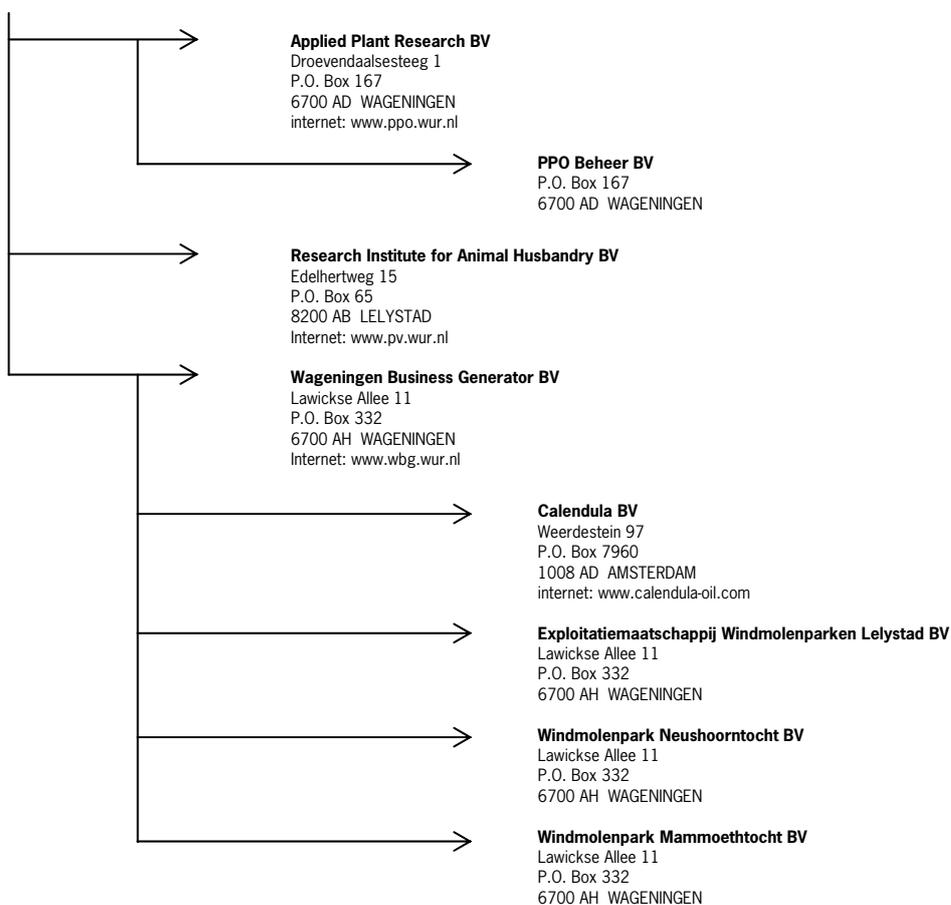
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P.O. Box 68
1970 AB IJMUIDEN
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LEI BV

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Plant Research International BV

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P.O. Box 16
6700 AA WAGENINGEN
internet: www.pri.wur.nl



Amounts * € 1000

2.3.3 Appendixes

• Appendix 1 Summary of sales and purchases of real estate

<i>Land, grounds and infrastructure</i>	<i>Hectares</i>	<i>Purchase</i>	<i>Sale</i>	<i>Letter reference number</i>
Rikilt Wageningen	0.26	590		DK 2006/2809
Ny Bosma Zathe	77.09	2,297		DK 2006/2491 + DK 2007/1298
Boskoop	9.63		566	DK 2006/852
Naaldwijk	2.10		719	DK 2006/448
Aalsmeer	5.59		1,871	DWK2002/1701
WICC Wageningen	2.04		1,889	DK 2007/2630
Lelystad due to the construction of the Hanzelijn	16.69		709	DK 2007/1042
Subtotal land, grounds and infrastructure		2,887	5,754	
<i>Buildings</i>		<i>Purchase</i>	<i>Sale</i>	<i>Letter reference number</i>
Boskoop			2,157	DK 2006/852
Aalsmeer			4,935	DWK2002/1701
WICC Wageningen			6,551	DK 2007/2630
Houses Bornsesteeg 71/73 Wageningen		1,391		DK 2007/2629
Subtotal buildings		1,391	13,643	
Total		4,278	19,397	

• Appendix 2 Explanation of LNV funding of management contract 2007

Funding provided by DLO Foundation 2007

Basic knowledge	32,955	
Forest focus	60	
Phytophthora	1,192	
Potato Genome Sequencing Consortium	550	
Financial consequences of EC resolution Legal research assignments	278	
Policy support research	59,575	
BO – Additional projects	12,456	
Legal research assignments.	43,698	
Legal research assignments – Additional projects	198	
Legal research assignments – Foot and mouth disease vaccine production	5,700	
LNv funding	156,662	
Other amounts		
- Reduction of foot and mouth disease vaccine production	500	
- Knowledge-base research – Compensation for repayment of loan	2,800	
- Knowledge-base research – Compensation for repayment of loan PO [?]	957	
- Knowledge-base research – Compensation for loan IAC/ILRI	188	
- Correction of loss of demand due to waiver of loan	-56	
- VAT	29,371	
- Payment via laser/honing scheme [?]	-171	
Total funding provided by DLO Foundation 2007	190,251	Letter with reference number TRCDK-DH/08/193
Funding from LNV included in balance sheet		
Compensation repayment of loan LNV - component DLO	2,800	Balance sheet item LNV Receivable
Compensation repayment of loan LNV - component PO	957	Balance sheet item LNV Receivable
Compensation repayment of loan LNV - component IAC/ILRI	188	Balance sheet item LNV Receivable
VAT DLO	29,371	Outcome via balance sheet
Funding from LNV included in balance sheet	33,316	
LNv income to be accounted for	156,935	
Changes in research for LNV that is yet to be conducted	24,594	Balance sheet item research yet to be conducted
Reduction of foot and mouth disease vaccine production	-500	
LBI funds booked directly	-313	
Withholding of 5% funding	-9,197	
Other accounted for under LNV income	-70	
Income accounted for on annual accounts DLO Foundation	171,449	

2.4 Remuneration

Summary of remuneration

		2007	2006
Supervisory Board			
Boer M. de	Chair (from 1 April 2007)	17,519	11,345
Kemenade J.A. van	Member (until 1 October 2007, Chair until 1 April 2007)	13,046	18,151
Duijn J.J. van	Member	12,082	11,345
Vink J.A.J.	Member	11,941	11,345
Majj-Weggen J.R.H.	Member	11,698	11,345

Amounts have been converted to a full-time employment equivalent for the entire year

		<i>Gross annual income</i>	<i>2007 pension premium employer</i>	<i>Total</i>	<i>Gross annual income</i>	<i>2006 pension premium employer</i>	<i>Total</i>
Executive Board							
Dijkhuizen A.A.	Chair	266,369	35,485	301,854	234,972	72,548	307,520
Breukink I.J.J.H.	Member	210,953	29,265	240,218	195,564	25,162	220,726
Kropff M.J.	Rector Magnificus, Vice Chair	210,937	28,442	239,379	190,322	25,186	215,508
Speelman L.	Former Rector Magnificus (until 1 September 2005) retired on 1 August 2007	352,521	16,897	369,418	281,763	23,059	304,822
Other (WU)	Professor	–	–	–	171,516	25,486	197,002

Amounts have been converted to a full-time employment equivalent for the entire year

In 2007, bonuses for 2006 were paid to the members of the Executive Board. Mr. Speelman was paid an allowance in 2007.

The members of the Executive Board and the Supervisory Board hold the same positions in the Supervisory Boards and Executive Boards of Wageningen University, DLO Foundation and Van Hall Larenstein Foundation.

The above remuneration is charged equally to Wageningen University and the DLO Foundation.

3 Corporate social responsibility report

3.1 HRM in strategic plans

Wageningen UR wants to provide more space for education and research in order to achieve and assure its ambition as an expertise partner in the domain of 'healthy food and living environment'. Derived from this ambition, three HRM priority areas were formulated in 2007. These priority areas were combined as part of the project 'Basis in order'. There are three sub-aspects to this project:

- Improve the strategic personnel planning and establish a link with WUR 'snapshot';
- Improve the quality of result and development discussions (*R&O-gesprekken*) and evaluate this quality improvement;
- The points for improvement from the 2006 staff satisfaction survey (MTO) were analysed throughout the organisation to arrive at proposals for improvement for the period through 2007 (see section 3.4).

3.1.1 Strategic personnel plans (SPPs)

An SPP (Strategic Personnel Plan) provides coherence between the multiyear business plans, the market developments and the desired development of the employee. The aim is to achieve better coordination between the requirements of the organisation and the wishes and needs of an individual employee. All SPPs are discussed with the Executive Board to establish a complete picture of the near future and the corresponding developments.

The SPPs were approved at the end of 2006. In 2007, the emphasis was on embedding these plans in the operational management based on expected developments and new insights. The SPPs are now being used in a structural fashion. The plans are discussed with the supervisory staff of the offices and departments and the management councils of the organisational components. This has resulted in continuous monitoring and coordination of the current and expected staff levels, both qualitatively and quantitatively. At the individual level, the insights from the SPP discussions are used the result and development discussions.

3.1.2 Improving the quality of the Result and Development Discussions (R&O)

In 2007 the planned R&O evaluation was conducted with the aid of in-depth interviews and supplementary data research. The core of the assignment concerned: "The qualitative evaluation of the implemented competence management and the result and development discussions at Wageningen University and the DLO Foundation". The following three objectives were investigated and answered as follows:

- Objective 1: Coordination of the strategic/tactical and operational aims of the organisation with the performance and ambition of the employee.
Conclusion: The necessary plans to achieve this objective are present, but the individual employee is not sufficiently aware of them. The link between the strategy and the development of the employee is usually limited to the employee's own organisational unit. The recommendation – to not make any new plans, but to improve the linkage of the existing plans – was accepted.
- Objective 2: Development of the employee. This is a joint responsibility of the supervisory staff and the employee. The development of expertise and skills (with the emphasis on skills) is essential for both the organisation and the employee.
Conclusion: The interviewed parties made a positive evaluation of the result and development discussion. The importance of the competences requires more explanation and the career development is usually limited to the individual employee's own job.
The recommendations – to provide better preparation for the supervisory staff to conduct the result and development discussions, to apply competences and to conduct the career discussions in greater depth – were accepted. This will take place by means of special R&O training programmes for supervisory staff and in other ways.
- Objective 3: Coaching style of the supervisory staff. More emphasis on coaching in the development of employees.
Conclusion: Many employees indicated that peer-to-peer level communication takes place during the result and development discussions. Moreover, many employees stated that they felt secure and that they had been

properly understood. The R&O system appears to have led to a situation where supervisory staff are developing a more coaching style of supervision.

The recommendations in this area resulted in offering a special course for employees to improve their preparation for the result and development discussion and in continuing to prepare the supervisory staff for a coaching style of supervision.

The general conclusions of the R&O evaluation are the following:

- Both supervisory staff and employees are generally positive about the result and development discussion and want to continue using this instrument;
- The project group concluded that the instrument is basically sound and that it is developing positively. It has sufficient potential to continue to develop.

The various recommendations have been used by HRM to formulate a plan of action. This plan was initiated in 2007, and the implementation will continue through 2008.

3.1.3 Points of improvement from the staff satisfaction survey (MTO) 2006

As a result of the second staff satisfaction survey, conducted in 2006, various improvement actions were initiated in 2007 at the individual organisational units. These actions were supported by supervisory teams. A multiplicity of topics was tackled, ranging from small to large, such as the following:

- Various actions focusing on improving internal communication;
- Modifying methods and procedures;
- Clarifying task assignments;
- Simplifying project overviews.

In addition, many practical issues were tackled such as building an extra coffee corner or appointing a contact person for specific matters. During the year under review, there was periodic communication about the approach and the progress. This took place in project consultations with project leaders who are responsible for Wageningen UR-wide projects. In addition, the so-called 'fast problem solver' (SPO) was introduced. The SPO is an instrument that can be used when a unit encounters a problem that negatively affects employee satisfaction with a Wageningen UR-wide process, method or procedure. The responsible process owner or the 'expert' in this process is then given the assignment to solve the bottleneck as quickly and efficiently as possible. The various improvement actions were also a topic of discussion during the working visits of the Executive Board to the organisational components.

A new staff satisfaction survey is planned for the spring of 2008.

3.2 Employee development: *Lerenderwijs*

Employee development is crucial for a knowledge organisation such as Wageningen UR. All employee development and training programmes take place under the umbrella concept of *Lerenderwijs*. There are three main components in the *Lerenderwijs* package:

- Basic courses and training programmes for every employee of Wageningen UR, such as "Client acquisition with confidence" or project management;
- Professionalisation groups focusing on established career paths. This concerns training programmes focusing on improving professional and personal skills. The renewal round, which began in 2006 with the aim of professionalising the career paths, led among other things to a course in project management at the *Wetenschapswinkel* (Science Shop);
- The Top-Professionalisation Programme TPP3. This is an umbrella programme for all career paths.

• TPP 3

In April 2007, the third Top-Professionalisation Programme (TPP) began. This programme targets employees in leading positions in the various career paths. The programme focuses primarily on organisation development, but there is also attention to the individual learning processes and learning objectives of the participants. The meetings

involve a combination of modern management theory, training in specific skills, reflection and exchanging experiences and methods.

TPP 3 links up with the 2007 priority areas of Wageningen UR, as derived from the strategic plan 2007-2010. The priority areas were worked out in detail and translated into concrete actions and recommendations for those holding final responsibility for the corresponding priority areas:

- Entrepreneurship and market orientation, focusing specifically on networks;
- 'Europe In', distinguishing markets in Europe that focus specifically on the three domains;
- House of Education, demand-based management in education;
- Kameleon, consultation during the implementation of this process.

The TPP3 group will complete its activities during the first quarter of 2008. At the end of 2007, the results of the projects were fed back to and discussed with the individuals holding the portfolios for the priority areas.

3.3 Developments in the collective labour agreements (CAO)

In the policy concerning the terms and conditions of employment at Wageningen UR, the negotiations on the Collective Labour Agreement for Dutch Universities (CAO NU) and the Collective Labour Agreement for the DLO play a major role. Van Hall Larenstein University of Applied Sciences participates in the CAO HBO (Collective Labour Agreement for Schools of Higher Professional Education). In the present annual report, several of the most important items that were agreed to in 2007 are briefly discussed.

3.3.1 CAO Wageningen University

CAO NU 1 September 2007 - 1 March 2010.

• Remuneration

The year-end payment (EJU) will be incrementally increased to a full 13th month in 2009. In addition, salary rises will take effect on 1 January 2008 (2.25%) and 1 January 2009 (2.1%). However, in both 2008 and 2009, 8 hours of paid leave will be eliminated.

• Core aspects of HRM policy

Explicit attention for the career development of scientific staff, where experimentation will take place with job contracts and a general framework will be created for a Tenure Track. The latter is a career track for scientific staff that lasts approximately 10 years.

3.3.2 CAO Van Hall Larenstein University of Applied Sciences

CAO HBO 1 August 2007 - 1 August 2010.

• Remuneration

As with the CAO NU, there will be a step-by-step increase of the EJU until a complete 13th month is reached in 2009. Salary rises will take place on 1 October 2007 (1.3%), 1 October 2008 (1.0%), 1 October 2009 (0.9%) and 1 October 2010 (2.4%). However, there will also be limitations on a number of special types of leave.

• Core aspects of HRM policy

The CAO HBO focuses primarily on keeping staff working as long as possible in the sector, where there is even more attention than before to individual career perspectives.

3.3.3 CAO DLO Foundation

CAO DLO Foundation 1 April 2007 to 1 April 2009.

- **Remuneration**

Beginning in 2008, the year-end payment will be structurally increased by 0.7%, to 3.0%. The salary rises will amount to 2.5% on 1 April 2007 and 2.3% on 1 April 2008. Extraordinary leave due to family circumstances will be limited to the first and second degree.

- **Core aspects of HRM policy**

The CAO DLO explicitly focuses on career policy and talent development. In addition, entrepreneurship is promoted by 'experimenting' with the implementation of job contracts and differentiated remuneration.

3.4 Health and Welfare

3.4.1 Introduction

Wageningen UR has the ambition to be a good employer that has the interests of its employees at heart. This means among other things that the employer pursues an optimal employee health and welfare policy. To achieve this, efforts are required in this area from multiple disciplines. The power of this integral approach results from joining the disciplines of industrial medicine, industrial welfare, health and welfare and human resources management.

3.4.2 Absentee monitoring

Absentee policy is an important aspect of health policy. During the monitoring of employees who are absent due to illness, the priority is on maintaining contact with the absent employees and taking every necessary action to ensure their return to the organisation and their workplace in the shortest time possible. The absent employees are also expected to do everything possible to return to work.

3.4.3 Sick leave data

Since the implementation of the Gatekeeper Improvement Act in 2002, the results of the policy on sick leave prevention is shown, among other ways, in the sick leave percentage. At both the DLO Foundation and Wageningen University, the sick leave percentage is significantly below the established aim of 4% (see the table below).

Table Sick leave percentages

	2007	2006	2005
DLO Foundation	3.1	3.1	3.5
Wageningen University	2.8	2.8	2.8
Van Hall Larenstein University of Applied Sciences	6.9	6.5	
Total Wageningen UR	3.2	3.2	3.3

3.4.4 Long-term sick leave

Special attention is paid to long-term sick leave. The number of employees receiving a disability grant (WAO/WIA) began to decline sharply in 2003, and is now below the national average for this sector. In recent years, the number of employees on long-term sick leave has declined even further. At the end of 2007, only 19 employees had been on sick leave longer than one calendar year. In 2006, there were still 35 employees in this category. All these employees are intensively monitored in accordance with the 'Gatekeeper process'. The 2007 figures also include the data from Van Hall Larenstein University of Applied Sciences.

3.4.5 Industrial welfare

The industrial welfare office (BMW) contributes to a good balance between the employee and the organisation. This contribution is achieved by means of a number of core tasks, where methodical help provision to employees and

groups of employees creates the foundation for the other activities. The core tasks are help provision, advice and consultation, policy development and prevention.

• **Prevention and education**

In 2007, there was a larger demand on the education and prevention task of the BMW, due in part to the staff satisfaction survey. As a result of this direct demand, a total of 26 workshops were held, including 24 on work stress.

• **Summary of the most important client data**

In 2007, the BMW received 264 new applications, equivalent to 4.5% of all employees. Together with the employees whose cases were still being treated, this meant that 382 employees were clients of BMW, equivalent to 6.6% of all employees at Wageningen UR. The new clients originated proportionally from all organisational components.

Work stress and nervous exhaustion were the primary reasons for 36% of the help requests; other reasons were personal conflicts at the workplace (24%), reorganisation and mobility (11%) and problems in the private sphere (13%). More PhD students made use of the industrial welfare services in 2007 (27 PhD students). Two-thirds of them reported stress symptoms.

Most of the new clients had never previously contacted the industrial welfare office. As a result, the list of clients is different every year. In 2007, the treatment for 247 clients was completed; for 83% of the clients, the treatment was completed in six consultations or less.

In 2007, 71% of the new clients were still unfit for work. Combined with the fact that half of the new clients applied on their own initiative, this means that the preventive task which Wageningen UR has formulated for BMW is being complied with. Clients use their contact with BMW to approach their situation in a timely fashion, to deal more effectively with stress or to find a new balance.

3.4.6 Mediation

Mediation is a process of supervised negotiation to find a settlement for a conflict situation. Wageningen UR has chosen for an independent and expert mediator, the certified mediator. While supervising the negotiation, the mediator takes account of the interests of all parties involved. He works according to professional rules of conduct and is subject to the disciplinary regulations of the Netherlands Mediation Institute. In 2007, nine mediations were conducted; a settlement was achieved in all cases that was endorsed by both parties.

3.4.7 Health Promotion Courses

HRM is actively involved with promoting the health and welfare of staff and students. In this context, during the year under review the following courses were held in cooperation with the University Sport Centre de Bongerd (USB) and the student physician:

- Yoga and health (83 participants);
- Tai Chi and health (42 participants);
- Fitness for people with arms, neck and shoulder symptoms (CANS, 30 participants);
- Fitness with for people back symptoms (40 participants);
- Fitness for people with cardiovascular problems (6 participants);
- Company yoga (44 participants);
- Zen meditation (36 participants).

3.4.8 Risk Inventory and Evaluation (RI&E)

At Van Hall Larenstein University of Applied Sciences, an in-depth study of work pressure was conducted in 2007. The emphasis in this approach lies not only on conducting the study, but also on the participation of the employees concerned and supervisory staff in formulating concrete and feasible measures. The survey phase was completed in 2007.

At RIKILT, an in-depth RI&E study was conducted into biological agents (microorganisms that can be hazardous to people or other organisms). At the Animal Sciences Group (Zodiac), the implementation of an in-depth RI&E study into biological agents was supported.

3.4.9 Preventive medical examination (PMO)

A preventive medical examination (PMO, previously PAGO) is intended to spot health risks in a timely fashion and to monitor staff in the prevention of these health risks. The aim is to prevent work-related health problems with employees. If a RI&E study ascertains that the relevant risk is not being controlled or is being controlled insufficiently, a decision can be made to offer a PMO as part of the employee health and safety measures.

For the time being, the existing medical examination policy, as it was implemented until August 2007 by Achmea Arbo, will be continued by Maetis. However, in the years to come, based on the results of RI&Es, the medical examination policy will be reviewed. In this way, at the end of 2007 an evaluation of the medical examination policy for employees who work with pesticides was initiated. An integrated approach, including client education and a client-oriented questionnaire, supplemented where necessary with a physical examination, would appear to increase the effectiveness of the policy.

3.4.10 RSI Prevention

Due to the extension of the campus license, the computer user's 'tachograph' WorkPace has become available for all staff and students, both at the workplace and at home. According to the registration data from the student physician, in recent years the number of students reporting RSI symptoms has declined steadily, from 86 cases in 2000 to 26 in 2007. This only concerns students who contacted the student physician with RSI symptoms for the first time. From this it can be concluded that all preventive measures taken up to now, both centrally and de-centrally, have had the intended effect and that continuation of these measures would be useful and productive.

Appendix 1A Education at Wageningen University

Table 1 Summary of Bachelors and Masters programmes 2007/ 2008

<i>Bachelors Programme</i>	<i>Masters Programme</i>
Study programmes in Biology, Plants & Animals	Biology (BBI) Animal Sciences (BAS) Plant Sciences (BPS) Animal Sciences (MAS) Aquaculture and Fisheries (MAF) Biology (MBI) Organic Agriculture (MOA) Plant Biotechnology (MPB) Plant Sciences (MPS)
Study programmes in Society and Economics	Management, Economics and Consumer Studies (BME) Economics and Policy (BEP) Health and Society (BHS) International Development Studies (BIN) Applied Communication Science (BAC) Applied Communication Science (MCS) Food Quality Management (MFQ) International Development Studies (MID) Management of Agro-ecological Knowledge and Social Change (MAK) Management, Economics and Consumer Studies (MME)
Study programmes in Environment & Landscape	Soil, Water and Atmosphere (BSW) Forest and Nature Management (BFN) International Land and Water Management (BIL) Landscape Architecture and Planning (BLP) Environmental Sciences (BES) Earth System Science (MEA) Environmental Sciences (MES) Forest and Nature Conservation (MFN) Geo-information Science (MGI) Hydrology and Water Quality (MHW) International Land and Water Management (MIL) Landscape Architecture and Planning (MLP) Leisure, Tourism and Environment (MLE) Meteorology and Air Quality (MMA) Soil Science (MSS) Urban Environmental Management (MUE)
Study Programmes in Technology & Nutrition	Agricultural Engineering (BAE) Biotechnology (BBT) Food Technology (BFT) Molecular Life Sciences (BMW) Nutrition and Health (BNH) Agricultural and Bioresource Engineering (MAB) Bioinformatics (MBF) Biotechnology (MBT) Food Safety (MFS) Food Technology (MFT) Molecular Sciences (MMS) Nutrition and Health (MNH)

Table 2 Number of enrolments at Wageningen University according type of enrolment: total number, number of first-year students, number of males and females, as of 1 December 2007

<i>Type of enrolment</i>	<i>Male</i>	<i>Female</i>	<i>Total</i>	<i>First-year students</i>		<i>First-year students Total</i>
				<i>Male</i>	<i>Female</i>	
Student	2,186	2,478	4,664	544	697	1,241
Student MSc-EC	2	1	3	1	0	1
PhD Student	142	131	273	43	30	73
Contract Student	5	6	11	5	5	10
Second Enrolment Student	37	52	89	27	42	69
Erasmus Student	51	81	132	51	81	132
Exchange Student	18	12	30	16	12	28
Other						
Total number enrolled	2,441	2,761	5,202	687	867	1,554

Table 3 Number of students at Wageningen University according study phase: total number, number of first-year students, number of males and females, as of 1 December 2007

<i>Type of enrolment</i>	<i>Male</i>	<i>Female</i>	<i>Total</i>	<i>First-year students</i>		<i>First-year students Total</i>
				<i>Male</i>	<i>Female</i>	
BSc	1,241	1,299	2,540	339	424	763
Doctoraal	67	34	101			
None	43	55	98			
MSc	828	1,087	1,915	205	273	478
Propedeuse	7	3	10			
Total number enrolled	2,186	2,478	4,664	544	697	1,241

Table 4 Number of students in Bachelors programmes at Wageningen University according to study programme: total number, number of first-year students, number of males and females, as of 1 December 2007

<i>Study programme</i>	<i>Male</i>	<i>Female</i>	<i>Total</i>	<i>First-year students</i>		<i>First-year students Total</i>
				<i>Male</i>	<i>Female</i>	
Agricultural Engineering (BAT)	53	1	54	8	1	9
Management, Economics and Consumer Studies (BBC)	127	108	235	39	34	73
Biology (BBI)	176	142	318	43	38	81
Forest and Nature Management (BBN)	97	52	149	17	10	27
Organic Agriculture (BBP)	7	15	22	0	0	0
Biotechnology (BBT)	97	56	153	28	10	38
Soil, Water and Atmosphere (BBW)	79	49	128	22	11	33
Animal Sciences (BDW)	95	164	259	24	50	74
Economics and Policy (BEB)	25	10	35	13	6	19
Health and Society (BGM)	3	58	61	2	23	25
International Land and Water Management (BIL)	92	42	134	33	13	46
International Development Studies (BIN)	46	150	196	16	53	69
Landscape Architecture and Planning (BLP)	120	61	181	29	25	54
Food Technology (BLT)	63	77	140	17	27	44
Environmental Sciences (BMK)	34	24	58	10	9	19
Molecular Sciences (BMW)	46	33	79	12	11	23
Plant Sciences (BPW)	45	23	68	12	8	20
Applied Communication Science (BTC)	7	8	15	3	2	5
Nutrition and Health (BVG)	29	226	255	11	93	104
Total number enrolled	1,241	1,299	2,540	339	424	763

Table 5 Number of students in Masters programmes at Wageningen University according to study programme: total number, number of first-year students, number of males and females, as of 1 December 2007

Study programme	Male	Female	Total	First-year	First-year	First-year
				students	students	students
				Male	Female	Total
Agricultural and Bioresource Engineering (MAB)	27	2	29	5	2	7
Aquaculture and Fisheries (MAF)	14	5	19	5	1	6
Management of Agro-Ecological Knowledge & Social Change (MAK)	40	22	62	16	9	25
Animal Sciences and Aquaculture (MAS)	47	117	164	17	34	51
Bioinformatics (MBF)	9	1	10	5	1	6
Biology (MBI)	24	31	55	0	0	0
Biotechnology (MBT)	41	46	87	8	13	21
Applied Communication Science (MCS)	5	20	25	4	4	8
Earth System Science (MEA)	9	6	15	0	2	2
Environmental Sciences (MES)	71	90	161	19	18	37
Forest and Nature Conservation (MFN)	65	70	135	14	11	25
Food Quality Management (MFQ)	16	30	46	5	11	16
Food Safety (MFS)	13	38	51	4	14	18
Food Technology (MFT)	45	96	141	16	32	48
Geo-information Science (MGI)	27	13	40	4	5	9
Hydrology and Water Quality (MHW)	30	17	47	3	2	5
International Development Studies (MID)	26	76	102	3	16	19
International Land and Water Management (MIL)	33	27	60	11	7	18
Leisure, Tourism and Environment (MLE)	20	43	63	8	21	29
Landscape Architecture and Planning (MLP)	56	35	91	8	3	11
Meteorology and Air Quality (MMA)	15	7	22	2	1	3
Management, Economics and Consumer Studies (MME)	68	63	131	12	8	20
Molecular Sciences (MMS)	12	10	22	2	1	3
Nutrition and Health (MNH)	11	127	138	4	27	31
Organic Agriculture (MOA)	23	15	38	8	3	11
Plant Biotechnology (MPB)	10	8	18	1	3	4
Plant Sciences (MPS)	44	41	85	16	14	30
Soil Science (MSS)	12	9	21	1	1	2
Urban Environmental Management (MUE)	15	22	37	4	9	13
Total number enrolled	828	1,087	1,915	205	273	478

Table 6 Number of propeduse and doctoraal students at Wageningen University according to study programme: total number, number of males and females, as of 1 December 2007

Study programme	Propeduse			Doctoraal		
	Male	Female	Total	Male	Female	Total
Biology (B)	-	-	-	8	4	12
Management, Economics and Consumer Studies (BC)	1	-	1	-	-	-
Biology (BI)	1	1	2	9	3	12
Biotechnology (BT)	1	-	1	4	-	4
Animal Sciences (DW)	1	-	1	6	5	11
Forestry (L10)	-	-	-	3	-	3
Agricultural Systems (L20)	-	-	-	1	-	1
Land Use (L30)	-	1	1	3	7	10
Soil, Water and Atmosphere (L50)	-	-	-	3	4	7
Agricultural Engineering (L60)	-	-	-	2	-	2
Food Technology (LT)	-	-	-	1	-	1
Agricultural and Environmental Economics (M10)	2	-	2	2	1	3
Molecular Sciences (MW)	-	-	-	1	-	1
Tropical Land Use (O10)	-	-	-	4	1	5
Rural Development Studies (O20)	-	-	-	3	2	5
Plant and Crop Sciences (PG)	1	-	1	-	-	-
Plant Breeding and Crop Protection (T15)	-	-	-	3	-	3
Crop Sciences (T16)	-	-	-	1	-	1
Zootechnics (T20)	-	-	-	5	2	7
Food Technology (T30)	-	-	-	2	-	2
Nutrition and Health (T31)	-	-	-	-	-	-
Environmental Sciences (T32)	-	1	1	2	3	5
Molecular Sciences (T33)	-	-	-	1	2	3
Bioprocess Technology (T34)	-	-	-	3	-	3
Total number enrolled	7	3	10	67	34	101

Table 7 Yields of the MSc study programmes of the cohorts 2003/04 through 2005/06 (N in absolute numbers, after x years in %)

Study programme	N	Generation 2003			N	Generation 2004		Generation 2005	
		after 2 years	after 3 years	after 4 years		after 2 years	after 3 years	N	after 2 years
MAB	7	14	71	71	9	56	89	10	80
MAF								3	*
MAK	27	59	70	74	29	41	55	25	36
MAS	60	67	88	92	57	74	91	47	66
MBF	8	50	75	75	6	50	83	10	30
MBI	3	*	*	*	10	100	100	30	77
MBT	19	74	95	95	29	69	76	36	78
MEA	14	36	64	86	4	0	25	4	0
MES	67	69	82	87	72	63	85	88	81
MFN	33	48	76	94	57	54	84	50	48
MFQ	12	83	83	83	41	83	88	18	67
MFS	14	71	100	100	14	50	100	21	48
MFT	31	87	90	97	40	73	88	51	69
MGI	11	64	82	82	33	76	94	28	64
MHW	20	15	55	60	22	45	82	24	50
MID	21	62	81	86	49	51	69	45	47
MIL	17	71	100	100	19	37	79	26	50
MLE	29	76	93	97	36	58	89	37	51
MLP	52	48	67	79	46	48	65	38	50
MMA	2	*	*	*	4	50	75	8	75
MME	104	55	77	83	56	68	88	56	73
MMS	10	50	80	80	5	60	100	22	82
MNH	52	71	87	92	63	67	94	46	72
MOA	11	73	91	91	12	42	67	17	76
MPB	7	57	86	86	9	56	78	11	64
MPS	30	80	93	93	33	73	85	45	64
MSS	1	*	*	*	12	75	92	7	43
MUE	25	88	88	88	23	91	91	30	63
Total study programmes	687	63	82	87	790	63	83	833	63
Total including changes of study programme	687	64	84	89	790	64	86	833	65

Table 8 Yields of the BSc study programmes of the cohorts 2002/03 through 2004/05 (N in absolute numbers, after x years in %)

Study programme	N	Generation 2002			N	Generation 2003		Generation 2004	
		after 3 years	after 4 years	after 5 years		after 3 years	after 4 years	N	after 3 years
BAT	7	0	14	43	12	0	50	20	0
BBC	36	17	42	47	31	13	45	34	3
BBI	72	11	29	38	59	3	24	68	13
BBN	43	21	51	60	37	38	46	44	25
BBP	6	17	17	17	8	38	38	6	17
BBT	33	3	18	36	30	7	23	22	5
BBW	26	19	46	65	32	28	56	34	21
BDW	36	3	14	31	53	17	42	73	15
BEB								2	*
BGM								6	67
BIL	10	0	40	40	22	5	23	29	3
BIN	32	16	31	41	32	9	41	31	16
BLP	35	14	49	63	29	17	28	27	0
BLT	26	12	31	54	22	27	36	21	24
BMK	18	17	61	67	17	29	53	15	13
BMW	16	19	38	38	23	13	22	21	19
BPW	13	15	38	38	11	0	18	6	17
BVG	51	24	47	57	49	49	69	44	30
Total study programmes	460	14	37	48	467	19	40	503	15
Total including changes of study programme	460	14	38	51	467	19	40	503	15

Appendix 1B Education at Van Hall Larenstein University of Applied Sciences

Table 1 Study programmes of Van Hall Larenstein University of Applied Sciences

International School of Higher Agricultural Education in Velp/Wageningen	Bachelors Programmes	<ul style="list-style-type: none"> – Agribusiness and Management – Forestry and Nature Management – Animal Husbandry – Laboratory Science¹ – Land and Water Management – Rural Innovation – Agrisystems Management – Landscape Architecture – Horticulture and Plant Production – Food Science and Technology
	Masters Programmes	<ul style="list-style-type: none"> – Masters in Management of Development – Masters in Agricultural Production Chain Management – Project and Process Management in the Domain of Land and Water
Van Hall Institute Leeuwarden	Bachelors Programme	<ul style="list-style-type: none"> – Agribusiness and Management – Biotechnology / Life Sciences² – Animal Husbandry – Livestock Management – International Business and Management Studies³ – Coastal and Sea Management – Environmental Sciences – Rural Innovation – Horticulture and Plant Production – Food Science and Technology
	Associate Degree (AD)	<ul style="list-style-type: none"> – Dairy Farming – Entrepreneurship – Integral Enforcement of Environmental Law

¹ in cooperation with HAN University of Applied Sciences, expiring

² in cooperation with NHL University

³ in cooperation with NHL University and CHN University

Table 2 Number and enrolment of funded students at Van Hall Larenstein University of Applied Sciences, per location and study programme, reference date 01-10-2006 (FT = Full time, PT = Part time, DU = Dual)

<i>Van Hall Larenstein University of Applied Sciences</i>	2002	2003	2004	2005	2006	2007
Enrolment	1,344	1,164	1,094	1,209	1,113	1,039
– Leeuwarden	552	456	403	533	517	503
– Velp and Deventer/Wageningen ¹	792	708	691	676	596	536
Total number of students						
– Leeuwarden	1,842	1,714	1,649	1,699	1,844	1,874
– Velp and Wageningen	2,407	2,354	2,346	2,257	2,206	2,005
Total	4,249	4,068	3,995	3,956	4,050	3,879
<i>Leeuwarden</i>						
Agribusiness and Management	200	166	156,5	158	168	179
Biotechnology / Life Sciences	61	58	75	79	149	183
Livestock Management	674	665	621	666	717	738
Animal Husbandry	328	280	234	218	213	168
Animal Husbandry (Associate degree)	0	0	0	0	31	29
IBMS (with CHN/NHL, 1/3 = VHL number)	0	17	?	17	32	34
Coastal and Sea Management	36	52	67	80	94	106
Environmental Sciences FT	270	217	201	184	145	144
Environmental Sciences PT	114	104	108	107	119	127
Rural Innovation	35	33	36	39	31	25
Horticulture and Plant Production	0	0	42	41	43	45
Food Science and Technology FT	120	115	101	122	98	96
Food Science and Technology PT	4	7	7	5	4	0
<i>Velp and Wageningen</i>						
International Agricultural Trade	89	35	15	4	2	0
Farm and Agribusiness	158	180	209	164	134	103
Forestry and Environmental Management FT	365	383	392	390	411	410
Forestry and Environmental Management PT	47	77	101	83	99	93
Dutch Agriculture	4	1	1	1	1	0
Animal Husbandry	288	279	304	301	305	277
Land and Water Management FT	330	300	290	272	256	252
Land and Water Management PT	48	57	51	64	79	68
Rural Innovation	38	53	73	88	83	86
Agrisystems Management	151	102	111	103	65	54
Horticulture and Plant Production	61	105	100	106	92	41
Landscape Architecture FT	543	478	393	383	358	355
Landscape Architecture PT	104	141	176	188	193	193
Agro-product Studies	25	10	0	0	0	0
Food Science and Technology	38	45	48	55	53	57
Laboratory Science	118	108	82	55	25	14
Masters in Agriculture Production Chain Management	0	0	0	0	16	0
Masters in Management of Development	0	0	0	0	29	0
Animal husbandry - old (counts with Livestock & Animal husbandry)	0	0	0	0	5	2

¹ Beginning with the academic year 2006/ 2007 the Deventer location has moved to Wageningen

Table 3 Number of graduates and average study duration for each location and study programme of Van Hall Larenstein University of Applied Sciences

	Number of graduates					Average study duration				
	'02/'03	'03/'04	'04/'05	05/'06	'06/'07	'02/'03	'03/'04	'04/'05	'05/'06	'06/'07
<i>Leeuwarden</i>	345	307	292	323	303	4.5	4.5	4.3	4.4	4.5
Agribusiness and Management	52	42	36	28	32	4.3	4.3	4.2	4.2	4.5
Biotechnology / Life Sciences	10	10	4	17	13	4.5	4.2	4.3	4.6	4.2
Livestock Management	102	94	124	106	107	5.0	4.9	4.6	4.6	4.7
Animal Husbandry	81	70	59	41	55	4.4	4.3	4.0	4.0	4.2
IBMS	-	-	-	-	1	-	-	-	-	3
Coastal and Sea Management	-	-	0	14	10	-	-	0	4.4	4.2
Environmental Sciences	62	44	45	64	58	4.5	4.5	4.4	4.7	4.8
Rural Innovation	-	-	0	0	4	-	4	0	4.4	5.5
Horticulture and Plant Production	-	-	7	7	5	-	-	4.4	4.0	4.4
Food Science and Technology	38	46	17	36	18	4.0	4.1	3.9	3.9	4.1
<i>Velp/Deventer</i> ¹	424	415	454	368	415	4.5	4.3	4.3	4.5	4.2
Agribusiness and Management	-	19	41	23	20	-	5.0	5.0	3.7	3.3
Forestry and Nature Management (FT)	49	100	88	65	78	4.0	4.3	4.3	4.5	4.2
Forestry and Nature Management (PT)	-	8	25	1	21	-	-	3.0	4.0	3.6
Animal Husbandry	58	37	56	53	56	4.5	4.2	4.2	4.3	4.3
International Agricultural Trade					3					6.3
Land and Water Management (FT)	84	62	78	54	64	4.1	3.9	3.9	4.1	3.8
Land and Water Management (PT)	-	7	13	1	25	4.2	2.3	2.3	5.0	4.0
Rural Innovation	-	3	5	13	11	-	4.0	4.0	4.4	4.3
Agrisystems Management	34	16	10	2	5	5.0	4.3	4.3	4.0	4.8
Horticulture and Plant Production	-	4	13	17	18	-	3.5	3.5	4.1	4.3
Landscape Architecture (FT)	117	102	75	89	72	5.0	4.8	4.8	5.0	4.7
Landscape Architecture (PT)	-	1	11	23	27	-	4.0	4.0	4.6	4.8
Food Science and Technology	-	13	8	7	6	3.0	4.4	4.4	4.9	4.2
Laboratory Science	29	29	23	19	8	3.8	3.9	3.9	4.0	4.0

¹ Beginning with the academic year 2006/2007/ the Deventer location has moved to Wageningen

Table 4 Education Demand Factor (EDF)*

* factor used in funding; based on the study duration of graduates and dropouts

	<i>EDF factor</i>	<i>Number of graduates</i>	<i>Study duration of graduates</i>	<i>Number of dropouts</i>	<i>Study duration of dropouts</i>
<i>Leeuwarden</i>					
2003	0.910	345	4.5	229	1.9
2004	0.959	307	4.5	174	2.2
2005	0.949	292	4.3	154	2.1
2006	0.958	323	4.4	123	2.2
2007	0.930	303	4.5	177	1.8
<i>Velp/Deventer ²</i>					
2003	0.921	424	4.5	341	1.7
2004	0.964	415	4.3	215	2.0
2005	0.999	454	4.2	200	2.1
2006	0.898	368	4.5	224	2.1
2007	0.968	415	4.2	247	2.04

² Beginning with the academic year 2006/2007/ the Deventer location has moved to Wageningen**Table 5 Incoming and outgoing Socrates exchange students per partner institution in 2006 - 2007**

<i>Country and name of institution</i>	<i>Subject ³</i>	<i>Velp-Wageningen</i>		<i>Leeuwarden</i>	
		<i>students to VHL</i>	<i>VHL students to</i>	<i>students to VHL</i>	<i>VHL students to</i>
Austria				1	2
– Universität für Bodenkultur		–	–	1	2
Belgium		4			
– Haute École Charlemagne	01.6	4	–	–	–
Czech Republic		2			
– Mendel University	02.5	2	–	–	–
Denmark			1		
– Royal Veterinary University KVL	02.5	–	1	–	–
Estonia					
– Estonian University of Life Sciences	01.0	–	–	–	–
Germany		8	4		
– FH Eberswalde	01.6		–	–	–
– FH Rottenburg	01.6	4	–	–	–
– TU Berlin	01.6		4	–	–
– FH Weihenstephan	01.0	4	–	–	–
– FH Nuertingen	01.0		–	–	–

Country and name of institution	Subject ³	Velp-Wageningen		Leeuwarden	
		students to VHL	VHL students to	students to VHL	VHL students to
Greece				1	
– University of Athens	01.0	–	–	–	–
– University of Pireas	01.0	–	–	1	–
Finland					
– Hame Polytechnic, Hameenlinna	01.0	–	–	–	–
– University of Oulu	01.6	–	–	–	–
– University of North Karelia	01.6	–	–	–	–
France				2	
– FESIA – (ESA Angers, ISA Beauvais, ISARA Lyon)	01.0	–	–	–	–
– ISAB Beauvais	07.4	–	–	1	–
– ESA Angers	07.4	–	–	1	–
Hungary				2	
– Szent Istvan University	01.0	–	–	–	–
– Szeged College faculty of Food Engineering	01.0	–	–	2	–
– University of Debrecen	01.0	–	–	–	–
– Corvinus University	02.5	–	–	–	–
Ireland					
– Galway Mayo Institute of Technology	01.0	–	–	–	–
Italy		1		1	
– U. degli studi di Milano	01.0		–	–	–
– U. degli studi di Udine	01.0		–	1	–
– U. degli studi di Venezia	01.0		–	–	–
– U. Federico II Napoli	01.0		–	–	–
– University of Genua	02.5	1	–	–	–
Norway			3		5
– Hogskulen Sogn og Fjordane	01.6	–	3	–	5
Poland				2	
– University of Bydgoszcz	01.0	–	–	–	–
– University of Wroclaw		–	–	2	–
Romania					1
– University Clunlapoki		–	–	–	1
Slovenia					
– University of Ljubljana	01.0	–	–	–	–

Country and name of institution	Subject ³	Velp-Wageningen		Leeuwarden	
		students to VHL	VHL students to	students to VHL	VHL students to
Spain		3		2	2
- Universidad Autonoma de Barcelona	01.0		-	2	-
- Universidad de Cadiz	01.0		-	-	-
- Universidad de Lleida	01.0		-	-	-
- Universidad Politecnica de Madrid	01.0		-	-	-
- Universidad de Navarra	01.0	3	-	-	-
- Etsia/Universidad Politecnica de Valencia	07.4		-	-	2
- INEA/Universidad de Valladolid	01.0		-	-	-
- Universidad Miguel Hernandez de Elche	01.0	-	-	-	-
Sweden			29		
- SLU;Swedish Agricultural University		-	29	-	-
United Kingdom					
- Harper Adams University College	07.4	-	-	-	-
- University of Greenwich	01.0	-	-	-	-
- Writtle College	01.7	-	-	-	-
- University of Inverness	01.0	-	-	-	-
TOTALS		18	37	11	10

³ 01.0 = Agricultural Sciences; 01.6 = Forestry; 01.7 = Animal Husbandry; 02.5 = Landscape Architecture; 07.4 = Soil and Water Sciences

Appendix 2 Corporate social responsibility report

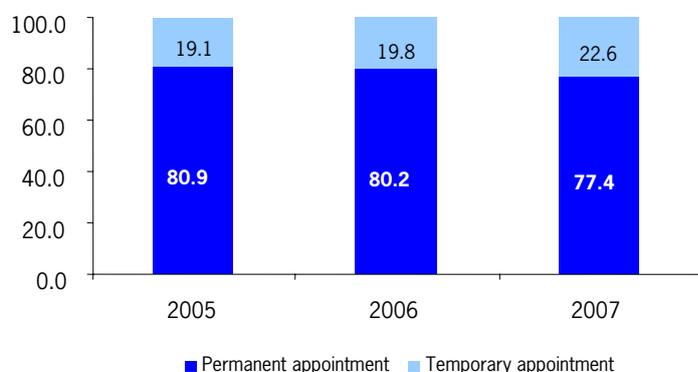
The following figures show data for Wageningen UR at the end of 2007.

STAFF

	2005	2006	2007
Number of staff on 31-12	6,558	6,316	6,318
Number of FTE on 31-12	5,637	5,423	5,447

Explanation: the decline in the number of FTE in 2006 is the result of the FOCUS 2006 reorganisation. The corporate social responsibility report shows the state of affairs on 31-12, while the financial annual report shows the volume of FTE during one year.

PERMANENT/TEMPORARY



Explanation: the flexibility of the organisation is determined in part by the ratio between the number of permanent and temporary appointments. In 2007, the number of appointments increased. The above figure includes PhD students.

SICK LEAVE

	2005	2006	2007
Incl. sick leave > 1 year	3.3	3.2	3.2
Excl. sick leave > 1 year	2.9	2.7	2.8

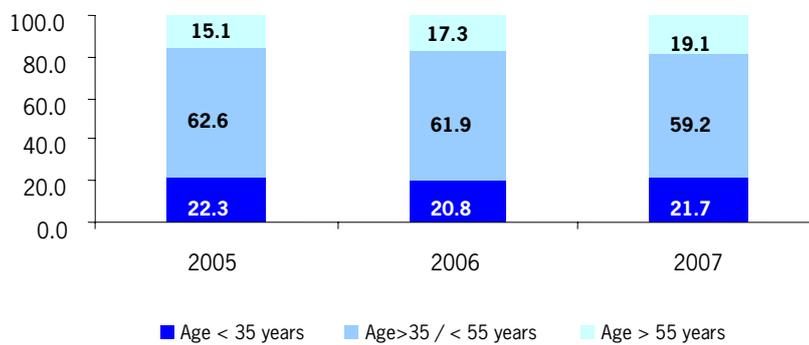
Explanation: the sick leave percentage for all of Wageningen UR of 3.2% is significantly below the established norm of 4%.

DEVELOPMENT/TRAINING

	2005	2006	2007
Expenditure (x € 1,000.-) excluding time invested	3,525	3,449	3,787
Percentage of the wage costs	approx. 1.2%	approx. 1.1%	approx. 1.3%

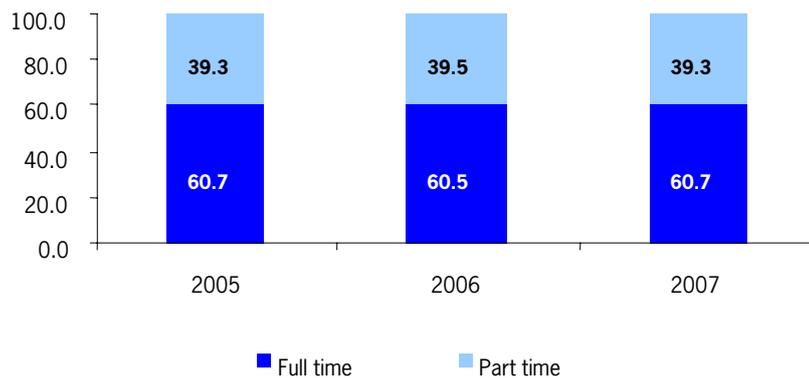
Explanation: the expenditure norm for development/training is set at 2% of the wage costs; the realisation in 2007 was 1.3%

AGE

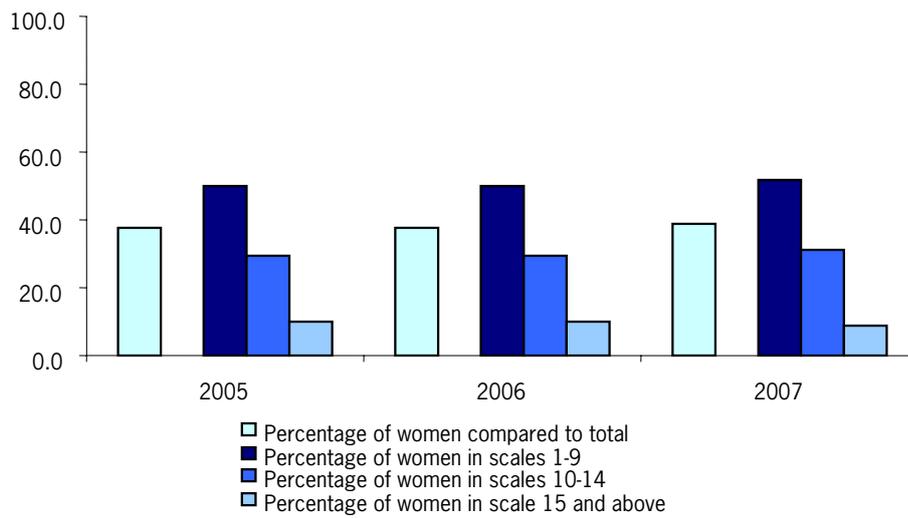
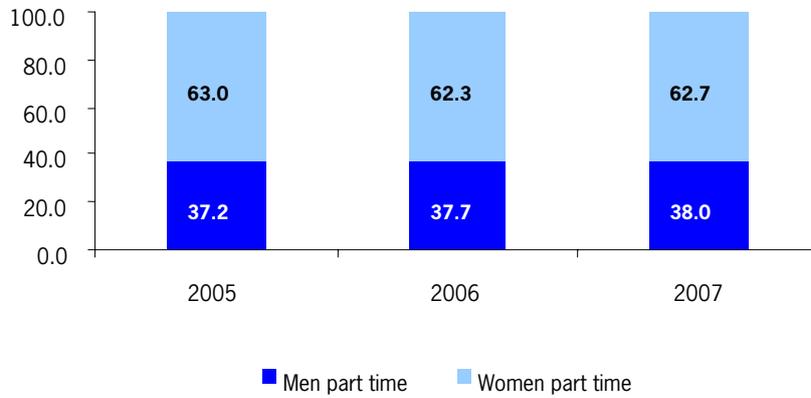


Explanation: the problem of ageing is also recognisable within Wageningen UR; the group of employees older than 55 is increasing and now comprises 19.1% of the total.

FULL TIME/PART TIME



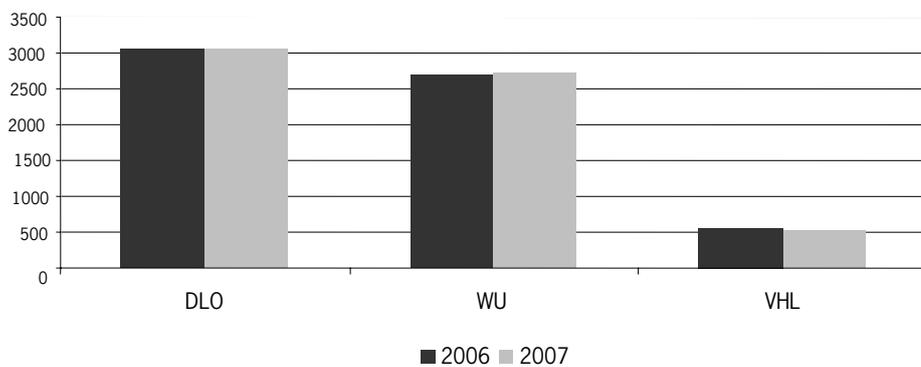
EMANCIPATION



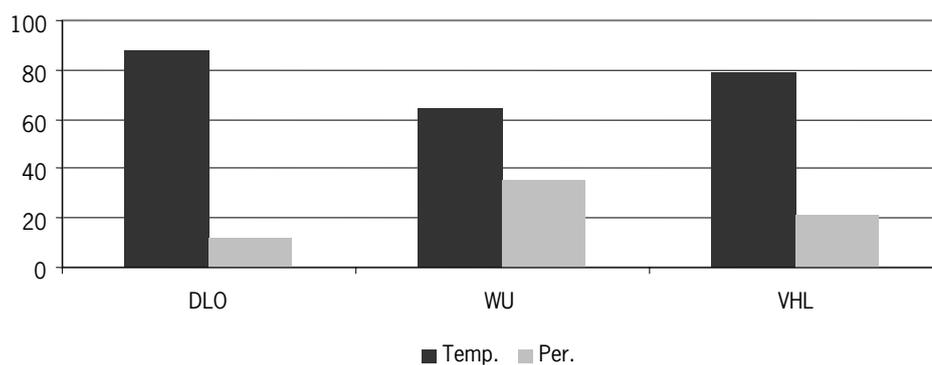
Explanation: in 2007, the percentage of women in the organisation rose slightly, as did the number of women in salary scales 1 - 9 and scales 10 - 15. However, the percentage of women in salary scale 15 and above fell slightly.

The graphs below show the data for each component of Wageningen UR.

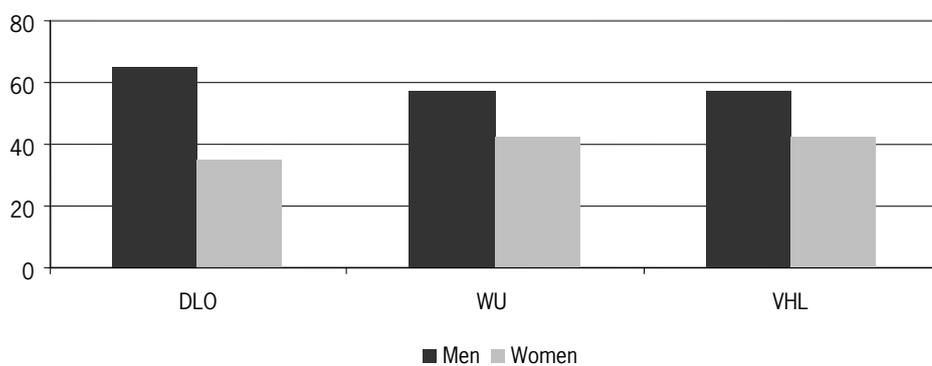
Numbers of employees



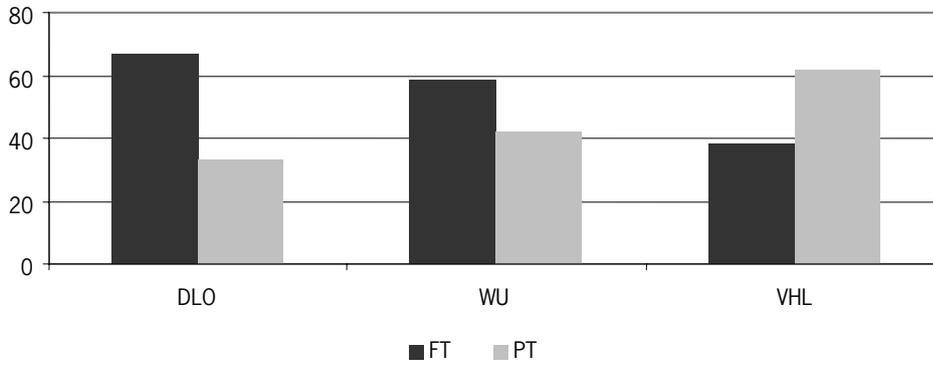
Temporary/permanent 2007



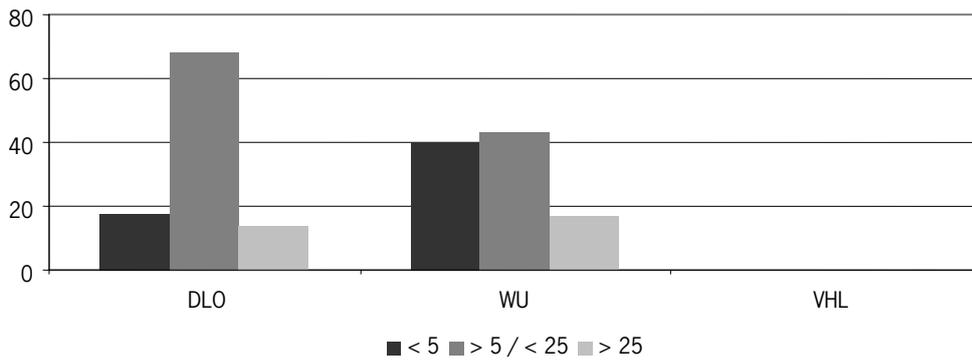
Men/Women 2007



Full time/Part time 2007

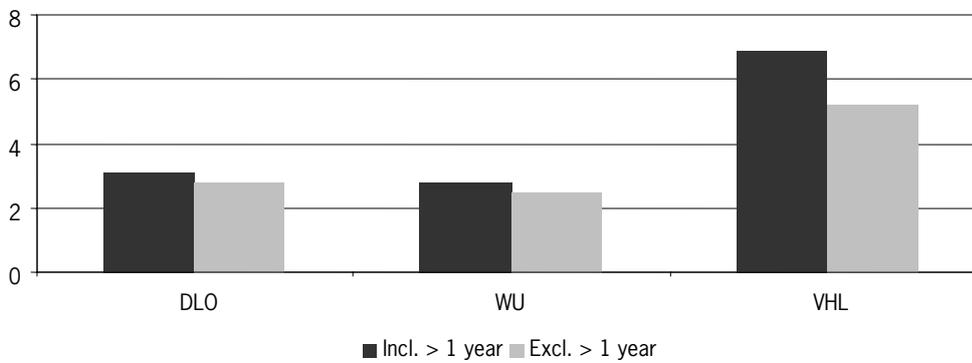


Years in service 2007

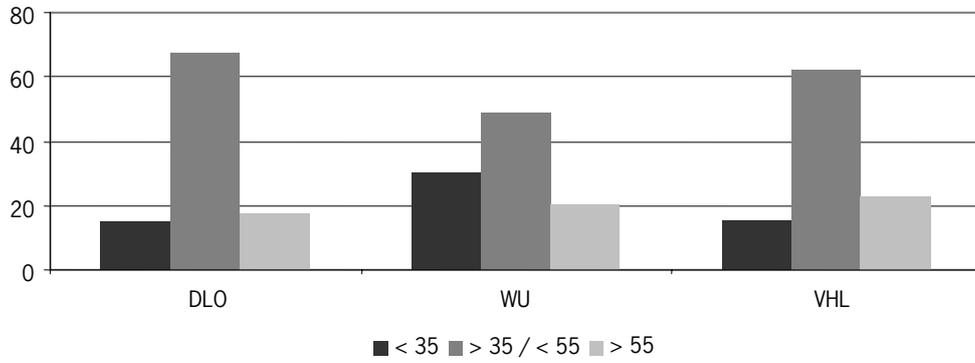


Explanation: At VHL the years in service are not yet registered in LUPIS

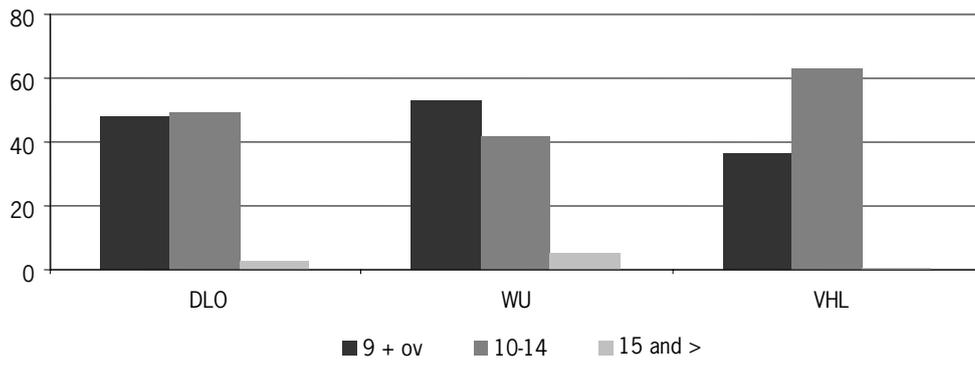
Sick leave 2007



Age 2007



Salary scale 2007



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