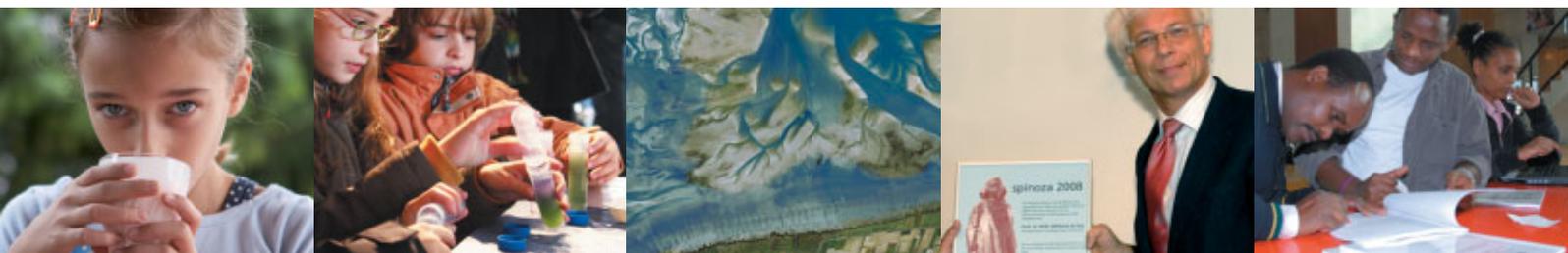


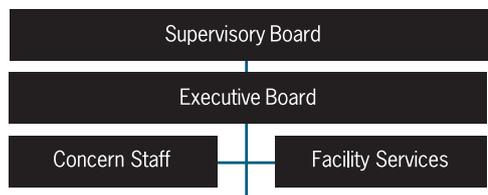
annual report Wageningen UR 2008



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	
Wageningen University						Wageningen International
Agrotechnology & Food Sciences	Animal Sciences	Environmental Sciences	Plant Sciences	Social Sciences	Leeuwarden Velp Wageningen	Wageningen IMARES
Specialised Research Institutes						Wageningen Business School
Restaurant of the Future Food Technology Centre Quality in Chains Biobased Products	Animal Production Products Central Veterinary Institute	Alterra	Plant Research International Applied Plant Research	LEI		Wageningen Business Generator
						RIKILT

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Foreword

Wageningen UR had a good year in 2008. More than ever, our domain of 'Healthy Food and Living Environment' is the subject of keen public interest, with themes such as the increasing demand for food, the possible consequences of climate change, green energy and sustainability in general. This is shown not only by our well-filled portfolio of research assignments, but also by the growing interest in the education that we offer. Moreover, the organisation is financially healthy. This is crucial to our continuity, especially during the current global economic crisis.

In 2008, for the second year in a row, Wageningen University was also the fastest growing university in the Netherlands. The enrolment of more than 1400 first-year students was the largest ever. Moreover, for the fourth year in a row, the University had the highest ranking in the Guide to Higher Education, with four Wageningen study programmes in the top 10 of the best study programmes (including first and second place). Our expectation is therefore that this growth will continue. Our growing student population requires a second education building, and at the end of 2008 we decided to make this investment. As a result, the final chair groups that are still located elsewhere in Wageningen will move to the Campus, assuming the consequences of the economic recession remain limited.

And we also performed very well at the European level by acquiring many new projects in the Seventh Framework Programme (FP7). A wonderful example of a new alliance is the combination of relevant Wageningen plant expertise and medical science, focusing on the early detection of complex diseases in humans. And we performed well regionally, within the Netherlands. In the province of Zeeland we are participating in an aquaculture centre, and in the north of the country, the Wadden Academy was established. A consortium agreement was signed with the province of Gelderland concerning climate issues and sustainable production, and many activities have been initiated. A very special event in 2008 was winning the Spinoza Prize for the second year in a row – the highest scientific distinction in the Netherlands. This time the prize was awarded to Prof. Willem de Vos of the Laboratory of Microbiology. Another honour was the appointment of Prof. Pierre de Wit as Academy Professor of the Royal Netherlands Academy of Arts and Sciences (KNAW). In addition, Prof. Martien Cohen Stuart was awarded the Akzo Nobel Science Award 2008. These are important acknowledgements of the quality of our work, and especially of the quality of our people.

In March, our university celebrated its 90th foundation day. This was a festive event, during which two honorary doctorates were presented, one to the British biochemist Prof. David Baulcombe and one to the Canadian fisheries expert Dr. Daniel Pauly.

An absolute high point was the presence of Kofi Annan, the former Secretary General of the UN, at the Inauguration of the Academic Year. This was an acknowledgement of our reputation and a stimulus to work even harder on behalf of Africa. The special attention that Prime Minister Balkenende gave to Wageningen UR during his official visit to China last October was also an important and honourable encouragement for our organisation. And the second successful edition of our annual public event Food4you demonstrated that our work is increasingly known to a broad public.

Many partners from the Netherlands and abroad are seeking cooperation with Wageningen UR. This gives us confidence and provides opportunities for further development of our organisation. None of this would have been possible without our staff and students; on behalf of the Executive Board, I would like to express my sincere appreciation for your tremendous efforts. Finally, I would also like to say a word of thanks to the Ministry of Agriculture, Nature and Food Quality and to all our other stakeholders and clients for their very agreeable cooperation.

Dr. Aalt 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 Boards of Wageningen University, the DLO Foundation and the Van Hall Larenstein Foundation.

Supervisory Board

Ms M. de Boer (chair)

Dr. J.J. van Duijn (vice chair)

Dr. L.B.A.M.G. Van Depoele (as of 1 May 2008)

Ms J.R.H. Maj-Weggen

Dr. J.A.J. Vink

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

1 Annual Report of Wageningen UR

1.1 Introduction

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:

- Civil Code Book 2 Title 9 and the guidelines of the *Raad voor de Jaarverslaggeving*;
- Works Councils Act (information provision);
- Agreements with trade unions and Joint Representative Advisory Bodies.

Wageningen UR complies with the information obligations of the Environmental Management Act and Working Conditions Act by providing information to the executive bodies that are authorised in accordance with these laws to grant certifications and permits.

1.2 Report from the Supervisory Board

In 2008, the Supervisory Board held six regular meetings. The Chairperson of the Supervisory Board conducted periodic informal consultations with the Chair of the Executive Board. The Supervisory Board also met three times with the Joint Representative Advisory Bodies and met several times without the presence of the Executive Board.

In the meetings, the Wageningen UR Annual Report 2007, including the annual accounts of Wageningen University, DLO Foundation and Van Hall Larenstein Foundation, were approved based on the positive recommendation of the audit committee. The Supervisory Board has requested the Executive Board to accept the recommendations of the accountant. Based on the recommendations of the audit committee, the Supervisory Board also approved the budget for 2009 and extended the contract with the external accountant.

The Supervisory Board is informed about the financial situation by means of periodic management announcements. In addition, the Supervisory Board was informed about a number of decisions of the Executive Board, such as the organisational change in knowledge valorisation at Wageningen UR. The Supervisory Board also approved various investments proposed by the Executive Board, such as the planned investment in the second education building and the 'unilocation' for the AFSG.

The Supervisory Board has been informed about the progress in the priority areas for 2008. New priority areas have also been established for 2009, including a priority area which has the aim of reducing the demand on working capital. The priority areas provide tangible implementation of the Wageningen UR Strategic Plan 2007-2010.

In 2008 the Supervisory Board approved the corporate governance code of Wageningen UR as well as the rules and regulations for the Supervisory Board. As a result, various regulations and information about the governance of Wageningen UR will be published. The appointment and remuneration committee was also established. The duties of this committee include preparing the decisions of the Supervisory Board regarding the composition and remuneration of the Executive Board and the composition of the Supervisory Board.

In 2008, the Supervisory Board evaluated its operation and that of the Executive Board.

On 1 May 2008 Mr Van Depoele was appointed to the Supervisory Board. With this appointment, the Board is once again at full strength. Two members of the Board whose terms of appointment elapsed in 2008, Mr Van Duijn and Ms Maij-Weggen, have been reappointed for a second term.

- **Audit committee**

The audit committee held three regular meetings in 2008. During these meetings, the Annual Report 2007, including the annual accounts for 2007 of Wageningen University, DLO Foundation and Van Hall Larenstein Foundation, was discussed. The accountant's report stated that annual accounts provided a trustworthy picture and that the reliability of the approved figures has improved. The accountant made a number of recommendations for further improvement of the financial management. These recommendations have been accepted by the audit committee. In view of the positive findings of the accountant, the audit committee has advised the Supervisory Board to approve the annual accounts.

In addition, the audit committee also discussed the contract extension for the external accountant. The audit committee made a positive recommendation on this topic to the Supervisory Board. The audit committee discussed the findings of the interim audit conducted by the external accountant. This showed a further improvement in the internal management at Wageningen University and Stichting DLO. Improvement was also reported at Van Hall Larenstein University of Applied Sciences. The audit committee discussed the 2009 budget of Wageningen University, the DLO and Van Hall Larenstein and submitted a positive recommendation to the Supervisory Board.

The audit committee evaluated its operation this year.

- **Appointment and remuneration committee**

In 2008, the appointment and remuneration committee was established by the Supervisory Board. A remuneration report was drawn up for 2008, the main aspects of which are included in Chapter 2 of the Annual Report.

- **Independence**

In its supervisory role, the Supervisory Board ensures that its members board are independent. According to the judgement of the Board, the Supervisory Board has an independent composition, in compliance with the corporate governance code of Wageningen UR.

- **Composition of the Supervisory Board**

The Board has the following members:

Ms M. de Boer (chair) (1939)

Member of the Board since September 2005, also member of the appointment and remuneration committee. Term of appointment elapses on 1 September 2009. At that time, Ms De Boer will be eligible for reappointment based on the provisions in the resignation rotation scheme. Ms De Boer holds various functions in public administration.

Dr. J.J. van Duijn (vice chair) (1943)

Member of the Board since September 2004, also member of the audit committee. Term of appointment elapses on 1 September 2012. At that time, Mr Van Duijn will not be eligible for reappointment based on the provisions in the resignation rotation scheme. Mr Van Duijn is a former member of the Executive Board of the Robeco Group.

Dr. L.B.A.M.G. Van Depoele (1939)

Member of the Board since 1 May 2008, also member of the appointment and remuneration committee. Term of appointment elapses on 1 September 2012. At that time, Mr Van Depoele will be eligible for reappointment based on the provisions in the resignation rotation scheme. Mr Van Depoele is a former Director of Rural Development at the Directorate General of Agriculture and Rural Development of the European Commission.

Ms J.R.H. Maij-Weggen (1943)

Member of the Board since September 2004, also chairs the appointment and remuneration committee. Term of appointment elapses on 1 September 2012. At that time, Ms Maij-Weggen will not be eligible for reappointment based on the provisions in the resignation rotation scheme. Ms Maij-Weggen is also the Provincial Governor for the Province of North Brabant.

Dr. J.A.J. Vink (1947)

Member of the Board since November 2001, also chair of the audit committee. Term of appointment elapses on 1 September 2009. At that time, Mr Vink will not be eligible for reappointment based on the provisions in the resignation rotation scheme. Mr Vink is former chairman of the Executive Board of CSM N.V.

On behalf of the Supervisory Board

Ms Margreeth de Boer (Chair)

Amounts * € million

1.3 Key Figures Wageningen UR

1.3.1 Key figures Wageningen University

	2008	2007	2006	2005
Students (total on 01-12)	5,617	5,202	4,945	5,001
Enrolment of first-year students (BSc + MSc)	1,409	1,241	1,106	1,049
Total number of regular students	5,128	4,664	4,461	4,433
<i>Extranei</i>	0	1	0	0
Other enrolled students	489	537	484	568
Number of graduates	1,313	1,308	1417	1,297
Average number of Wageningen University staff (total in FTEs)	2,335	2,269	2,233	2,333
Net result (€ x 1,000)	14,749	11,360	5,552	-3,501
Assets WU ¹				
Capital in fixed assets	189.6	199.5	196.4	172.7
Equity capital	129.8	115.0	106.1	103.4
Total capital	271.3	269.0	243.5	218.8
Solvency ratio	47.8%	42.8%	43.6%	47.3%
Liquidity WU				
Liquid assets	48.1	25.5	21.4	24.7
Net working capital	-20.0	-41.6	-39.4	-40.3
Current ratio	0.8	0.6	0.5	0.5

¹ In 2006, due to a change in the system, a liability of €5.8 million was included 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.
Number of graduates 2006: this concerns graduates of the unified programmes (255), the 3-year BSc programmes (371) and the 2-year MSc programmes (791).
Number of graduates 2005: this included graduates of the unified programmes (395), the 3-year BSc programmes (275) and the 2-year MSc programmes (627).

Amounts * € million

1.3.2 Key figures Van Hall Larenstein University of Applied Sciences

	2008	2007	2006	2005
Students (total on 01-10)	3,791	3,879	4,050	3,956
Enrolment	1,046	1,038	1,113	1,209
Graduates with Bachelors degree	702	718	691	746
Graduates with Associate degree	17	13	-	-
Graduates with Masters degree	55	34	-	-
Average number of VHL staff (total in FTEs)	388	407	417	436
Net result (€ x 1,000)	834	264	3.615	-123
Assets VHL				
Capital in fixed assets	34.1	35.8	34.6	37.5
Equity capital	6.3	5.4	1.3	-2.3
Total capital	52.4	55.9	49.3	52.6
Solvency of equity capital	11.9%	9.7%	2.6%	-4.4%
Liquidity VHL				
Liquid assets	11.2	11.5	9.0	8.4
Net working capital	-5.4	-1.8	-0.8	-4.3
Current ratio	0.8	0.9	1.0	0.8

Amounts * € million

1.3.3 Key figures DLO Foundation

	2008	2007	2006	2005
Turnover	348.2	341.2	316.2	322.1
Share of LNV in turnover ²	48%	52%	53%	53%
Investments in corporate buildings and grounds	47.9	36.5	52.0	17.1
Investments in other tangible fixed assets	8.9	7.7	5.5	5.7
Average number of DLO staff (total in FTEs) ³	2,801	2,781	2,845	3,145
Net result (€ x 1,000)	14,364	25,417	12,989	-18,214
Assets DLO				
Capital in fixed assets	415.9	401.6	402.9	372.3
Equity capital	247.3	232.9	207.5	194.5
Total capital	539.4	536.1	559.1	524.2
Solvency ratio	45.8%	43.4%	37.1%	37.1%
Liquidity DLO				
Liquid assets	36.8	55.9	76.3	65.7
Net working capital	17.6	34.1	23.8	26.4
Current ratio	1.2	1.3	1.2	1.2

1.4 Wageningen UR, general

Wageningen UR is the framework of cooperation between Wageningen University, DLO Foundation and Van Hall Larenstein University of Applied Sciences (see the organisational chart on the inside cover). This cooperation is given shape in six units, including five Sciences Groups; by joining forces, these units become the organisational, substantive and administrative instruments to realise greater decisiveness and quality in research and education. Each Sciences Group organisationally integrates one department of Wageningen University with one or more DLO institutes, where the administrative and legal separation of the organisations is assured. 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. In addition, a number of components are not linked to a Sciences Group. RIKILT Institute for Food Safety conducts independent research in the area of safe and healthy food. Wageningen Business School provides post-academic study programmes and courses within the domain of Wageningen UR. Wageningen IMARES focuses on strategic and applied marine ecological research, and Wageningen International is the central contact point for all international activities of Wageningen UR.

² 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.

³ The total number of staff excluding interns at the end of 2008 was 2,816 FTE; at the end of 2007, this was 2,781 FTE and at the end of 2006 this was 2,789 FTE.

Wageningen University, the DLO Foundation and Van Hall Larenstein Foundation are independent legal entities, where Van Hall Larenstein Foundation is the executive body for the Van Hall Institute in Leeuwarden and for the Larenstein University of Agricultural Education in Velp and Wageningen.

Within the framework of cooperation of Wageningen UR, all objectives and activities of the individual legal entities are substantively coordinated at the strategic and tactical levels. Between several components, cooperation takes place at the level of operational management. However, there is no policy governance relationship with each other. The Executive Board is not authorised to deploy the financial means of the distinct organisations other than for the realisation of the objectives and the implementation of the primary tasks of those organisations. Therefore, the distinct legal entities each publish consolidated annual accounts for their group. Wageningen UR as a whole does not publish consolidated annual accounts.

1.4.1 Mission and ambition

Wageningen UR is an international expertise centre with the mission 'to explore the potential of nature to improve the quality of life'. The ambition of Wageningen UR is to distinguish ourselves nationally and internationally by means of outstanding education and research within the Wageningen domain. Outside Europe, where Wageningen has earned an excellent reputation over the decades, Wageningen UR continues to develop its activities. Within Europe, there is still space for further development to become the top European expertise centre in the domain of healthy food and living environment. This is a development that will strengthen the roots of Wageningen UR in Dutch society and the important role of Dutch public interest.

The pursuit of exemplary quality and a top international position requires clarity about the borders within which this pursuit is conducted. These borders are delineated 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 comprises three related core areas:

- **Food and food production**

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

- **Living environment**

Nature, landscape, land development, 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 choice behaviour on health, nutrition and living environment. The behaviour as a consumer, citizen or recreational participant, the attitude towards risk and uncertainty, the perception of quality and safety, agricultural policy and food security in relation to poverty, especially in the less developed countries.

1.4.3 Strategic Plan and Priority Areas 2008

Wageningen UR can achieve its mission with a broad horizon and an integral approach within a clearly defined domain. Emerging from this mission and that domain, and based on the position that has been acquired in recent years, supplementary aims have been formulated in the Strategic Plan for the period 2007-2010.

Wageningen UR is progressing on schedule with respect to the Strategic Plan. The themes of Wageningen UR are given a great deal of attention in the media. There is also a good progress on the performance indicators. All performance indicators from the Strategic Plan are monitored annually, and a number of them are addressed monthly as part of the management discussions between the Executive Board and the management councils of the Sciences Groups.

In order to realise the Strategic Plan, a number of major development steps must still be taken during the planning period. During the period to come, this requires additional attention and investments of time and money. For this purpose, priority areas are established annually. The 2008 priority areas, like those for 2007, were chosen and enacted by the Executive Board, in consultation with the Corporate Board. The motto that accompanies the priority areas is 'it cannot happen all at once, and what we do, we do well'. When establishing priority areas, the Board determines whether the current priority areas must be extended and/or whether new priority areas must be added. If they have not been extended, priority areas become part of the regular operational management, or are definitively completed. The 2008 priority areas were divided into three groups:

1. Expertise development and assurance
2. Market orientation and entrepreneurship
3. Strengthening the internal organisation

The section below contains a qualitative report regarding the most important performance indicators from the Strategic Plan 2007-2010:

– Education:

- Number of new students WU: there has been a large increase in the number of students originating from pre-university education (VWO). Based on the initial situation in 2006 (1,100 students) the objective for 2010 was 1,200 students. In 2008 the enrolment of this category of students rose to more than 1,400.
- Number of new students VHL: the realisation in 2008 was lower than in 2006; as a result, a new student recruitment campaign was launched with a great deal of energy in 2008.
- Cooperation WU-VHL: progress is being made, but there is room for improvement.

– Research:

- Scientific top quality: the number of articles published in leading journals is satisfactory.
- Substantive themes: a good step forward has been taken, but even more efforts are being made to realise additional turnover.
- Alliance with medical faculties: the final report on this priority area has been delivered, but this has not resulted in an important change in strategy. However, a strategic alliance has been initiated with the Gelderse Vallei Hospital in the area of nutrition and health.

– Organisation / other:

- The percentage of performance and development interviews held: developing in accordance with the objective.
- The target for the ratio of permanent/temporary staff has been set at 85/15 for 2010. In 2008, this ratio was 83/17.
- Following a study into this topic, the implementation of a five-year job contract for jobs at pay scale 15 and higher is no longer a target.
- Following a study into this topic, the Tenure Track target has been changed to the 'Career policy for scientific staff'; the implementation of this policy will begin in 2009.
- English as the official language: Wageningen UR has decided to become a bilingual organisation.
- The percentage of international staff is developing in accordance with the objective.
- The percentage of female professors is developing in accordance with the objective.
- Financing model WU: in 2008 the new WU funding model was implemented.
- Average overall yield DLO: developing in accordance with the objective.
- Solvency development DLO: the objective for the end of the planning period was achieved in 2008.

1.4.4 Expertise circulation and valorisation

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

In 2008, 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 2008, within the *Groene Kennis Coöperatie* (the framework of cooperation of the former agricultural education institutions), the substantive cooperation has continued to take shape. Fifteen operational programmes have been named, including Agricultural Expertise for Citizens and Equine Husbandry.

The activities of the *Wageningen Business Generator* (WBG) in the area of knowledge valorisation were transferred during the course of 2008 to the Sciences Groups.

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 2008 more than 40 programmes were operational, in which approximately 750 professionals took part. Special activities included an international training programme on the Common Agricultural Policy of the European Union, a course in strategic management in Croatia and two executive courses in Foodservice Management. New programmes have been implemented for international target groups in the Netherlands and abroad such as Waste Management (on behalf of Nuffic), Strategy in the Water Technology Business (in cooperation with Wetsus), the European Dairy Industry and the completion of the Master class on Biobusiness in China.

Relative to 2007, the number of activities on entrepreneurship and process skills have increased. Regarding entrepreneurship, these activities included Master classes, Business Challenges (for example in cooperation with STW) and the New Business Generation Game. Regarding process skills, new activities included transition management and providing a connection to other sectors (also non-agricultural ones) to the network approach as developed for the livestock sector. The increased demand for in-company programmes and projects is compatible with the need of companies for customised services and a stronger connection between learning and working.

At Van Hall Larenstein, 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. VHL International Projects provides recruitment and implementation for international projects. Van Hall Larenstein is increasingly viewed by other partners of Wageningen UR as a natural partner in projects. The expertise of VHL lies especially in developing curricula that are characterised by competencies of graduate students that are in demand by the market. As a result, students connect with the professional field more quickly.

Our international projects aim to link up with international frameworks of cooperation for the study programmes with institutes abroad. By focusing in part on the business community as a project partner, the study programmes can attain maximum benefits from the contacts with the professional field, such as finding internship positions. Due to this modified approach and focus, the number of international projects fell slightly in 2008, but we expect this to increase again in 2010.

1.4.5 Student recruitment

National recruitment

In 2008 the personal 'tone-of-voice' approach was worked out in greater detail in the experiential worlds of the 'The world of Wageningen' and 'The world of VHL'. Based on true stories of students and alumni, the potential students discover the study perspectives of both types of programmes. For Wageningen University, the focus in 2008 was on current topics in the domain of the university instead of on the study programmes. An editorial team of students was compiled to provide information in such a way that it would appeal to various target groups.

The interest in the open days and prospective students' days of Wageningen University continued to grow strongly in 2008.

For Van Hall Larenstein University of Applied Sciences, in 2008 the accent was on a large-scale theme campaign during which the young prospective students were challenged to take responsibility for matters such as climate change, deforestation, urbanisation and healthy nutrition. The number of visitors to the open days and prospective students' days remained approximately the same as the year before.

The Integration of the recruitment activities of VHL and WU continued by means of joint expertise promotion and participation in the following projects:

- the study suitability test developed by Wageningen students (www.benjjistudiefit.nl);
- the website www.uitgeloot.nl.

The number of activities for information provision to MSc transfer students (from higher professional education and universities) has increased; explicit attention was paid to the enrolment from VHL.

International recruitment

• **Europe**

Wherever possible, WU and VHL have taken steps together to realise growth in the number of European students. Action plans have been formulated for each focus country. The successful recruitment in Germany has been continued with, among other things, websites in German. The recruitment activities in partnership with the German-language *Educon* have been expanded with newsletters for prospective students and counsellors, online contact with our students, regional fairs for student counsellors and collective presentation as part of www.studiereninolland.de. We participated jointly in the education fairs in Berlin, Hamburg and Munich, which resulted in a strong increase in German prospects, for both WU and VHL.

In other European countries such as Poland, Bulgaria, Hungary, Greece and France, initial commercial contacts have been made with potential agents and representatives, and we participated in various education fairs and conferences. Existing contacts have been strengthened. The basis has been established for various alumni networks to support the recruitment activities. Partly in this context, an international relationship officer has been appointed at VHL. For recruitment in English, new forms of communication have been developed. To achieve more coherence in our information provision, a new website for VHL has been launched, and the WU website has been reorganised. In 2009 'The World of Wageningen' and 'The World of VHL' will be placed online.

• **Outside Europe**

In 2008, the 'free movers' (individual, independently funded international students) were approached by means of international education fairs, alumni representatives, presentations and advertisements. The activities focused primarily on increasing the familiarity with WU and VHL. In addition, linkage was sought with the recruitment activities of the Netherlands Education Support Offices (NESOs). In 2008 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 its students programmes with an international flavour. In 2008, 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.

1.4.6 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. The international ambition is reflected by the cooperation with international partners and the recruitment of international students for study programmes in Wageningen.

Wageningen University

On 1 October 2008, the percentage of non-Dutch BSc students amounted to 4% of the total number of BSc students. Of the total number of MSc students, approximately 46% have a non-Dutch nationality (987 students). The most important countries of origin for the international students are China (144), Indonesia (58) and Greece (54). 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.

EEA countries (European Economic Area)	421
Other European countries	23
Africa	162
Asia	409
North and South America	94
Total	1108

In May, Wageningen participated for the second time in an international comparative study into the satisfaction about the reception, education, studying and living conditions, and facilities (International Student Barometer, ISB monitor); this time Dutch BSc, MSc and PhD students were included. The response was adequate and the results showed positive aspects and points for improvement. From now on, the ISB will be given annually to international students, and every two years to Dutch students. Questions about the appreciation of the international climate are part of the ISB.

To improve the international climate for students and staff, the Intercultural Dialogue Team, which was appointed at the end of 2007, collected experiences and best practices from international employees and from managers. For international students at Wageningen University, a buddy system has been introduced, and the first Week of Cultural Diversity was held at the end of September. The kick-off for the above event took place during a well attended meeting of Kofi Annan with students during the Inauguration of the Academic Year. A website and an e-mail address for communication about cultural diversity have been launched at Wageningen UR. The recommendations from the team for an action programme on cultural diversity are expected at the beginning of 2009.

Van Hall Larenstein University of Applied Sciences

Van Hall Larenstein has an international orientation in education and contract activities. VHL educates people to work in an international context. 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. The *Groene Kennis Coöperatie* (the framework of cooperation of the former agricultural education institutions), has meanwhile become a strong partner in the internationalisation programme.

Van Hall Larenstein is well represented in Africa and parts of Asia. For each study programme, a geographical and substantive delineation can take place. During the initiation of new projects, the expansion of networks (alumni and otherwise) and student recruitment are emphatically included.

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 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 cooperative agreement. In the third year, they enrol at Van Hall Larenstein School of Higher Professional Education.

Mobility

Regarding European mobility, Van Hall Larenstein participates in the Erasmus scholarship programmes. In 2008 this led to 48 outgoing students and 23 incoming scholarship students, involving a total of 49 partner institutes in 21 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 2008, four lecturers made use of a reimbursement with Erasmus Lecturers mobility funding.

Wageningen International (WI)

For international cooperation, Wageningen International (WI) provides a single access point to education, research, capacity building and consultancy. In 2008, the following international projects were realised via Wageningen International with partners in Latin America, Asia and Africa:

- Expanding the activities of the Latin America Office (Brazil): making agreements with government agencies in the corresponding countries according to their emphasis on larger research programmes.
- Expanding the activities in Chile and Argentina in areas of Biofuels, Food Safety, Genomics and Horticulture.
- Implementing projects in Latin America such as sugar cane ethanol (resulting in a publication), sustainable soybean cultivation and quality management in the dairy industry.
- An agreement was signed with INIA in Chile concerning participation in the Center for Advanced Horticultural Studies.
- Continuing the activities of the Sino Dutch Agricultural Innovation and Promotion Centre (Beijing, under Wageningen management and with an office for Wageningen UR and a staff member of the ASG).
- Consortium agreement signed with Fujian Government (China) for the development of the potato industry in the province of Ningxia.
- Memorandum of Understanding signed with the Rural Development Administration (South Korea), which will open a permanent office within Wageningen UR.
- Intensifying the contacts with India: identification of partners and initiating agroproduction parks.
- Preparing for the mission to Afghanistan together with the Ministries of Foreign Affairs and Agriculture, Nature and Food Quality.
- Revision of the Wageningen UR Africa strategy, as part of the Strategic Plan 2007-2011.
- Further realisation of the strategic partnership with the Regional University Forum for Eastern and Southern Africa (RUFORUM, implementation at the beginning of 2009).
- Approval (by DGIS/DCO) and launch of the second phase of the Convergence of Sciences Project (CoS-2) in Ghana, Benin, Burkina Faso and Mali.
- Preparation of the structural cooperation programme with research institutes and universities in Ethiopia (to began in mid-2009).

Signing of a Memorandum of Understanding with the FAO with the intention of renewing and strengthening the collaborative relationship.

In the European context, Wageningen UR was once again very successful in 2008, especially with projects in the areas of 'Agriculture and food supply' and 'Environment and climate' in the Seventh Framework Programme (FP7).

In the area of development cooperation, various projects have been realised via a range of programmes (CD&IC, DGIS, INREF, NUFFIC):

Capacity Development & Institutional Change (CD&IC):

- Training policy makers and staff of implementing organisations in potential EU candidate Member States in the area of animal health.
- Capacity building for various SNV Components in Eastern and Southern Africa and for ICCO partners in Asia.
- Establishing a capacity-building a framework to improve the Indonesian fisheries sector.
- Pilot projects for institutional development and change management in areas of wetlands and EU policy.
- Capacity building for universities in Indonesia and Benin.

DGIS-Wageningen UR partnership programme 'Globalisation and Sustainable Rural development'

- Two additional pilot projects with the theme 'Value Chains for Pro-poor Development' (Mozambique and Rwanda),
- Four projects within the theme Competing Claims (Mozambique, Ghana, Ethiopia and South Africa).
- Formulating a Call for Proposals with respect to the theme 'Agro-biodiversity' (start in January 2009).

Interdisciplinary Research and Education Fund Wageningen University (INREF)

- Two new programmes initiated.
- In total, there are now six programmes with 60 PhD students.

Netherlands Organisation for International Cooperation in Higher Education (NUFFIC)

The Netherlands Programme for institutional strengthening of post-secondary education and training capacity (NPT) and the Netherlands Fellowship Programme (NFP) have realised four new projects with a total budget of €5.9 million. As a result, Wageningen UR has become the largest partner in the NUFFIC Capacity Building programme (20% of the NPT budget and 25% of the total NFP budget).

In 2008, the Group for Food Security and Sustainable Development, consisting of Wageningen professors, developed activities in the area of entrepreneurship for poverty alleviation. This took place through the special teaching and research remit of associate professor Hans Eenhoorn, financed by the Wageningen Ambassadors, a group of prominent Wageningen alumni. The results of the study will be presented in 2009. In addition, the Group made preparations for the Global Science Forum on food production and food security, which will be held in Wageningen in 2009.

1.4.7 Governance

In 2008 the Wageningen UR corporate governance code, the 'whistleblower' regulations, the grievance regulations on undesired forms of personal interaction, and the Wageningen Code of Conduct for Scientific Practice were enacted.

The Wageningen UR corporate governance code was compiled from the best suitable principles from the *Branchecode Governance HBO*, the *Code Goed Bestuur Universiteiten 2007* and the enacted Netherlands Corporate Governance Code (*Code Tabaksblat*). In cases where there was a possible choice between these sources, the most stringent principle was chosen. The Wageningen UR integrity code will be drawn up in 2009. The various regulations will be published in 2009 on the website of Wageningen UR.

The following section includes the main aspects of the Wageningen UR corporate governance code, and the 'in control statement' of the Executive Board.

• Corporate governance structure Wageningen UR

I Compliance with and enforcement of the code

The main aspects of the corporate governance structure of Wageningen UR, based partly on the principles that are referred to in this corporate governance code, are explained in the Annual Reports beginning in 2008. The up-to-date governance structure will be placed on the website of Wageningen UR.

II Executive Board

Remit and working procedure

The Executive Board is entrusted with the governance of Wageningen UR. Among other things, this means that the Executive Board is responsible for realising the aims of the organisation, the strategy, the financing and the policy, as well being responsible for the corresponding results. The Executive Board accounts for these results to the Supervisory Board. In fulfilling its remit, the Supervisory Board devotes itself to the interests of the organisation and to this end takes the appropriate interests of the individuals involved in the organisation into consideration. The Executive Board promptly provides the Supervisory Board with all information that is necessary to complete its tasks. The Executive Board is responsible for compliance with all relevant legislation and regulations and for managing the risks related to institutional activities. The Executive Board reports about this to the Supervisory Board and audit committee, and discusses the internal risk management and control systems with these bodies.

Remuneration

The Supervisory Board establishes the remuneration of the individual members of the Executive Board, based on a proposal of the remuneration committee, where the remuneration is in compliance with the established remuneration policy and the relevant legislative frameworks, such as the regulations concerning the legal position of

the members of the executive boards of schools of higher professional education (AMVB, 26 June 2001), the resolution on the legal position of the members of executive boards of public universities (Stb 1998, 518), the policy framework for remuneration of executive board members (CvB 2000) and the letter from the Minister of the Interior and Kingdom Relations to the Second Chamber of Parliament dated 22 December 2005 and the letter from the Minister of Agriculture, Nature and Food Quality to the Supervisory Board dated 1 October 2007. Information about the remuneration of the individual members of the Executive Board is included in the Remuneration chapter of this Annual Report.

Conflicts of interest

Every form and appearance of conflict of interest between Wageningen UR and the members of the Executive Board will be avoided. Decisions to enter into transactions which involve conflicts of interest of the members of the Executive Board require the approval of the Supervisory Board if they are of material importance for the organisation and/or for the corresponding members of the Executive Board.

III Supervisory Board

Remit and working procedure

The remit of the Supervisory Board is to supervise the Executive Board and the general course of affairs concerning Wageningen UR and its related institutions, and to advise the Executive Board. In fulfilling this remit, the Supervisory Board devotes itself to the interests of the organisation and to this end considers the appropriate interests of the individuals involved in the organisation. The Supervisory Board is responsible for the quality of its own activities.

The members of the Supervisory Board are appointed by the Minister of Agriculture, Nature and Food Quality after being nominated by the Supervisory Board. Members of the Supervisory Board are appointed for no more than four years, with the possibility of being reappointed for another term of four years.

Independence

The membership of the Supervisory Board is chosen in such a way that the members can operate independently and critically with respect to each other, the Executive Board and any special interest whatsoever.

Expertise and composition of the Board

Every member of the Supervisory Board must be able to evaluate the total policy in general terms. Every member of the Supervisory Board has specific expertise that is necessary for completing his or her task within the role as defined in the profile sketch of the Board. The membership of Supervisory Board must be compiled in such a way that the Board can effectively fulfil its task. The reappointment of a member of the Supervisory Board will take place only after careful consideration. The above-named profile sketch will also be taken into consideration during a reappointment.

Composition and role of the core committees of the Supervisory Board

The Supervisory Board can appoint an audit committee and an appointment and remuneration committee from its membership. The task of the committees is to prepare for the decision-making of the Supervisory Board

Audit committee

In any case, the audit commission focuses on monitoring the Executive Board with respect to the following:

- a) the operation of the internal risk management and control systems, including compliance with the relevant legislation and regulations and the operation of integrity codes;
- b) the provision of financial information by the organisation (funding regulations, choice of accounting policies, application and evaluation of the effects of new regulations, insight into the treatment of estimated items in the annual accounts, prognoses, the work of internal and external accountants on relevant aspects etc.);
- c) the compliance with recommendations of internal and external accountants and following up on their comments.

Appointment and remuneration committee

The appointment and remuneration committee has the following tasks in any case:

- a) preparing selection criteria and appointment procedures for the members of the Supervisory Board and the members of the Executive Board;
- b) preparing a profile sketch of the Supervisory Board following consultation with both the Supervisory Board and the Executive Board of Wageningen UR;
- c) making a proposal to the Supervisory Board regarding the remuneration policy to be implemented;
- d) making a proposal regarding the remuneration of the individual members of the Executive Board, to be approved by the Supervisory Board; and
- e) preparing the remuneration report.

Remuneration

The Minister will determine the remuneration for the members of the Supervisory Board for Wageningen University and the DLO Foundation. The amount of the remuneration for the Supervisory Board of the Van Hall Larenstein Foundation is determined by the Executive Board of the Foundation after the response of the Minister of Agriculture, Nature and Food Quality to proposal of the Executive Board has been considered.

IV The audit of the financial reporting and the position of the internal audit function and the external accountant
The Executive Board is responsible for the quality and completeness of the public financial notices. The Supervisory Board ensures that the Executive Board fulfils this responsibility.

V Horizontal dialogue

The Executive Board bases its policy on its vision of the societal position of Wageningen UR. The Board transposes this vision into a mission and into policy objectives. The Executive Board provides insight into the realisation of the policy objectives and communicates about this with relevant stakeholders.

• In control statement Wageningen UR

Introduction

The Executive Board is responsible for the strategy and the operational management of Wageningen UR. This concerns all processes that are necessary to realise, govern and manage the policy objectives. In this section, the Executive Board accounts for the internal governance of Wageningen UR. At the same time it focuses on the risks regarding the strategic objectives and the operational management.

Risks related to strategic objectives

In the Strategic Plan 2007 – 2010, the institutional plan and the business plan, Wageningen UR has established its strategic objectives for a period of four years. Based on the strategic objectives, strategic priority areas are established every year, targets are determined and project teams are appointed for each priority area, and the implementation is monitored. The risks related to this process are managed by making periodic progress reports to the Executive Board. Important developments are addressed in the monthly discussions between the management councils of the Sciences Groups and the Executive Board. At the end of the strategic plan period, an evaluation is conducted; based on this evaluation, the new strategy is determined.

Risks related to operational management

To implement the resolved policy, Wageningen UR has taken administrative measures in the areas of task separation, process design and procedures; the correct operation of these measures is also monitored. In this context, the planning and control cycle is an important administrative instrument for management and the management councils. The planning and control cycle of Wageningen UR comprises the following:

- Preparing an annual framework letter (multiyear framework, setting tasks for the budget year);
- Preparing an annual budget for each Sciences Group;
- Making quarterly reports on the developments concerning the balance sheet and results, and the risks;

- Monthly monitoring of developments in the results and liquidity at the level of Sciences Groups and departments (early warning system). The reports are an integral part of the monthly discussions between the Executive Board and management councils;
- To benefit the project budgets of the Ministry of Agriculture, Nature and Food Quality (LNV), the Budget Allocation System (BAS) has been implemented. This system is used to inform cluster leaders and financial departments about the depletion of the LNV project budgets.
- In 2008, the subsequent costing for the 2007 financial year was conducted. An important part of his subsequent costing is the analysis of the cost prices for each organisational component. Deviations with respect to the previous year are declared or explained. The subsequent costing is certified by the accountant.

Wageningen UR has an interest rates committee that meets quarterly. This committee, which operates under the supervision of the Executive Board, monitors the liquidity management during the previous quarter. It also determines the policy for depositing temporary liquidity surpluses. The treasury charter is used as a framework for this policy. In 2008 the policy lines were made more stringent before the beginning of the financial crisis in the banking sector; as a result Wageningen UR did not incur any direct financial consequences from the crisis.

In 2008 many efforts were made to improve the quality of the internal management of financial operations. Based on internal control, the organisation-wide process descriptions were coordinated and stipulated in the Corporate Standard Frameworks. In 2008, the risk control matrix (RCM) was also initiated. The aim of this system of risk management and internal control is to identify significant risks to which the organisation is exposed and to effectively use the stipulated controls. In this way, reliable financial reporting is assured and the applicable legislation and regulations are complied with.

Based on internal control, audits are conducted in the areas of credit management and timesheets. The ascertained action points are discussed with the organisation and the corresponding processes are improved.

A glance at 2009

In 2009 the implementation of the risk management system will continue. The Corporate Standard Frameworks will be expanded with the financial-administrative processes of Van Hall Larenstein. Every six months, the results of internal control will be reported to the Executive Board.

All in all, the Executive Board believes that the system of internal governance of Wageningen UR with the internal risk management and control systems worked adequately in 2008. The work processes were managed in such a way that the organisation operated in a sufficiently effective and efficient manner. We believe that the annual accounting is reliable and is in compliance with prevailing legislation and regulations.

1.4.8 Joint Representative Advisory Bodies

For the Executive Board and the management councils of the organisational components, the joint representative advisory bodies are important partners and are a link in the chain 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 employed at that Sciences Group. In addition, Wageningen UR has separate employees councils for the Corporate Staff, Facilities and Services, Wageningen IMARES, Wageningen International 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 Wageningen 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. In addition, the Van Hall Larenstein Foundation has a Joint 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 Foundation and, as the occasion arises, also with the Executive Board. During

some of the meetings of the local participational councils, management representatives are present as discussion partners to consult about location-linked topics. In 2008, the contacts between the Joint Participational Council and the Central Employees Council, Joint Student Staff Council and Student Council were again strengthened. 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 participate in the Collective Labour Agreement for Dutch Universities (CAO NU) and the Collective Labour Agreement for Higher Professional Education (CAO HBO), respectively. The DLO Foundation has a separate Collective Labour Agreement. In 2007, the negotiations resulted in new CAOs for Wageningen University (until March 2010), the DLO Foundation (until April 2009) and Van Hall Larenstein (until August 2010).

1.4.9 Complaint Regulations and Appeal & Objection

• Wageningen University

- In 2008, the *Complaints Board for Legal Position Disputes* (AWB Chapters 6 and 7, CAO-NU) was given four new cases. Of these cases, two objections were withdrawn, one was dismissed and one objection is still pending in relation to a possible settlement. In 2008, four objection procedures that were initiated in 2007 were completed, of which one was dismissed and three were withdrawn due to a settlement. The *Complaints Board for Legal Position Disputes* did not deal with any new objections in 2008 related to the Focus 2006 reorganisation.
- In addition, due to the dismissal of previous objections, at the end of 2008 there were still three ongoing objection cases (of which two were withdrawn and one still pending) along with five appeal cases (of which two were dismissed and one was withdrawn). There was also a request to review an appeal decision, which was dismissed.
- In 2008, the *National Complaints Board for Job Ranking* (CAO-NU) did not handle any complaints for Wageningen University.
- One complaint was submitted to the *Equal Treatment Commission* in 2008, which was declared valid.
- The *Advisory Board for Notices of Objection* (CAB) of Wageningen University received 12 notices of appeal in 2008, all of which concerned decisions of the Executive Board. Four objections concerned a decision based on the provisions in the *Student Financial Support Regulations*, two concerned a decision based on the provisions in the *Travel Funding Regulations*, two concerned a decision in the matter the *refectory contract*, one concerned a decision based on the provisions in the *One-year WU Financing Scheme*, one concerned enrolment as a PhD student, one concerned a disciplinary provision and one concerned a disciplinary measure.
- In one case, the *Advisory Board for Notices of Objection* advised the Executive Board to declare the objection as inadmissible, and in two cases to disallow the objection. In these cases, no hearing was provided to the interested parties
- In three cases, the Executive Board agreed completely with the objection, which was then withdrawn. One objection was withdrawn for other reasons.
- In five cases, the CAB provided a hearing to the interested parties and representatives of the Executive Board. In one instance, the parties reached an amicable settlement following the hearing. In three cases, the CAB advised the Executive Board to disallow the objection. As this Annual Report was being prepared, one case was still pending.
- In 2008 one notification of appeal was submitted to the *Examination Appeals Board* (CBE) of Wageningen University that concerned the approval of a set of subjects, and one complaint was lodged against the policy concerning the conversion of marks earned abroad.
- In both 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. In the first case, the complaint was sent on to the corresponding Examining Board.
- The student deans mediated in the role of ombudsperson for students with a number of complaints. This number is comparable with the previous reporting period and is higher than in 2006. One of the student deans is the confidential counsellor for students. The number of reports shows that this function clearly fulfils a need.

- **DLO Foundation**

- The Grievance Committee for Individual Right of Complaint (CAO-DLO) addressed three complaints in 2008, of which one was declared invalid and two were declared valid.
- The Grievance Committee for Individual Right of Complaint (CAO-DLO) did not handle any complaints in 2008 related to Focus 2006.
- The Complaints Committee for Job Ranking DLO handled three complaints in 2008, of which one was declared inadmissible and one complaint was declared inadmissible and was dismissed.

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

Van Hall Larenstein University of Applied Sciences has various regulations concerning objection, appeal and complaints for staff and students.

- **Ombudsman**
Staff or students (individuals or groups) who believe they have been disadvantaged by the action or inaction of the institution or a functionary of the institution can approach the ombudsman. The ombudsman can make referrals, provide advice or mediation, or conduct a formal investigation. The ombudsman for staff and students was appointed in September 2008. In 2008, 10 cases were taken into consideration.
- **Examination Appeals Board**
Students can appeal against a decision of the Examining Board. In 2008, the Appeals Board received 18 notifications of appeal (see table below).

	<i>Number</i>	<i>Withdrawal of appeal after amicable settlement</i>	<i>Withdrawal of appeal without amicable settlement</i>	<i>Appeal considered by the Examination Appeals Board</i>	
<i>Appeal against:</i>				<i>inadmissible</i>	<i>disallowed</i>
Binding negative study recommendation	13	10	1	1	1
Decision of Examining Board	2	2			
Appeal based on unequal treatment	3			3	
Total	18	12	1	4	1

- **Reconsideration Board.**
In specific situations, an employee can request the Board of Directors VHL, which is acting on behalf of the Executive Board, to reconsider a decision of the employer. Before it decides on a request for reconsideration, the Executive Board asks the Reconsideration Board for a recommendation. In 2008, the Reconsideration Board made two recommendations to the Board of Directors VHL.
- **Objection Advisory Board Van Hall Larenstein - Leeuwarden location**
The Objection Advisory Board considered two complaints that were lodged against the decision of the Board of Directors VHL regarding a request for Financial Support for Students (*FOS verzoek*), and made recommendations in these cases to the Board of Directors.
- **Objection Evaluation Board**
In 2008, four objections were received. One of the objections was declared valid by the employer, the other three were taken into consideration by the Evaluation Board.
- **Appeals Board HBO.**
One appeal was submitted, which is still pending.

- **Wageningen UR**

- In 2008 no complaints were submitted based on the provisions in the Complaints Procedure on Undesirable Forms of Personal Interaction Wageningen UR, and no complaints were addressed by the corresponding Board.

1.5 Wageningen University

Wageningen University offers academic Bachelors, Masters and PhD study programmes and conducts fundamental research in the areas 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.

The interest in Wageningen University study programmes increased further in 2008. The enrolments of pre-university students in the BSc study programmes (first-year students in higher education) increased by 12% compared to 2007. The influx of more than 1400 new students is the highest ever recorded for Wageningen University. As a result, the market share of Wageningen University has increased to 2.4% (in 2007 this was 2.3 % and in 2006 1.9%).

For the fourth year in a row, Wageningen University has achieved first place in the annual ranking of the *Guide to Higher Education (Keuze Gids Hoger Onderwijs)*. For the first time in 2008, this ranking was based partly on an evaluation by external experts. Six programmes of Wageningen University also appeared in the top 20 study programmes, selected from nearly 400 programmes. The Wageningen programmes took first and second place, a shared third-place, sixth place and two programmes shared eleventh place.

In 2008, Professor Willem de Vos received the prestigious Spinoza Prize in recognition of his pioneering research into the contribution of microorganisms to our food and our health. It was the second year in a row that a Wageningen researcher was awarded the Spinoza Prize. The Spinoza Prize is the highest scientific distinction in the Netherlands. In addition, Prof. Pierre de Wit was appointed as Academy Professor of the Royal Netherlands Academy of Arts and Sciences (KNAW) and Prof. Martien Cohen Stuart received the de Akzo Nobel Science Award 2008.

In 2008, Teacher of the Year award of the Wageningen University Fund Foundation (WUF) was presented to Dr Dane Bicanic of the Laboratory of Biophysics.

The annual Education Day of the Educational Institute and the Wageningen Students Organisation (WSO) in 2008 had the theme: Challenging education.

On 9 March, our university celebrated its 90th Foundation Day. This festive event was celebrated in part with the award of honorary doctorates to the British biochemist Prof. David Baulcombe and the Canadian fisheries expert Dr. Daniel Pauly.

The theme of the Inauguration of the Academic Year 2008/2009 was 'feeding the world'. During this event, Kofi Annan (former Secretary General of the United Nations) explained his vision of the world food problem. The Inauguration of the Academic Year is intended not only for Wageningen University, but for all of Wageningen UR.

1.5.1 Education and students

1.5.1.1 Education and study programmes at Wageningen University

In 2008/2009, the education offered to more than 5000 students consisted of 18 Bachelors programmes (taught in Dutch) and 29 Masters programmes (taught in English) in the fields of Biology, Plants and Animals, Society and Economics, Environment and Landscape and Technology and Nutrition (see Appendix 1A, Table 1). The education is problem oriented; the education and research have a strong international orientation.

In 2008 the following educational components were introduced:

- BSc minors in Food Safety, Sustainable Food Production Chains, Innovation and Entrepreneurship
- Specialisation in the Management of Marine Ecosystems
- Specialisation in Water Technology
- Specialisation in Sensory Science

-
- Research Masters Variant in Social Sciences (beginning on 1 September 2008)
 - Renewed BSc programme in Biology

It was also decided to continue the development of the MSc programme in Earth System Science to become a broad transdisciplinary MSc programme in Climate Studies.

The Academic Master Cluster (AMC) for the Masters study programmes was converted into the Academic Consultancy Training (ACT) component, which focuses on both high-quality, multidisciplinary group work and on the development of the academic skills of individual students. Criteria were established for the academic internship.

In 2008, the report of the House of Education steering group was extensively discussed. Based on this discussion, decisions will be made at the beginning of 2009 concerning the implementation of the major-minor structure, the BSc thesis and the semester system at Wageningen University.

For student members of the programme committees and the Board of the Educational Institute, an introduction course will now be offered with the title WU Education: Governance, Policy and Organisation.

1.5.1.2 Internal and external quality assurance

• Internal quality assurance

The results of the third edition of the BSc first-year students survey in 2008 were very positive. The first-year students gave the programme a good evaluation, and 96% would recommend a study at Wageningen University to secondary school students. The BSc and MSc exit surveys also showed a positive picture.

The non-course-based education (theses, internships) for the academic years 2006/2007 and 2007/2008 was extensively evaluated at the level of the university and at the level of the individual programmes. The results were very positive. Generally speaking, the response to the electronic questionnaires was good. The evaluations provided sufficient, up-to-date feedback to the programme directors, lecturers and professors.

At the beginning of 2008, the 14 universities in the Netherlands formally approved the agreement on Basic Qualification for Education (BKO). The BKO ensures mutual recognition of the professionalisation of associate and assistant professors. Following certification, associate and assistant professors will be recognised by all participating institutions as qualified instructors in academic education; no further testing will be required. In the context of this agreement, Wageningen University has modified the existing procedure for educational qualification and has expanded it into a teaching-learning pathway for the BKO. All members of staff with educational duties of more than 10% who were appointed after 1 January 2008 are required to earn the BKO. This requirement also applies to members of staff who were appointed previously and for whom the P&D interview has indicated that earning the BKO is desirable or essential to improve the quality of education.

• External quality assurance

In 2008 the Accreditation Organisation of the Netherlands and Flanders (NVAO) made a positive accreditation decision about the Bachelors programmes International Development Studies, Molecular Life Sciences and Soil, Water and Atmosphere, and about the Masters programmes Earth System Science, Hydrology and Water Quality, Meteorology and Air Quality, Soil Science, International Development Studies, Management of Agro-ecological Knowledge and Social Change and Molecular Life Sciences.

In 2008, the Quality Assurance Netherlands Universities (QANU) published positive evaluation reports on the Bachelors programme Environmental Sciences and the Masters programmes Environmental Sciences and Urban Environmental Management; the NVAO subsequently accredited these programmes. As a result, all study programmes of Wageningen University have been accredited by the NVAO during the first cycle.

<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

1.5.1.3 Study progress and study yields

Tables 7 and 8 in Appendix 1A show the yields of Masters students (generation 2004 through 2006) and Bachelors students (generation 2003 through 2005), respectively. Different from previous years, the study yield calculations for the Bachelors students were based on the number of students that were enrolled in the second year. In other words, dropouts during the first year do not affect the yield. As result, the yield calculations are now in accordance with the methods used nationally.

Although the Masters yields are high, the Bachelors yields lag behind the expectations. This is caused in part by the policy that enables Bachelors students to begin the Masters programme before they have completed their Bachelors, but that is certainly not the only cause. During the years to come, the policy will focus on greatly improving the Bachelors yields. This policy is in accordance with agreements that have been made by the Association of Dutch Universities with the Ministry of Education, Culture and Science. The ambition of these agreements is that 70% of the Bachelors students who enrol in the second year will earn their Bachelors diploma within 4 years (this yield is currently 48%).

1.5.1.4 Support services for students

The support services for students are largely provided by the Students Service Centre (SSC). Since mid-2008 the SSC has consisted of three teams:

- Student Administration (admission, enrolment, registration, graduation)
- International Office (support and administrative guidance for international students)
- Student Counselling (student counselling and student welfare)

The SSC also includes the student information desk in the lobby of the Forum building where students can obtain answers to all kinds of questions and can obtain their WURcard.

The support for international students consists of services involving requests for visas and residency permits, accommodation and financial matters. To this end, the International Office (IO) maintains close contact with Immigration and Naturalisation Service (IND), the City of Wageningen, student grant organisations, housing organisations, banks, etc.

In 2008, the recruitment brochures were renewed, and during the summer months the popular Infopoint was established for the ninth time. Experienced international students help new students to find their way more easily in Wageningen, in 2008 for the first time in the new Forum building. The students were very impressed by their new educational environment. At the International Office, staff also provide active support to Exchange Students (including Erasmus students).

In 2008, the number of first-year BSc students from Germany increased greatly. Besides providing the evaluation of their admission, the Student Administration team assisted the German students in registering with *Studielink* and with their participation in the six-week course in Dutch.

In 2008 the number of admission applications for a Masters programme at Wageningen University increased to 4841. The project focusing on the digital submission and processing of the required documentation for the application and admission procedure has been initiated and will be completed during the course of 2009.

By the end of 2009, Wageningen University will connect with Studielink, the national registration portal for higher education in the Netherlands. The preparatory activities began at the end of 2008. Studielink will replace the registration portal of the *IB-Groep Groningen*, and students who want to enrol in a Wageningen Bachelors programme are already required to apply via Studielink. In 2008, the SSC provided support wherever possible to students using this new portal and ensured that all future students received their enrolment package on time. During this process, the SSC cooperated successfully with the Central Bureau for Application and Placement (CBAP) of the *IB-Groep*.

To improve the information provision to students, the website was restructured in 2008 and a plan was formulated to improve the handling of contacts with students and others via internet, e-mail, telephone and in person. During this process, the possibility of using question-and-answer software such as Trinicom was investigated.

1.5.1.5 Provisions for students

Students of Wageningen University have access to education, exams and final student evaluations and to the facilities and collections of the university. In addition, the university provides student counselling and study counselling. To ensure good studying and living conditions, the university and a range of (student) organisations offer other facilities such as student social associations, sport associations, theatre groups, choir and orchestra, student political parties and unions, and everything in between. Wageningen University attaches a great deal of importance to a properly functioning range of facilities, and therefore supports these groups.

• Study supervision

In 2008 the university was once again faced with increasing numbers of students. Partly as a result of the increased numbers, but also because potential students (BSc and MSc) more frequently request detailed study recommendations than was the case before, the demand for this service has increased greatly. Pre-enrolment recommendations are given with the assumption that a properly supported choice of study leads to motivated students. According to the students, the great freedom of choice at Wageningen University is one of its strengths. Study advisers play an important role in supporting and implementing this freedom of choice. In 2008 there was a small increase in the number of BSc students who went abroad to complete the elective portion of their programme. This number is expected to increase further, and the first steps have been taken to improve the information provision on this topic. In a MSc programme, many pathways can lead to a diploma; study advisers support these choices.

• Student supervision

In 2008, 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% the cases, this concerned study-related problems, 30% of the cases were related more to personal problems, and 16% involved a combination of study-related and personal difficulties. With respect to dyslexia, 34 students applied for the first time (30 in 2005, 23 in 2006). The number of new reports of students with RSI rose to 51 (68 in 2004, 42 in 2005, 38 in 2006, 26 in 2007); these reports concerned symptoms at an early stage, and are therefore less serious.

In 2008, 625 students contacted the student physician for the first time for advice regarding problems such as study delay due to illness/stress. There were 937 consults (950 in 2007). The number of consults for international students (including PhD students) increased slightly to 102 (64 in 2006 and 93 in 2007).

In connection with study or research in the tropics, 312 students were given tropical examinations and 1,994 tropical vaccinations were given. In addition, 20 walk-in clinics for malaria information were provided for an average of 4 students for each clinic and 207 prescriptions were given for malaria and other tropical diseases. After their return from the tropics, more than 100 appointments took place; for 61 individuals this concerned the post-travel screening in cooperation with the Leiden University Medical Centre (LUMC).

In 2008, a total of 931 students held a discussion with one of the student deans: 735 discussions with 545 Dutch students and 560 discussions with 386 international students. There was a small increase in the number of students visiting the Deans Office. This applies to both Dutch and international students.

In 2008, a number of students had to return to their home countries or interrupt their studies for a longer period of time due to serious family circumstances or personal circumstances. Two students of Wageningen University died in 2008. The contact with the immediate family members was provided on the initiative of the Deans Office by a team consisting of a student dean, the study adviser, the student chaplaincy, the study association and possibly friends or other family members.

In September a meeting was held for first-year students with a limitation, which was organised in part by students. For study advisers, an afternoon session was held concerning the theme of psychological limitations, and students tested a trial installation of the network version of text-to-speech software.

• Other facilities

For accommodation, students can turn to the private market for student rooms, the WSO Kamerbalie and to the housing organisation Idealis. Idealis rents approximately 4,500 rooms in 14 complexes located all around Wageningen. In 2008, Wageningen UR had 1,100 rooms especially for international students. Due to the rapid growth in the number of students, during the academic year 2008/2009 international students were temporarily accommodated at the Landal Miggelenberg and Rabbit Hill in Hoenderloo. In addition, the former IPO building on the Binnenhaven was used temporarily to accommodate 34 students.

The University Sport Centre de Bongerd (USB) is the multifunctional sports centre with extensive indoor and outdoor facilities. The sports programme offers more than 40 different sports along with about 15 sport events and competitions. Besides regular lessons, the sports programme also offers short courses with activities such as Capoeira, Flamenco, Salsa, Pole Fitness and Tai Chi. The USB maintained its top ranking in the Guide to Higher Education (*Keuzegids Hoger Onderwijs*) in the university sports facilities category. In 2008, the rates for sports privileges were again increased to bring them closer to market level.

The sports foundation Wageningen University Thymos (SWU Thymos) promotes sports and physical fitness for students, promotes the general interests of students who engage in sports and the specific interests of the 19 student sports clubs. In 2008 the racquetball tournament and the sports night were very successful; there were more than 300 registrations during the sports night..

To promote the integration between students of Wageningen University and Van Hall Larenstein in Wageningen, an agreement was made in 2007 that the Student Financial Support Regulation will also apply to VHL students who do committee work for organisations that have traditionally been linked to the university, and those that have been linked to VHL. In 2008, this agreement was actually used by students.

Following consultation with the Student Council, a student satisfaction survey was conducted in May 2008. All students were asked to complete the International Student Barometer survey. It was decided to conduct such a survey every other year; the ISB for international students will be conducted every year.

1.5.1.6 International mobility and exchange of staff and students

In addition to student exchange, there is frequent exchange of scientific staff. Scientific personnel use sabbatical leave to be able to work temporarily at a university abroad. In the other direction, many international staff and guest employees are active within Wageningen UR. This concerns more than 70 nationalities on average.

The Expert Group on international staff of the Human Resource Management department provides optimal assistance to employees from abroad. This group is well informed about the latest development in Dutch migration policy; this year it published a three-part informative guide, *Your Guide to the Netherlands and Wageningen UR*, in which international employees can find essential information about living in Wageningen and working at Wageningen UR.

1.5.2 Alumni and fundraising

In 2008, in cooperation with the existing regional alumni networks in the Netherlands and Belgium, the Alumni Bureau held meetings in countries such as Denmark and Brazil. Together with other Dutch universities, two alumni meetings were held in Madrid and Barcelona. The attendance and evaluation were very positive, and in the years to come this concept will be expanded. Many groups of alumni have been received in the new education building, including former students who began their studies 25 and 50 years ago. The Wageningen Ambassadors platform has grown to 34 members and met twice during the year.

The 2008 evaluation of the cooperation with and financing of the KLV alumni association (Royal Netherlands Society for Agricultural Sciences) has led to the decision to intensify the cooperation and to draw up a new consortium agreement. Beginning on 1 March 2009, the KLV will implement the alumni policy on behalf of Wageningen UR .

In 2008, preparations were made to develop a broad fundraising campaign. In parallel to these preparations, fundraising campaigns were conducted for the Anne van den Ban Fund and the Wageningen University Fund Foundation (WUF), during which approximately 1000 alumni who have a link with a specific fund were contacted. On behalf of the WUF, a telephone campaign by students of Wageningen University was also conducted. As a result, the income of the Anne van den Ban Fund rose to €185,000, and despite the credit crisis, and the WUF was able to maintain its income from general fundraising at the same level as in 2007: approximately €30,000. In 2008 nearly €600,000 was raised through earmarked donations to named funds.

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

Finally, investments have been made in three areas 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)
- Mansholt Graduate School of Social Sciences (MG3S):
- The C.T. de Wit Graduate School Production Ecology & Resource Conservation (PE&RC);
- The graduate school VLAG (Nutrition, Food Technology, Agrobiotechnology and Health Sciences);

- Wageningen Institute of Animal Sciences (WIAS);
- Wageningen Institute for Environment and Climate Research (WIMEK / SENSE).

Participation 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 Instituut, NWP);
- Graduate School of Polymer Science and Technology (PTN);
- Research School Biodiversity;
- 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 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. Every Graduate School has its own mission. 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 the graduate school.
- Safeguard, monitor and promote the quality and progress of academic research (PhD students, postdocs and researchers).
- Develop, facilitate and coordinate 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 2008 amounted to €155.2 million. Research conducted with indirect government funding, largely provided by the Netherlands Organisation for Scientific Research (NWO), amounted to €14.6 million. This includes the staff of the research projects that were recruited via the NWO programme *Vernieuwingsimpuls* (Innovation Impulse). In 2008, eight *Veni* grants and three *Vidi* grants were awarded, bringing the total number of laureates to 26 *Venis*, 15 *Vidis* and 4 *Vicis*. The third funding source, contract research, had a magnitude of €63.8 million. In 2007, there were 3,627 scientific publications.

• PhD students

Wageningen University is fortunate to have graduate schools which ensure 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 2007, 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 possible career outside science. In 2008, there was also explicit attention to the supervision of PhD students. On the initiative of Wageningen Graduate Schools, the course Professional in Supervision was developed, which is intended for doctoral thesis supervisors and co-supervisors with the aim of professionalising the supervision of PhD students. There was a great deal of interest in this course..

The enrolment of international PhD students from the Netherlands and abroad has increased in comparison to last year. During 2008 this concerned more than 300 PhD students.

As in 2006, there was increased participation of PhD students in Second Phase Education (TFO). In 2008 there were 961 PhD students.

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 2004-2008

Year	CERES	EPS	MG3S	PE&RC	VLAG	WIAS	WIMEK	Total
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
2008	67	130	111	201.5	232	102.5	117	961

• Internal research promotion

In 2008, 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 declined from 251 in 2007 to 210 in 2008, of which 89 were awarded to women. The previous education (*doctoraal*, MSc) of 61 of the PhDs took place outside the Netherlands. In 86 cases, PhDs were awarded to non-Dutch candidates.

As previously noted, the number of PhD students with a Training and Supervision Plan once again increased. A beneficial effect on the PhD yield can also be expected from this development. There are currently about 1,250 PhD students on file.

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. The WIMEK Graduate School had an external visitation in 2007, while the other Graduate Schools CERES, EPS, MG3S, PE&RC, VLAG and WIAS prepared for the external visitation in 2009.

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.

Finally, in 2008 the organisation initiated in-depth quality assurance, by means of both annual monitoring and the above-mentioned external visitations (six-year cycle).

1.6 Van Hall Larenstein University of Applied Sciences

The focus of Van Hall Larenstein University of Applied Sciences is on training practice-oriented professionals and on applying scientific knowledge to practical solutions. Together with the Wageningen University, Van Hall Larenstein provides a broad spectrum of academic and professional study programmes, including good transfer possibilities for students. The education at Van Hall Larenstein (VHL) takes place at three locations: Leeuwarden, Velp and Wageningen.

Based on their interests, knowledge and experience, Van Hall Larenstein supports its students on their way to becoming learning professionals with a degree in higher professional education (HBO). VHL accomplishes this not only by offering professional Bachelors and Masters programmes, but also by providing post-degree training and education.

During the inauguration of the VHL academic year, the Executive Board paused to reflect on the unique combination of professional and scientific education at Wageningen UR. The 100-year anniversary of the student Association Aboricultura was also briefly commemorated.

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 networks surrounding the lecturers or by means of contract activities. 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. VHL is open to other cultures and welcomes students and course participants from all over the world.

In 2008, monthly consultations took place between the Board of Directors VHL and the Executive Board concerning ongoing matters. In addition, the quarterly 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.

As previously referred to, the Training & Consultancy Foundation (in formation) at VHL is responsible for the contract activities. In 2008, a critical examination of the positioning of this foundation was conducted, and the Board of Directors VHL decided to place the contract activities under the responsibility of the individual Education Directors. In the spring of 2009, the concrete details and the project management and administration will be worked out, and the resulting staff changes will be completed.

- **New strategy**

In the spring of 2008, the Board of Directors VHL began the process of arriving at a new strategic vision for the years to come. This strategy has the ambition of bringing VHL to a higher level of quality and increasing the number of students to approximately 6,000. The strategic pillars include the Positioning (marketing of educational concepts), Operational Excellence (coherence and work processes, people and systems), Education (from portfolio to educational concepts and arrangements) and HRM (entrepreneurship, professional cooperation and core values). By means of a number of project groups and focused communication, the strategy will be in place by the second half of 2009.

- **Core values**

The new strategy and the corresponding ambition require specific behaviour within VHL at the level of the team, department or the organisation. This desired behaviour has been described in six core values: Client-orientation; Professional; Pleasure in one's work; Cooperation; Room for talent and growth; Entrepreneurialism. During the course of 2009, these core values will be embedded within VHL.

- **VOC/Match**

In 2004, based on the established common educational framework, competence-based learning was implemented at Van Hall Larenstein University of Applied Sciences. At that time it was agreed that an evaluation would take place after four years concerning the actual implementation of competence-based learning. In the meantime, several evaluations have taken place. However, these differ according to location. During the first quarter of 2009, an overall evaluation will be conducted. The results will become available in April 2009 or thereabouts.

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 I B, table 1) consists of 20 professional Bachelors programmes, three professional Masters programmes and three Associate Degree programmes. The educational assortment comprises 41 majors and 69 minors. Wherever possible, the minors are offered institution-wide and provide in-depth knowledge, broad knowledge or focus on continuing on to study at an academic university. The Masters and Bachelors programmes at the Wageningen location 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 universities of applied sciences. At the Leeuwarden location, VHL offers a number of technological programmes in cooperation with NHL University within the Life Sciences unit. The laboratory programmes of the Friesland College (mbo) have also been included in the above joint programme. Together with Fontys University of Applied Sciences, VHL explored the possibilities of a joint 'green' economics programme in Venlo, linking up with the Greenport. In addition, together with INHolland University of Applied Sciences and the Wellant College, initial explorations were conducted about new programmes in the western region of the Netherlands focusing on increasing enrolment from the urban area.

Van Hall Larenstein aims to improve the linkage of senior secondary vocational education with universities of applied sciences (regular or Associate degree). At the Leeuwarden location, for example, this has already been realised in the Life Sciences unit and with the new Associate Degree programmes. In addition, Van Hall Larenstein University of Applied Sciences participates in various consultation bodies with other educational institutions, including LICA (national information centre for linking secondary education with universities of applied sciences), VOHO (the platform consultation on secondary/higher education) in Velp and Leeuwarden, AOC consultation in Leeuwarden and AOC Oost. Continuous learning routes have also been developed in cooperation with Helicon in Velp. The intention is to use bridging courses and summer courses to make the transition to VHL easier.

In 2008, VHL reached an advanced stage in developing and implementing competence-based learning. The process of making the final years of education competence-based is virtually complete; the testing policy has been adapted

and the Education and Examination Regulations have been revised. With the exception of the chapter on the final evaluations, this has led to a single joint set of regulations for Van Hall Larenstein.

1.6.1.2 Internal and external quality assurance

• Internal quality assurance

The internal quality assurance for the educational directorates consists of the evaluation (student survey) for each educational period. This evaluation is conducted for each study programme. The annual alumni survey (*HBO monitor*) has been worked out at the institution and cluster levels. Deeper analyses are conducted for each study programme, and will be reported at the beginning of 2009. A working group on operational quality has collected ongoing smaller projects on operational quality and has arrived at 22 initiatives. As a subsequent task, this group has decided to propose service standards for a number of compelling processes. These standards must be realised in mid-2009. The process of combining the 22 initiatives will continue in 2009. The assurance of action plans for each staff service and educational directorate is taking place in general terms in the annual plans of these services and directorates. The plans for 2009 were written well before the end of 2008.

• External quality assurance/accreditations

In 2008, the NVAO (Accreditation Organisation of the Netherlands and Flanders) accredited two existing Bachelors programmes: Coastal and Sea Management and International Business and Management Studies (IBMS).

• Visitations

At the end of 2008, the Certiked company was asked to conduct external evaluations (visitations) of the 'pure' agricultural programmes Animal and Livestock Management, Agriculture and Horticulture, and Livestock Management. The process of self-evaluation at those programmes began at the end of 2008, and agreements about the visitation process were made. Beginning in 2010, a new accreditation template will be in force with an institutional review (facultative) and a correspondingly simplified programme accreditation. Beginning in 2009, a new external quality assurance system will be in force for applied research and lectorates. For Van Hall Larenstein, the external review will take place at the beginning of 2013.

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. In 2008, this was 4.45 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 2007/2008, VHL made 76 negative study recommendations. Thirteen students objected to these negative recommendations with the Examination Appeals Board. The result of these objections is shown in 1.4.9. During the academic year 2007/2008 a total of 442 students ended their studies at Van Hall Larenstein after an average study duration of 2.2 years (see Table 4 of Appendix I B).

1.6.1.4 Support services for students

The Education Bureau has six work processes at the three locations:

- 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.

In March 2008, the connection with *Studielink* (the national enrolment portal for higher education in the Netherlands) was realised. Since then, applications for new students and re-enrolments for existing students have taken place via *Studielink*. VHL was one of the first universities of applied sciences in the Netherlands to make this step with few

problems for its students. However, the implementation of *Studielink* increases the distance between students and VHL. This is why VHL is looking for alternative ways to connect with students at an early stage in their education.

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 2008. Major efforts were especially required to arrange housing in Wageningen. In Velp, the study programmes and the Education Bureau continued the discussion about the proper social support services for international students. To arrive at more intensive cooperation between the three locations, the process of registering international students (EU and non-EU) was specified schematically, and the tasks and responsibilities with respect to international students at VHL were more clearly defined.

At both Velp and Wageningen, the study programmes and the Education Bureau once again invested in strict scheduling, tightened procedures, training for staff and intensive communication with educational personnel, team leaders and Programme Directors. At the end of 2008, the scheduling plan for 2009/2010 was approved. In Leeuwarden, the scheduling method is now being described in order to provide recommendations for the years to come. In 2009, an expansion of the staff is foreseen.

At the end of 2009, it was decided to initiate a project in Velp to develop a new operational method concerning the administration of internships. The aim is to achieve a simplified procedure. Based on the experiences in Velp, Wageningen and Leeuwarden will also shift to this simplified procedure.

1.6.1.5 Study counselling, including study development counselling

Study development counselling and a digital student portfolio are essential elements in the competence-based learning of Van Hall Larenstein. As the student progresses through the programme, the emphasis shifts from a 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 supervision

The Student Deans Office of Van Hall Larenstein comprises five part-time deans (3.3 fte) Approximately 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 2007/2008, 828 students contacted the Student Deans Office. In total, 2000 consultations were conducted with them.

In 2008, 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 and autism-related disorders). The majority of student help requests concerned problems with study progress and personal circumstances.

- **Studying with a functional limitation**

Cooperation took place on providing information to lecturers about studying with a functional limitation. A memorandum was prepared about studying with autism at VHL. In 2008, the evaluation of the memorandum 'Studying with a functional limitation' began. In Velp, consultation took place with the Education Bureau and with the ICT department about arranging facilities (including exam facilities) for functionally limited students.

- **Organisation/policy**

The Deans Office has written proposals on regulations for students in world-class sports and for the emergency fund regulations. A proposal was also made and approved about reimbursing the costs of psychological help for students. That deans submitted amendments and supplemental regulations for the Education and Examination Regulations.

- **Training**

In Leeuwarden, the deans were involved with setting up and teaching several training courses (for study skills) for the Student Assistance Expertise Centre. This is a framework of cooperation between the three universities of applied sciences in Leeuwarden (NHL University, Christelijke Hogeschool Noord Nederland and Van Hall Larenstein) and the GGZ. In Velp, the course 'Studying actively and effectively' was given.

- **Exit interviews**

Students who leave their study prematurely report to the Deans Office to de-enrol. They are asked to complete an electronic exit survey to acquire a picture of the reason for their departure. The study programmes can access of the results of the survey. In 2007/2008, 109 exit surveys were completed; the reasons for departure were very diverse.

- **Intervision**

In 2008, the externally supervised intervision process was terminated. In 2008/2009, the deans continued independently with intervision. The aim is reflection on one's own professional and personal actions.

1.6.1.7 Student facilities

Van Hall Larenstein believes that a properly functioning assortment of facilities is very important, and where necessary provides additional support. At every location, Van Hall Larenstein provides its students with a broad range of facilities, including student associations, work or study groups for individual study programmes, organisations that support students in looking for accommodation or attractive offers for sports facilities.

In Velp, five student associations are active. Student associations organise substantive and social activities and offer students the opportunity to acquire experience with executive and committee work. The Arboricultura student association celebrated its 100-year anniversary in 2008. Under the motto "celebrating 100 years with 100 parties" various activities were organised.

In Leeuwarden, the Osiris student association is active. It organises many activities at its clubhouse. In Wageningen, the student associations Nji Sri and Opportuno are active. Due to the intense competition with other student associations, Nji Sri began 2008 by appointing a marketing committee. *Studentensport Arnhem* offers sports facilities to students in Velp. The Larenstein student housing foundation helps students in Velp find a room. Students in Leeuwarden can contact *Leeuwarden Studiestad* for services related to housing and sports. In Wageningen students can use the facilities at the University Sport Centre de Bongerd, and for housing they can contact Idealis.

1.6.1.8 International mobility and exchange

- **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 Van Hall Larenstein to retain its status as an International Education Institute, and helped maintain its 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 2008, there were students with 55 nationalities enrolled at Van Hall Larenstein. This includes large numbers of German (257) and Chinese (103) students.

<i>Nationality of international students</i>	<i>Leeuwarden</i>	<i>Velp/Wageningen</i>	<i>Total Van Hall Larenstein</i>
EER countries	142	161	303
Other European countries	4	3	7
Outside Europe	31	212	243
Total	177	376	553

1.6.2 Alumni and fundraising

Van Hall Larenstein is working on a redefinition of alumni policy, partly in the framework of lifelong learning. The aim is to deploy more alumni in the recruitment and guidance of students at VHL and to keep the alumni informed about developments in training and consultancy. 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 insight that our forces can be joined.

1.6.3 Research

1.6.3.1 Research

The applied research conducted at VHL takes place in the lectorates, in the KIGO projects (Knowledge dissemination and Innovation in Green Education scheme) and by means of contract activities. This research is largely linked to projects. It addresses real problems from professional practice, placed in a sustainable network wherever possible. The applied research of VHL is subject to the Branch Protocol for Research Quality Assurance of the HBO Council. In 2008, VHL made preparations for this quality assurance system, which became operational on 1 January 2009.

• Lectorates

The lectorates contribute to the mission of Van Hall Larenstein to develop from an educational institute into an expertise institute. In socially relevant areas, the lectorates make the connection between education, professional practice and society by promoting applied research, forming external and internal expertise networks and implementing educational innovation. Van Hall Larenstein University of Applied Sciences has seven lectorates in a number of expertise domains that are important for the institution (water, living environment, nutrition, animals and regional transition). Five of the lectorates have been approved by the HBO Knowledge Development Foundation (SKO-HBO) and are financed by an earmarked supplement to the government funding, and two of the lectorates are endowed (externally financed).

At the end of 2008, the extension of the lectorates in Nutrition and Health (formerly Food Safety) and Regional Transition (formerly Rural Renewal) was approved for an entire lectorate period of four years. During this period, the teaching and research remit will be continually broadened. During the second half of 2008, VHL began to recalibrate its policy framework for lectorates; the aim among other things is to achieve stronger embedding in the organisation. The implementation is expected in 2009.

• RIGO / KIGO

Van Hall Larenstein 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 Van Hall Larenstein. Firstly, this is due the experience that the instructor/students acquire when working on a project basis and when building networks in professional practice and with associated universities and research institutions. 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 has taken a leading role and is responsible for four programme requests. Van Hall Larenstein is represented on virtually all programme teams. The following changes took place in 2008:

- At the beginning of 2008, 25 RIGO projects were still ongoing from the funding cycles in 2005, 2006 and 2007.
 - In the 2008 cycle, 10 new requests were approved, of which 2 are sequels to programme requests in 2007;
 - During the course of 2008, the last 4 projects from 2005 and 7 projects from 2006 were entirely completed.
- As a result, at the end of 2008 Van Hall Larenstein was the leader for 22 RIGO/KIGO projects and was a partner in 15 other KIGO projects.

• **Incentive funding (*Impuls*)**

In 2008, the final accounts were drawn up for the incentive funding that was received at the end of 2005 and in 2006. The expenditures were placed in five main categories: "participating in GKC programmes", events, cooperative activities, competence development of staff and substantive innovation in education. During the previous phase, these categories were coordinated with the GKC. At the end of 2007 2008, incentive funding was also received from the Ministry of Agriculture, Nature and Food Quality. The expenditure of the 2007 incentive funding was coordinated beforehand with the "A programmes" of the GKC. For this purpose, the same internal classification in main categories was used as with previous allocations. The internationalisation component was added. For the 2008 incentive funding, an expenditure model will be made in 2009.

1.7 DLO Foundation

1.7.1 Research

1.7.1.1 Research policy

The research conducted at the DLO Foundation consists partly of the following programmes financed by the Ministry of Agriculture, Nature and Food Quality (LNV): Knowledge Base Research (KB), Policy Support Research (BO) and Legal Research Assignments (WOT). 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. For all three types of programmes there is a specific programming and accounting cycle with the Ministry of Agriculture, Nature and Food Quality. The results are communicated, among other ways, via Knowledge Online Newsletters, e-News and the website (www.kennisonline.wur.nl).

The Knowledge Base Research is divided into 9 themes:

- Sustainable development of green habitable areas and aquatic areas in a changing world
- Climate change
- Chains and agrolistics
- Sustainable agriculture
- Plants and animals for healthy people
- Food safety
- Transition processes, institutions, governance and policy
- Animal health and welfare
- Biobased economy

The Policy Support Research is divided into 10 themes:

- A vital rural area
- National Ecological Network
- Agro-chains with good economic perspective
- Organic agriculture
- Minerals and environmental quality
- Plant health
- Improving the sustainability of production and transition

- Food quality, food safety and animal health
- Knowledge
- International cooperation.

The implementation of the legal research assignments is assigned to two institutes and four programme units:

Institutes for Legal Research Assignments:

- RIKILT – Institute of Food Safety
- CVI – Central Veterinary Institute

Four programme units for Legal Research assignments:

- Netherlands Society for Nature and Environment (NMP)
- Centre for Genetic Resources, the Netherlands (GCN)
- Centre for Economic Information (CEI)
- Centre for Fisheries Research (CVO)

In 2008 the Ministry of Agriculture, Nature and Food Quality expressed its desire to provide greater visibility for the work of the policy supporting (BO) research programmes that focus on innovations in practice, and to distinguish these programmes more clearly from work that focuses primarily on policy. There is also more attention for expertise questions that are related to the public agenda of the Minister. The resolved changes in these terrains will take effect in the programming in 2009 and thereafter. Agreements about the communication of results of research financed or co-financed by the Ministry have also been set down in a Communication Protocol. The agreements in this protocol primarily concern the identification of opportunities to make the results of research more visible in policy, politics and among the public by means of joint action (LNV and DLO). DLO retains its own responsibility to communicate the results of research.

An increasing share 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).

1.7.1.2 Quality assurance

The evaluations of the DLO institutes in the DLO Foundation are an obligatory component of the agreements between the Ministry of Agriculture, Nature and Food Quality and the DLO Foundation; as such they are 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 May 2008, there was an external review (visitation) of the DLO component of the Animal Sciences Group (ASG). The organisation consists of two business units: Animal Production and the Central Veterinary Institute (CVI). The CVI had only been formed six months before through a merger of the CIDC (which received an external evaluation in 2005) with the business unit Infectious Diseases. Due to redeployments, it was not feasible to acquire a good picture of the past performance of these business units. Nevertheless, the Review Committee performed its task admirably, and made valuable recommendations. The evaluation showed that the institute – following several fairly drastic reorganisations – should take the time to reflect on a solid, coherent research strategy for the entire organisation, whereby the cooperation and positioning with respect to Wageningen University and Utrecht University should play a role. The Committee was very positive about the progress that has been made since the previous evaluation in 2004, and made a number of useful suggestions for further improvements. The evaluation reports, together with an action plan, will be sent to the Ministry.

In addition, at our own initiative, three mini-evaluations were conducted on knowledge-base research (KB) themes. The evaluation reports will be completed in early 2009, and will be communicated with the Ministry..

Finally, in 2008 the Ministry of Agriculture, Nature and Food Quality began the evaluation of the implementation of the WOT programmes. Most of these programmes result from the expiration of the current voluntary implementation agreements (*uitvoeringsconvenanten*) and the necessity to make new agreements. In 2008 the WOT programme 'Animal Health' was evaluated along with the WOT programme 'Food Safety'. The evaluation of the WOT 'Genetic Sources' was begun. The evaluations of the other WOT programmes will follow in 2009/2010.

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.

In 2008, Wageningen UR took the first steps toward a new sustainability ambition for the entire organisation. The alignment of the various levels of sustainability in the various components of Wageningen UR requires Wageningen UR to first make a choice about the desired level of sustainability. At the same time, it is important to realise that sustainability at the corporate level provides a direction, a process which – depending on the ambition level – imposes stringent demands or less stringent ones. The meaning of sustainability in practice – on the work floor – then requires a transposition to various sub-areas and concrete targets.

In 2009, the sustainability ambition for Wageningen UR will be established, and the necessary plans of approach will be worked out. In 2008 the following concrete actions were taken with respect to sustainability:

- In the Multiyear Agreement III between the Association of Universities in the Netherlands and the Ministry of Housing, Spatial Planning and the Environment (VROM), additional agreements were made about energy efficiency. As a result, Wageningen UR has obligated itself to improving energy efficiency by 30% during the period 2005–2020. Moreover, the agreement establishes a supplementary target for an efficiency improvement of an additional 20% until 2030. To this end, together with the HBO institutions, 'roadmaps' were drawn up.
- An intranet website on Sustainability became operational; as a result sustainability initiatives will become more visible for staff and students.
- Striking initiatives in the area of energy are the wind turbine parks of Wageningen UR in Lelystad, thermal energy storage on the Wageningen Campus and a biogas production plant at Nij Bosma Zathe (Goutum) which will be used for district heating in the municipality of Leeuwarden. As a result, Wageningen UR is producing more energy than it consumes.
- Cooperation between the Sciences Groups in the Energy Platform.
- 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.
- Since January 2008, the Purchasing Council (SSC *Inkoop*) has used the sustainability criteria, as formulated by Senter Novem, as an agenda point when discussing all new outsourcing pathways. This basic principle is now part of the purchasing policy. Since 1 January 2008, SSC *Inkoop* has included sustainability aspects in the project plans, and the results are communicated in the final reports.

1.9 Facilities

1.9.1 Accommodation

The realisation of the first phase of the Strategic Plan for New Construction on the Wageningen Campus was virtually complete in 2008. 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 public gatherings.
- Delivery of the new Radix building for the PSG;
- Plan preparation for the construction of the new office-laboratory building and animal accommodations for the ASG.

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

- Kortenoord Complex;
- The former Jan Kopshuis library;
- The Hucht building, in which the ESG was accommodated;
- Parts of the Botanical Centre at de Dreijen;

In addition, studies were conducted or initiated for the redevelopment of the building complex of Larenstein in Velp, the redevelopment of de Dreijen, the redevelopment of de Born-Oost and the sale of the southernmost strip of building land on the Wageningen Campus.

In view of the rapid growth in the number of students, and the desire to accommodate all the education facilities and Sciences Groups on the Wageningen Campus, a decision was made to develop a 'unilocation' for education facilities and the AFSG. With this decision, the preparation of the second phase of the Strategic Plan for New Construction has begun. This decision means that Wageningen University will have sufficient accommodations to initially grow to 6200 students, and after taking various efficiency measures, to 7500 students.

Besides the projects in the Strategic Plan for New Construction, the following construction projects were developed and implemented in 2008:

- New construction for Greenhouse Horticulture (PPO) in Bleiswijk: 11.000 m² of greenhouses and a 1200 m² office building;
- Renovation of the Theia building on Wageningen Campus to provide a second production location for ICT;
- New construction for Applied Plant Research, including accommodations for the research on field-grown crops, edible fungi and insects on the Wageningen Campus;
- Implementation of the renovation and new construction for RIKILT (delivery planned in 2009).

In addition, the following accommodation-related actions were taken in 2008.

- Fire safety measures as part of the occupation permit process;
- Continuing the consolidation of contract maintenance services, focusing on optimal contracting procedures while maintaining quality and increasing user satisfaction.
- Plan-based maintenance, taking account of the status of the buildings (to be retained, sold or demolished).

1.9.2 Information and communication technology in education

In 2008, the client-oriented approach was continued regarding ICT facilities for education. The EDU support organisation and its anchoring in the organisation (both inside and outside ICT) has been given further shape. In addition, preparations were made to renew the electronic learning environment EDU-web so that there is improved compatibility with mixed use by students and teachers from both VHL and WU.

In close consultation with the end users, the future of the Student Information System (SIS) was considered: What do we want to be able to do in the future? How do we expect to improve our facilitation of the students regarding information about registration, study programmes, scheduling, locations, marks, etc.?

The first results of the International Student Barometer (ISB) indicate that the international students at Wageningen UR give our organisation the highest score (relative to nearly 100 other universities in Europe and the USA) in the areas of the electronic learning environment (ELO) and Internet access.

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 good results with the sale and rental of surplus property. Due to beneficial purchasing of services such as cleaning, a structurally positive result was achieved at the Forum, which was transposed into the budget for 2009.

For the fifth year, the sports facilities of Wageningen UR achieved the highest scores in the rankings of university sports centres. The majority of users are also positive about the library facilities. In 2008, a baseline measurement was conducted for the other facilities and services. This measurement showed that the end users were sufficiently satisfied (6.8). They also provided a great deal of information that will be useful for improving the facilities and services in a focused and cost-effective fashion.

The information about all facilities and services at the corporate level is now accessible on the new intranet of Wageningen UR. In the electronic ordering system (EBS), the possibility has been created to offer and order internal products and services online.

The integral workplace support concept has been worked out and implemented at Facilities and Services, the Corporate Staff and Wageningen International. For these organisational components, a single agreement has been made for all facilities and services related to the workplace, ranging from PCs and telephony to cleaning and security.

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 in the years to come and implemented together with the Ministry of Agriculture, Nature and Food Quality.

2 Financial report

2.1 Annual accounts Wageningen University

2.1.1 Financial report

• Development of result

In 2008 Wageningen University achieved a positive result of €14.7 million. Compared to the prognosis of a negative result of €3.4 million, this is an improvement of €18.1 million.

Of this result improvement relative to the prognosis, €5.7 million was due to incidental items. This was primarily due to the fact that the exceptional write-down of the Dreijen complex of €5.4 million was not needed as a result of the decisions made in 2008 about the unilocation for the AFSG. The positive result of Wageningen University is especially related to the delay that was incurred at the project level in converting available means to benefit policy intensification (priority areas, quality improvement, innovation, policy leeway for the Executive Board). During this process, the quality of the project is paramount, 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 the result. Consequently, the result improved by €5.5 million.

In 2008, the expenditure of the central apparatus and facilities and services was €3.0 million lower than budgeted. In addition, the interest costs at the central units were €1.7 million lower than budgeted. With the decentral units, the result improved by €2.2 million relative to the budget due to higher turnover from work for third parties.

There were positive developments in income during 2008. Compared to 2007, the national government funding (Ministry of Agriculture, Nature and Food Quality) increased by €3.3 million to a total of €155.2 million. This change was caused by lower expenditure of items on the balance sheet for accommodation and earmarked projects (-/- €3.1 million), a reduction in additional accommodation funding (-/- € 1.0 million), compensation for salary measures and price increases (€4.8 million) and an increase in the basic amount of €2.6 million, primarily as a result of more funded doctorates (2007: 192, 2008: 224)⁴. The revenues from indirect government financing (second flow of funds) grew from €13.6 million to €14.6 million, an increase of 7.4%. The turnover from contract funding (third flow of funds) grew by €8.3 million to €63.8 million, a 15% increase. At all departments the turnover from all client groups increased, with the exception of charities.

Compared to 2007, personnel costs increased by €13.8 million to a total of €152.6 million. This increase was caused by a rise in the number of employees (2.6%) due to additional contract research projects and by salary rises (4.8%). In addition, the costs of temporary employees increased and more funds were allocated to unemployment insurance.

⁴The number of funded doctorates in 2008 was based on the number of PhDs awarded in 2006.

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

	2008	2007
Net operating profit (surplus) in accordance with guidelines of the Ministry of Education, Culture and Science	€14.7 million	€11.2 million
Allocation to appropriated reserve for project costs later years	€-0.5 million	€-0.7 million
Operating result based on income and expenditure system	€14.2 million	€10.5 million
Book profits and exceptional write downs	€-0.2 million	€ 2.9 million
Regular result	€14.0 million	€13.4 million
Corrections related to Strategic Plan for New Construction (SPNC):		
Result "transitional scheme" Strategic Plan for New Construction	€ 2.6 million	€ 1.7 million
Regular returns from ordinary operations	€ 11.4 million	€ 11.7 million

Explanation:

In accordance with the regulations, Wageningen University posts the cash revenues from direct government funding to 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, € 0.6 million of the result from 2008 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 2008 a positive result of € 2.6 million was realised. This concerns an incidental result that will disappear when the buildings are delivered as a result of higher accommodation expenditure.

• Developments on the balance sheet

In 2008 the liquidity of Wageningen University rose from € 25.5 million to € 48.1 million. Compared to the prognosis, this is an improvement of € 41.9 million. The following factors explain the improved liquidity position:

Improved opening balance 1-1-2008	€ 17.3 million
Result is higher than budgeted	€ 18.1 million
Lower depreciation (including exceptional write downs)	€ 5.3 million -/-
Lower investments	€ 5.8 million
Other items	€ 6.0 million
Total	€ 41.9 million

On 31-12-2008, the solvency ratio of Wageningen University was 47.8%, compared to 42.8% in 2007. This improvement was caused by a result that was higher than the prognosis; consequently, the equity capital increased. The equity position offers sufficient assurance for the continuity of the organisation.

• Prognoses 2009

Developments in the result

For 2009, Wageningen University has budgeted a result of €3.1 million, which consists of an operational profit of €1.9 million and incidental profits of €1.2 million. The incidental profits consist of book profits on the sale of real estate. In 2009, as in the previous two years, €2.0 million will be committed to themes from the Strategic Plan.

Strategic plan for new construction

In 2008, it was decided to invest approximately €100 million during the period through 2013 in the Wageningen Campus to benefit educational facilities and the 'unilocation' of AgroTechnology and Food Sciences Group. The continuation of the investment in the 'unilocation' is linked to the financial prospects related to the announcement of the national government budget in September of 2009. The continuing effects of the financial crisis could lead to some aspects of this decision not being implemented.

Amounts * € 1000

2.1.2 Annual accounts

Consolidated balance sheet

After allocation of the net result

ASSETS		31-12-2008	Budget 2008	31-12-2007
FIXED ASSETS				
1	Tangible fixed assets	188,241	195,600	198,346
2	Financial fixed assets	1,399	700	1,106
Total fixed assets		189,640	196,300	199,452
CURRENT ASSETS				
3	Stock	645	1,800	6,238
4	Receivables and accrued income	32,971	27,200	37,791
5	Liquid assets	48,077	6,200	25,527
Total current assets		81,693	35,200	69,556
TOTAL ASSETS		271,333	231,500	269,008
LIABILITIES				
EQUITY CAPITAL				
	General reserve	120,887	97,200	106,715
	Designated reserves	8,900	7,700	8,323
6	EQUITY CAPITAL	129,787	104,900	115,038
7	PROVISIONS	21,692	20,200	24,150
8	LONG-TERM LIABILITIES	18,197	16,600	18,669
9	SHORT-TERM LIABILITIES	101,657	89,800	111,151
TOTAL LIABILITIES		271,333	231,500	269,008

Amounts * € 1000

Consolidated profit and loss statement

	Result 2008	Budget 2008	Result 2007
10 INCOME			
Direct government funding LNV	155,202	152,900	151,872
Tuition, course and examination fees	12,577	12,200	11,095
Income from work for third parties	78,390	64,900	69,126
Other income	17,554	19,700	23,821
TOTAL INCOME	263,723	249,700	255,914
EXPENDITURE			
11 Personnel costs	152,617	148,600	138,799
12 Depreciation	14,159	19,500	26,300
13 Accommodation costs	16,696	18,300	15,042
14 General costs	32,122	30,400	31,337
15 Specific costs	33,436	34,400	32,326
TOTAL EXPENDITURE	249,030	251,200	243,804
OPERATING RESULT	14,693	-1,500	12,110
16 Financial income and expenditure	73	-1,800	-528
RESULT FROM ORDINARY ACTIVITIES BEFORE TAXES	14,766	-3,300	11,582
Taxes from ordinary activities	0	0	0
17 Result from participating interests	-17	-100	-221
RESULT FROM ORDINARY ACTIVITIES AFTER TAXES	14,749	-3,400	11,361
Share of third parties	0	0	0
Extraordinary income and expenditure	0	0	0
NET RESULT	14,749	-3,400	11,361

Amounts * € 1000

Consolidated cash flow statement

	<i>Result 2008</i>	<i>Budget 2008</i>	<i>Result 2007</i>
OPERATIONAL ACTIVITIES			
Net result	14,749	-3,400	11,361
Depreciation	14,159	19,500	26,300
	28,908	16,100	37,661
Changes in provisions	-2,458	-5,600	-5,021
Changes in working capital	919	-2,600	3,304
Result from non-consolidated participating interests	17	100	221
	-1,522	-8,100	-1,496
Cash flow from operational activities	27,386	8,000	36,165
INVESTMENT ACTIVITIES			
Investments in buildings and grounds	-1,773	-11,297	-18,286
Investments in other tangible assets	-7,141	-4,138	-14,976
Investments in participating interests and members' capital contributions	-323	-126	-337
Divestments in fixed assets	4,867	5,361	1,498
Cash flow from investment activities	-4,370	-10,200	-32,101
FINANCING ACTIVITIES			
Change in long-term receivable from Ministry LNV	6	0	-635
Changes in other long-term debts	-472	200	226
Changes in equity capital	0	0	0
Cash flow from financing activities	-466	200	52
CASH FLOW	22,550	-2,000	4,116
CHANGE IN LIQUID ASSETS			
Balance of liquid assets on 1 January	25,527	8,200	21,411
Balance of liquid assets on 31 December	48,077	6,200	25,527
Change in liquid assets	22,550	-2,000	4,116

2.1.3 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 previous report year are in accordance with the figures from the annual accounts of that year, with the exception of the effects of the system change included in the balance based on the transition to the new guidelines for education (RJ 660). 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, Stichting ISRIC and Stichting *Restaurant van de Toekomst* – 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 preparation of the annual accounts is based on the requirements from the *Regeling Jaarverslaggeving Onderwijs* from 28 December 2007, BW2 titel 9 and the *Richtlijnen voor de Jaarverslaggeving* (RJ).

• System changes

In accordance with the RJ 140.208/140.209, the transition from the reporting guidelines (*Richtlijn voor de verslaggeving voor het hoger onderwijs*) of the Ministry of Education, Culture and Science (OC&W) to RJ 660 of the *Raad voor de Jaarverslaggeving* has been completed. As a result of these new guidelines, the following items have been processed in the financial report:

Tangible fixed assets	
– Valuation based on components method	-/- € 3,197,000
Provisions	
– Release of provision for maintenance	-/- € 459,000
– Release of provisions for students	-/- € 277,000

As a result of the system change, the equity capital changed as follows:

Equity on capital balance sheet 31-12-2007, annual accounts 2007	€ 117,499,000
Minus: reduction in fixed assets	-/- € 3,197,000
Plus: Release of provisions	€ 736,000
Equity capital 01-01-2008	€ 115,038,000

Amounts * € 1000

In these annual accounts, the comparative figures for 2007 are based on the principles of valuation for 2007. The result for 2008 can be calculated as follows based on the principles of valuation for 2007:

Result according to annual accounts 2008	€ 14,749,000
Higher depreciation costs	€ 653,000
Lower costs of provisions for students	€ 317,000
Result for 2008 based on the provisions for valuation for 2007	€ 15,085,000

• Consolidation

The consolidated accounts include the financial information for the institution, its group companies and other institutions which it effectively controls (based on the actual situation) or which it manages centrally. Group companies are legal entities over which the institution exerts effective control, directly or indirectly, because it holds majority of the voting rights or can control the financial and operational activities in some other way. This also takes account of potential voting rights that can be directly exercised on the balance sheet date.

The group companies and other legal entities which it effectively controls or which it manages centrally are included for 100% in the consolidated accounts (see 2.17 Consolidation). The share of third parties in the group assets and the group result is reported separately.

• Consolidated accounts

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

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

	<u>Registered Office</u>	<u>% in 2007</u>	<u>% in 2008</u>
Wageningen University Holding BV	Wageningen	100	100
Nexus Holding BV	Wageningen	100	100
CAN-iT BV	Wageningen	100	51
Ceradis BV	Wageningen	50	50
Bio Product BV	Wageningen		51
Biqualy BV	Wageningen	33	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 B.V. have therefore not been consolidated. The annual accounts of Nexus Holding BV, Can-iT BV, Ceradis BV and Bio Product BV have not been consolidated due to their negligible importance in 2008.

• Accounting policies for the valuation of assets and liabilities

Costs of research and development

Research costs are included in the profit and loss account.

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	60 years linear
Corporate buildings	
– Basic structure	60 years linear
– Finish work	30 years linear
– Built-in components/ facilities 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)	
– Automation apparatus, including programming (other hardware)	5 years linear 3 years linear

Investment subsidies acquired and amounts from externally financed projects are subtracted from the amount shown as assets in the year of purchase. Subsidies received as assets that are required for the primary process, such as educational buildings, are shown as liabilities and are released during the useful life of the asset.

On every balance sheet date, the institution evaluates whether there are indications that a fixed asset can be subject to an exceptional write down. If there are such indications, then the realisable value of the asset is ascertained. If it is not possible to determine the realisable value of the individual asset, then the realisable value is determined for the cash-flow-generating unit to which the asset belongs. An exceptional write down concerns a situation where the book value of an asset is higher than the realisable value; the realisable value is the sale value or the going-concern value, whichever is higher.

If it is ascertained that an exceptional write down which was posted in the past no longer exists or has been reduced, then the increased book value of the corresponding asset is not set any higher than would be the case if no exceptional write down would have been posted for the asset.

Fixed assets that are no longer serviceable for the primary activities are not depreciated. 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 FIFO method according to the purchase or replacement costs, including a supplement for indirect costs. There is no valuation of the 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 item 'Work in progress' is included on the balance sheet.

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

Wageningen University makes no distinction between private assets and public assets.

– 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

Provisions

The provisions are valued at nominal value, with the exception of personnel provisions based on RJ 271. When calculating the amount of the obligations, future indexing and price increases are taken into account. 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; 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 expenditures in connection with staff who have already left employment and staff with a temporary employment contract.

Provision for the Invalidation Insurance Act

The provisions for obligations related to the Invalidation Insurance Act (WAO) are taken to cover these obligations that are expected on the balance sheet date in relation to deductible risk.

Other staff provisions – jubilee bonuses

The expected obligation for future jubilee bonuses is based on historical data; the transfer is based on realisation. The provision is calculated to present value based on the market interest rate applying to Wageningen University.

Other staff provisions – 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 RJ 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.

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

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 cash flow statement.

Amounts * € 1000

2.1.4 Explanation of the balance sheet

1 TANGIBLE FIXED ASSETS

	Grounds	Buildings	Machinery and equipment	Work in progress	Total
Book value 31-12-2007	12,167	160,756	21,243	4,180	198,346
Investments	0	2,514	7,141	-741	8,914
Divestments *	890	3,790	180	0	4,860
Depreciation	75	6,573	7,511	0	14,159
Exceptional write downs	0	0	0	0	0
Book value 31-12-2008	11,202	152,907	20,693	3,439	188,241
Purchase value 31-12-2007	17,450	284,869	83,731	4,180	390,230
Purchases 2008	0	2,514	7,141	-741	8,914
Purchase value divestments 2008	1,384	8,257	2,120	0	11,761
Purchase value 31-12-2008	16,066	279,126	88,752	3,439	387,383
Cumulative depreciation	4,864	126,219	68,059	0	199,142
Cumulative write downs	0	0	0	0	0
Book value 31-12-2008	11,202	152,907	20,693	3,439	188,241
* Divestments, of which:					
- Purchase price	1,384	8,257	2,120	0	11,761
- Depreciation	494	4,467	1,940	0	6,901
Total divestments	890	3,790	180	0	4,860

Wageningen University is implementing a major programme of new construction. In 2008 the Hydraulics hall was completed for the Department of Environmental Sciences Group.

The total depreciation of €14.2 million includes € 6.7 million for regular depreciation of buildings and infrastructure and €7.5 million for depreciation of equipment and inventory.

Wageningen UR has signed a sales agreement for the Kortenoord complex with MAB Ontwikkeling BV. 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 advance payment of €19.0 million (incl. interest) was 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 €370.9 million (reference date 1-7-2008).

The valuation for municipal tax purposes (WOZ) is €174.9 million (reference date 1-1-2007).

In 2008, Wageningen University invested €1.8 million in buildings, of which €1.1 million was for the Strategic Plan for New Construction.

Amounts * € 1000

2 FINANCIAL FIXED ASSETS

	31-12-2008	31-12-2007
Participating interests in group companies	273	30
Other participating interests	455	390
Members' capital contributions	30	39
Other receivables	641	647
Total financial fixed assets	1,399	1,106

Itemisation of participating interests in group companies:

<i>Description</i>	<i>Book value 31-12-2007</i>	<i>Investments/ divestments</i>	<i>Other changes ¹⁾</i>	<i>Book value 31-12-2008</i>
Nexus Holding BV	12			12
CAN-iT BV	18	182	-61	139
Bio Product BV		150	-28	122
Total group companies	30	332	-89	273

¹⁾ The other changes concern the write downs for the participating interests in 2008.

Wageningen University Holding BV, a fully-owned subsidiary of Wageningen University, acquired participating interests in Nexus Holding BV and CAN-iT BV in 2007. In 2008, a majority interest (51%) was acquired in Bio Product BV .

Itemisation of other participating interests

<i>Description</i>	<i>Book value 31-12-2007</i>	<i>Investments/ divestments</i>	<i>Other changes</i>	<i>Book value 31-12-2008</i>
Biopartner Center BV	235		200	435
Green Dino BV	0			0
KLV Professional Match BV	0	-7	7	0
ICG	20			20
Ceradis BV ²⁾	100		-100	0
Biqualyis BV ²⁾	35		-35	0
Total other participating interests	390	-7	72	455

¹⁾ The change for Biopartner Center BV comprises the share of Wageningen University in the 2007 result.

²⁾ The other changes concern the write downs for the participating interests in 2008.

Wageningen University has a 68% interest in Biopartner Center Wageningen BV (€0.4 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 CAN-i BV, ICG, Ceradis BV and Biqualyis BV.

Amounts * € 1000

Specification of members' capital contributions

Description	Book value 31-12-2007	Increase	Decrease	Book value 31-12-2008
Members' capital contributions Friesland Foods	39		-9	30
Total members' capital contributions	39	0	-9	30

Specification of other long-term receivables

Description	Book value 31-12-2007	Increase	Decrease	Book value 31-12-2008
Theater 't Hemeltje	12		-6	6
KDG	635			635
Total other long-term receivables	647	0	-6	641

The receivable from KDG concerns amounts yet to be received from real estate transactions.

3 STOCK

	31-12-2008	31-12-2007
STOCK		
Trading stock	15	20
Livestock	110	104
Stock of semi-finished goods	40	25
	165	149
Less: provision for un-marketability	0	-1
SUBTOTAL STOCK	165	148
WORK IN PROGRESS		
Costs of activities conducted on behalf of third parties	198,655	163,033
Less: Declared payments	195,744	155,457
Assignments from third parties, not LNV	2,911	7,576
Less: expected losses	-2,431	-1,486
Subtotal work in progress	480	6,091
TOTAL STOCK	645	6,238

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 2008, the income from activities conducted on behalf of third parties totalled €78.4 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 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	23,799
– Projects with a negative balance for work in progress	<u>20,888</u>
– Balance of assignments from third parties	2,911

4 RECEIVABLES AND ACCRUED INCOME

	<u>31-12-2008</u>	<u>31-12-2007</u>
Accounts receivable	17,276	13,808
Accounts receivable affiliated parties	0	550
Less: provision for possible uncollectible receivables	-1,053	-897
Total accounts receivable	<u>16,223</u>	<u>13,461</u>
Advances	3,777	4,654
VAT to be received	1,247	2,360
Receivables from other affiliated parties	3,612	10,668
Receivables from students	1,058	914
Accrued income	6,400	5,405
Other	654	329
Total advances and accrued income	<u>16,748</u>	<u>24,330</u>
Total receivables and accrued income	<u>32,971</u>	<u>37,791</u>

The receivables from affiliated parties in 2007 concerns the Van Hall Larenstein Foundation. The receivables from affiliated parties in the amounts of k€3,612 (2008) and k€10,668 (2007) concern the DLO Foundation. These are short-term positions in the current account that are periodically settled mutually.

5 LIQUID ASSETS

	<u>31-12-2008</u>	<u>31-12-2007</u>
Cash in hand	25	24
Current account bank (including cross booking)	47,254	16,942
Deposits	798	8,561
Total liquid assets	<u>48,077</u>	<u>25,527</u>

Amounts * € 1000

All liquid assets are freely available. In 2008, liquidity increased to €48.1 million. The budget provided for a liquidity position of €6.2 million. The improvement with respect to the budget can be explained as follows (amounts * € 1 million).

	Budget	Realisation	Change compared to budget
Liquid assets on 1 January 2008	8.2	25.5	17.3
Result	-3.4	14.7	18.1
Depreciation	19.5	14.2	-5.3
Decreased provisions	-5.6	-2.4	3.2
Change in working capital	-2.6	1.0	3.6
Result from participating interests	0.1	0.0	-0.1
Cash flow from operational activities	8.0	27.5	19.5
Cash flow from investment activities	-10.2	-4.4	5.8
Cash flow from financing activities	0.2	-0.5	-0.7
Total liquid assets	6.2	48.1	41.9

Operational activities

- The liquid assets on 1 January 2008 were €17.3 million higher than was expected in the budget. This was caused by an improvement the operational cash flow during the fourth quarter of 2007 (€11.6 million), reduced investment activities (€ 6.7 million) and increased financing activities (€1.0 million).
- The result in 2008 was €18.1 million above the prognosis.
- Depreciation was €5.3 million below budget. The primary reason was that the exceptional write down (€5.9 million) of the Chemistry Building did not take place.
- €3.2 million less was withdrawn from the provisions than budgeted, especially for reorganisation costs (€1.8 million).
- There was a positive development in working capital. The work in progress position was lower than the prognosis (€1.2 million). The receivables and prepayments & accrued income were €5.8 million higher than the prognosis, and
- The current liabilities were €11.9 million above the prognosis. As a result, the working capital on balance was €7.3 million better than the prognosis. Of this amount, €3.6 million was realised in 2008 and €3.7 million in the fourth quarter of 2007..

Investment activities

- In total, the investments were €5.8 million below budget. This was especially due to the realised investments in the Strategic Plan for New Construction, which were lower than estimated due to delays in the projects.
- The sale of the Jan Kopshuis (€4.3 million) and Diedenweg 20 (€0,7 million) resulted in a positive cash flow of €5.0 million, in accordance with the budget.

Financing activities

- The long-term liabilities decreased due to payments in the amount of €0.2 million by the *Restaurant van de Toekomst* on the long-term debt at the Rabobank and a reduced equalisation reserve for equipment subsidies in the amount of €0.3 million.

Amounts * € 1000

6 EQUITY CAPITAL

	<i>General reserve</i>	<i>Allocated reserve</i>	<i>Total</i>
Balance on 31-12-2007	106,715	8,323	115,038
Allocation from the result	14,172	577	14,749
Addition to reserve	0	0	0
Withdrawal from reserve	0	0	0
Balance on 31-12-2008	120,887	8,900	129,787

The designated reserve concerns the innovation fund of €3.9 million and the reserve for projects yet to be implemented of €5.0 million. In 2008, €0.6 million was allocated to the latter reserve from the result.

In 2008, a system change took place related to the transition to new guidelines for annual reports. As a result, €2.5 million was withdrawn from the general reserve in the 2008 opening balance. This system change is explained in the Principles of valuation.

In the net result in the present annual accounts, €14.2 million was posted to the general reserve and €0.6 million to the designated reserve.

7 PROVISIONS

	<i>Balance on 31-12-2007</i>	<i>Transfer</i>	<i>Withdrawal</i>	<i>Release</i>	<i>Balance on 31-12-2008</i>
Unemployment insurance obligations	6,833	1,192	1,384	188	6,453
Provision for Invalidity Insurance Act	250	54	174	0	130
Other personnel provisions	2,658	162	246	0	2,574
Reorganisation costs	11,896	1,792	2,522	1,092	10,074
Product and contract risks	1,061	0	0	0	1,061
Other provisions	1,452	1	8	45	1,400
Total provisions	24,150	3,201	4,334	1,325	21,692

	<i>31-12-2008</i>	<i>31-12-2007</i>
Specification of the term of the provisions		
Short term (ending on or before 31-12-2009)	19,760	23,431
Long term (ending between 31-12-2009 and 31-12-2013)	1,809	533
Long term (ending after 31-12-2013)	123	186
Total provisions	21,692	24,150

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 2008 a transfer was made in the amount of k€1,192, and a release of k€188.

Amounts * € 1000

Invalidity 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, €1,092,000 of the provision could be released.

Other provisions

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

8 LONG-TERM LIABILITIES

	<i>Balance on 31-12-2007</i>	<i>Increased liability</i>	<i>Decreased liability</i>	<i>Balance on 31-12-2008</i>
Other long-term liabilities	16,848		173	16,675
Equalisation of long-term investment subsidies	1,821		299	1,522
Total long-term liabilities	18,669		472	18,197

Summary of long-term liabilities:

<i>Description</i>	<i>Total (k€)</i>	<i>Interest</i>	<i>Term</i>	<i>Cumulative repayment (k€)</i>	<i>Long-term > 5 years (k€)</i>	<i>Short-term < 1 year (k€)</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	1,450	150
Rabobank Vallei en Rijn	300	4.4%	10 years	52	225	23
Total	17,300			452	16,675	173

Amounts * € 1000

9 SHORT-TERM LIABILITIES

	31-12-2008	31-12-2007
Advance payments from third parties	54,771	59,145
Debts owed to suppliers	8,663	13,826
Debts owed to suppliers of affiliated parties	0	0
Taxes to be paid	6,823	5,739
Debts owed to other affiliated parties	3,597	3,636
Debts owed to LNV	4,335	6,977
Accrued and deferred liabilities	9,767	8,993
Other	13,701	12,835
Total short-term liabilities	101,657	111,151

The advance payments received from third parties declined in 2008 relative to 2007 by €4.4 million, primarily at the Department of Plant Sciences. This was because fewer advance payments were received from financiers (EU/NWO). The debts owed to suppliers declined (€5.2 million) as a result of lower investments, especially in the Strategic Plan for New Construction. The short-term debt owed to the LNV declined (€2.6 million) due to the allocation of target funding (€0.6 million) and the repayment of a €2 million debt to the LNV. The item 'other debts' primarily consists of accrued staff holiday allowance and leave.

Amounts * € 1000

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 2009	Ending between 2010 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 investments	1,888	1,888	0	0
	11,980	11,976	4	0
Total	43,201	31,996	11,205	0

Wageningen University has provided a guarantee in the amount of €2.3 million for the financing of the *Stichting Restaurant van de Toekomst*.

Regarding construction contracts signed or under negotiation, Wageningen University has received guarantees from third parties in the amount of k€19.

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, as part of the Strategic Plan for New Construction, has acquired financing in the amount of €15 million based on *Euribor*. The interest rate risk is covered by means of two interest rate swaps. The overhedge, which arises due to the discrepancy between the need for financing and the available interest rate instruments, was acquired in June 2008 with a positive result of k€ 311.

The following interest rate instruments have been acquired:

Instrument	Volume in million	Starting date	Ending date
Interest rate swap	10.0	03-01-2005	02-01-2017
Interest rate swap	7.0	03-01-2005	04-01-2016

On 31-12-2008, the value of the swaps was -/- €1.6 million.

Amounts * € 1000

Affiliated Parties

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

	Registered Office	Activities code	Equity capital 31-12-2008	Result 2008	Art 2:403 Dutch Civil Code	Participating interest in 2008	Consolidation
Wageningen University Holding BV	Wageningen	4	-219	-135	Y	100%	100%
Nexus Holding BV	Wageningen	4	-5	13	N	100%	0%
CAN-iT BV	Wageningen	4	0	18	N	51%	0%
Ceradis BV	Wageningen	4	201	51	N	50%	0%
Bio Product BV		4			N	51%	0%
Biqualy BV	Wageningen	2	283	-194	N	33%	0%
Biopartner BV	Wageningen	3		not available	N	68%	0%
Green Dino BV	Wageningen	4	0	not available	N	11%	0%
Stichting ISRIC	Wageningen	2	487	145			100%
Stichting <i>Restaurant van de Toekomst</i>	Wageningen	2	-56	-7			100%

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 and balance sheet total of Wageningen University.

Amounts * € 1000

2.1.5 Explanation of the profit and loss statement

10 INCOME

	<i>Result 2008</i>	<i>Result 2007</i>
Direct government funding		
Direct government funding from LNV	154,283	150,423
Other funding LNV	919	1,449
TOTAL DIRECT GOVERNMENT FUNDING	155,202	151,872
TUITION AND COURSE FEES		
Tuition and examination fees	10,557	9,247
Course fees	2,020	1,848
TOTAL TUITION AND COURSE FEES	12,577	11,095
INCOME FROM WORK FOR THIRD PARTIES		
Proceeds from work for third parties	83,055	63,384
Change in work in progress	-4,665	5,742
TOTAL INCOME FROM WORK FOR THIRD PARTIES	78,390	69,126
OTHER INCOME		
Sales and use of facilities	1,254	752
Rental income	1,908	862
Sports cards	0	367
Secondments	260	85
Other income	14,132	21,755
TOTAL OTHER INCOME	17,554	23,821
TOTAL INCOME	263,723	255,914

There were positive developments in income during 2008. The direct government funding from LNV increased by €3.9 million to €154.3 million.

The income from work for third parties increased by 13% to €78.4 million. This income consists of indirect government funding, which increased by 7.4% to €14.6 million, and contract income, which increased by 15% to €63.8 million. At all departments the turnover from all client groups increased, with the exception of charities. Compared to 2007, income from tuition fees increased due to a small rise in the number of students. The other income declined relative to 2007 due to lower sales of fixed assets (€9.6 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

EXPENSES

11 PERSONNEL COSTS

	<i>Result 2008</i>	<i>Result 2007</i>
Gross wages and salaries	140,741	127,904
Temp workers and hired personnel	6,528	6,006
Other personnel costs	4,128	3,317
Transfer to provision for unemployment insurance obligations	1,004	1,394
Transfer to provision for invalidity insurance	54	-126
Transfer to other staff provisions	162	304
Total personnel costs	152,617	138,799

The item gross wages and salaries includes pension contributions of €14.154 million and social insurance contributions of €3.565 million. The total staff increased in 2008 from 2,269 FTE to 2,335 FTE. The average salary rose by 4.6%.

In 2008 Wageningen University spent €0.4 million (2007: € 0.4 million) on salaries and reimbursements for the members of the Executive Board and € 32,000 (2007: € 32,000) for the members of the Supervisory Board. The members of the Executive Board also form the Executive Boards of the DLO Foundation and the Van Hall Larenstein Foundation. An additional explanation of the salary costs of the Executive Board and Supervisory Board is included in Section 2.4. The members of the Supervisory Board also form the Supervisory Boards of the DLO Foundation and the Van Hall Larenstein Foundation.

12 DEPRECIATION

	<i>Result 2008</i>	<i>Result 2007</i>
Tangible fixed assets	14,159	13,558
Exceptional write downs	0	12,742
Total depreciation	14,159	26,300

In 2008, no exceptional write downs were included. In 2007, the Executive Board signed sales agreements for the Jan Kopshuis and the Botanical Centre in connection with the SNP. The Jan Kopshuis was delivered in 2008. The Botanical Centre will be delivered in 2009. 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.

Amounts * € 1000

13 ACCOMMODATION EXPENDITURE

	<i>Result 2008</i>	<i>Result 2007</i>
Rental	4,076	3,279
Insurances	334	314
Maintenance	3,398	3,230
Energy and water	5,532	5,619
Cleaning expenses	1,188	765
Levies	977	681
Other accommodation costs	1,191	1,154
Total accommodation costs	16,696	15,042

Several chair groups of Wageningen University are accommodated in buildings of the DLO. This promotes maximum cooperation within the Sciences Groups. For the partial use of these buildings, Wageningen University paid rental costs in 2008 of €3.9 million

14 GENERAL COSTS

	<i>Result 2008</i>	<i>Result 2007</i>
Other equipment costs	7,005	7,293
Other general expenses	24,461	22,349
Transfer to provisions		
Reorganisation costs	700	518
Product and contract risks	0	561
Student provisions		810
Other provisions	-44	-194
Total transfers to general provisions	656	1,695
Total general costs	32,122	31,337

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 following accountant's costs are included in the item other general costs :

A Auditing the annual accounts	€ 136,000
B Other auditing activities	€ 432,000

15 SPECIFIC COSTS

	<i>Result 2008</i>	<i>Result 2007</i>
Specific costs	12,197	12,333
Services by third parties	13,617	13,507
Contributions and subsidies	7,622	6,486
Total specific costs	33,436	32,326

Amounts * € 1000

16 FINANCIAL INCOME AND EXPENDITURE

	<i>Result 2008</i>	<i>Result 2007</i>
Financial income	1,976	831
Financial expenses	-1,903	-1,359
Total financial income and expenditure	73	-528

The financial income concerns interest received on the bank accounts held during the year under review. During 2008, the interest income increased significantly due two factors: the increase in the Euribor rates on the current account and the effect of investing temporary liquidity surpluses. In 2008, the financial crisis did not have any direct consequences for the liquidity position of Wageningen UR. The financial expenses primarily concern an interest expenditure of €1 million to the Bouwfonds MAB Ontwikkeling BV due to an advance payment received for the sale of Kortenoord and an interest expenditure of €0.8 million on the long-term debt held by ABN Amro.

17 RESULT FROM PARTICIPATING INTERESTS

	<i>Result 2008</i>	<i>Result 2007</i>
Biopartner Center BV ¹⁾	200	-85
Ceradis BV	-100	-75
Biqualy BV	-35	-65
CAN-iT BV	-61	
Other participating interests	-21	4
Total result from participating interests	-17	-221

¹⁾ The share of Wageningen University in the result of Biopartner Center BV for 2007 was included in the 2008 annual accounts of Wageningen University.

Amounts * € 1000

2.1.6 Non-consolidated annual accounts

NON-CONSOLIDATED BALANCE SHEET

ASSETS	31-12-2008	31-12-2007
FIXED ASSETS		
Tangible fixed assets	188,236	198,339
Financial fixed assets	674	700
Total fixed assets	188,910	199,039
CURRENT ASSETS		
Stock	571	6,156
Receivables and accrued income	31,287	35,864
Liquid assets	46,529	24,603
Total current assets	78,387	66,622
TOTAL ASSETS	267,298	265,662
LIABILITIES		
EQUITY CAPITAL	129,251	114,606
PROVISIONS	21,693	24,150
LONG-TERM LIABILITIES	15,000	15,000
SHORT-TERM LIABILITIES	101,353	111,906
TOTAL LIABILITIES	267,298	265,662

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 k€ 536; this concerns the equity capital of Stichting ISRIC (k€ 599) and Stichting *Restaurant van de Toekomst* (k€ -63). These obligations that are not shown on the balance are equal to those in the consolidated annual accounts.

Amounts * € 1000

NON-CONSOLIDATED PROFIT AND LOSS STATEMENT

	Result 2008	Result 2007
INCOME		
Direct government funding LNV	154,039	150,715
Tuition, course and examination fees	12,578	11,095
Income from work for third parties	78,390	69,126
Other income	16,918	23,234
Total income	261,925	254,170
EXPENDITURE		
Personnel costs	151,339	137,707
Depreciation	14,158	26,292
Accommodation expenditure	11,338	18,178
General costs	37,161	27,851
Specific costs	33,329	32,149
Total expenses	247,325	242,176
OPERATING RESULT	14,600	11,993
Financial income and expenditure	56	-551
RESULT ON ORDINARY ACTIVITIES BEFORE TAXES	14,656	11,442
Taxes from ordinary activities	0	0
Result from participating interests	-11	-220
RESULT FROM ORDINARY ACTIVITIES AFTER TAXES	14,645	11,222
Share of third parties	0	0
Extraordinary income and expenditure	0	0
NET RESULT	14,646	11,222

The direct government funding from LNV in the amount of €154.0 million excludes the government funding posted to Stichting ISRIC in the amount of €1.2 million. The result of WU Holding BV is k€ -211, that of Stichting ISRIC is k€ 112, the result of *Stichting Restaurant van de Toekomst* in 2008 amounted to k€ -7.

2.1.7 Other data

• 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 the Executive Board and Supervisory Board of Wageningen University.

Report on the consolidated financial statements

We have audited the accompanying financial statements 2008 of Wageningen Universiteit, in Wageningen which comprise the consolidated and company balance sheet as at 31 December 2008, the consolidated and company profit and loss account for the year then ended and the notes.

The directors' responsibility

The Board of the institution are responsible for the preparation and fair presentation of the financial statements and for the preparation of the management board report, both in accordance with "de Regeling jaarverslaggeving onderwijs (WJZ/2007/50507)".

Also the Board of the institution is responsible for the financial rightfulness of the income, expenses, and balance sheet transactions included in the financial statements. This implies that these amounts should be in accordance with the conditions 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; 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 "artikel 2.9, derde lid van de Wet op het hoger onderwijs en wetenschappelijk onderzoek". We conducted our audit in accordance with Dutch law and the 'Controleprotocol OCW 2008'. 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 the Board, as well as evaluating the overall presentation of the 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 2008, and of its result for the year then ended in accordance with "de Regeling jaarverslaggeving onderwijs (WJZ/2007/50507)".

Furthermore we are of the opinion that the income, expenses, and balance sheet transactions included in the financial statements 2008 comply with the requirements of financial rightfulness. This implies that the amounts are in accordance with the conditions in the applicable rules and regulations, as stated in the "Controleprotocol OCW 2008".

Report on other legal and regulatory requirements

Pursuant to the legal requirement under 2:393 sub 5f 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, 20 May 2009
PricewaterhouseCoopers Accountants N.V.
Originally signed:

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

2.1.8 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 2008, 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 sports facilities and training activities.

In 2008 Wageningen University invested €332,000 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 Staff capacity (FTE)**

Average level of staffing

	<u>2008</u>	<u>2007</u>
FACULTY		
Scientific staff:		
Professor	98.4	94.4
Associate professor	133.9	140.2
Assistant professor	262.9	256.5
Researchers	234.8	218.9
Lecturers and other scientific staff	31.5	34.5
Trainee research assistant	522.1	481.0
TOTAL SCIENTIFIC STAFF	<u>1,283.6</u>	<u>1,225.5</u>
Support staff and management:		
Scale 13 and higher	22.4	24.3
Scale 9 - 12	219.1	218.3
Lower than scale 9	370.9	365.1
TOTAL SUPPORT STAFF AND MANAGEMENT STAFF	<u>612.4</u>	<u>607.7</u>
TOTAL FACULTY	<u>1,896.0</u>	<u>1,833.2</u>
GENERAL SERVICES		
Scale 13 and higher	38.3	38.2
Scale 9 - 12	175.2	171.6
Lower than scale 9	225.5	226.2
TOTAL GENERAL SERVICES	<u>439.0</u>	<u>436.0</u>
TOTAL	<u>2,335.0</u>	<u>2,269.2</u>

Amounts * €1000

• **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 2008</i>	<i>Result 2007</i>
Second flow of funds	14,583	13,550
National government	8,123	6,756
Other Dutch government	12,862	9,595
Business community	9,575	9,384
European Union	13,767	12,302
Foreign governments and public sectors	1,811	1,351
Charities	382	720
WU	-66	856
DLO	3,657	2,712
Other	13,696	11,900
Total revenues according to ordering customer	78,390	69,126

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

<i>Project description</i>	<i>Decision</i>	<i>Approved amount</i>	<i>Received though 2007</i>	<i>Spending through 2007</i>	<i>Balance 31-12-2007</i>	<i>Received 2008</i>	<i>Spending 2008</i>	<i>Balance 31-12-2008</i>
Target funding								
Plan Service Provision 2006	DWK 2005/3173	683,500	683,500	54,118	629,382		493,893	135,489
WURKS 2008	DK 2007/3376 dated 11-12-2007	903,000	903,000		903,000		0	903,000
WURKS 2009					0	718,000	0	718,000
ICT	DWK 2003/4269 dated 9-12-2003	182,000	182,000		182,000		165,654	16,346
	DWK 2003/4269 dated 9-12-2003	150,000	150,000	150,000	0		0	0
BAMA	DWK 2002/4101 dated 9-12-2002	499,158	499,158	440,926	58,232		0	58,232
Cultural diversity 2003	DWK 2003/4560 dated 4-12-2003	14,533	14,533		14,533		14,533	0
Renewal of PhD studies	TRCDKH/2006/2907 dated 27-11-2006	67,000	67,000		67,000		0	67,000
Business club <i>Leren en Werken groen</i> 2007-2008	DK 2007/3189 dated 30-11-2007	60,000	48,000		48,000		45,000	3,000
Agrofood international, <i>de waarde van kennis</i>	TRCDK/2007/3190 dated 30-11-2007		8,000		8,000		0	8,000
Accrued and deferred liabilities, letter on national government funding								
GKC, annual plan 2007	DK 2007/2775 dated 13-11-2007	3,000,000	3,000,000	1,190,901	1,809,099	3,015,000	3,471,809	1,352,290
More dynamic funding	TRCDK-DH/05/2671 dated 15-11-2005	179,000	179,000		179,000		0	179,000
Admissions 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	1,482,239	1,045,239		185,500	860,261
Amounts to be repaid								
PhDs at WU 2007	DK 2007/1845		2,000,000		2,000,000	-2,000,000	0	0
Total posted to LNV funding		7,089,191	10,396,191	3,318,184	6,978,007	1,733,000	4,376,389	4,334,618

The expenditure of GKC is not included in the profit and loss account of Wageningen University, because Wageningen University is only the secretariat for this funding. The expenditures are accounted for by means of an audit certificate.

The other funding under income includes the following:

Expenditure of LNV funding in accordance with Appendix 4	€4,376,389
Less: GKC	<u>€3,471,809</u>
LNV funding accounted for	€ 904,580
Other funding	<u>€ 14,038</u>
Accounted for on profit and loss statement	€ 918,618

2.2 Annual accounts of the Van Hall Larenstein Foundation

2.2.1 Financial report

• Developments in the result

The consolidated annual accounts ended 2008 with a positive balance of K€834. In 2007 the balance was K€264 positive, in 2006 K€18 negative, and in 2005 K€123 negative, which indicates a continuing positive trend.

The direct government funding increased by nearly €3.7 million. Of this increase, €1.9 million was due to above-standard funding. Over the mid-to-long term, no reduction in that subcomponent of government funding is expected. The remainder of the increase concerns the regular government funding. This was primarily the result of price increases. The effect of *Richtlijn 660* on this group has been a decline of €0.1 million.

The income from tuition fees was virtually the same as the year before, the income from work for third parties declined by €0.3 million and other income rose by €0.4 million. The latter is primarily due to an increase in the secondment revenues.

Costs increased by €3.4 million. This increase was entirely the result of the increase in general costs of €3.6 million. The largest increases were in the costs of network administration (€1.5 million) and to a lesser extent marketing and communication, *mediatheek* and internationalisation.

The improvement in the financial income and expenditure was achieved by converting old loans and a more stringent assets management policy.

In total, the positive effect of *Richtlijn 660* was €0.6 million.

• 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. The defence procedure was completed last year. Following the ruling of the court in Arnhem, an appeal was filed with the Council of State, which then confirmed the court ruling. 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 € 389,024 which, except for two cases, was based on deficiencies in the student files. After supplying supplementary evidence, the repayment demand was reduced to €130,573. VHL is still considering the legitimacy of this reduced repayment demand. The consultation on this topic is continuing.

• Developments in the balance

The tangible fixed assets continue to decline (€1.7 million) due to postponed investments. In 2008, this was also due to an exceptional write down.

The work in progress is significantly lower due faster invoicing. As a result, the reserves declined by €1.4 million.

Liquid assets declined by only €0.3 million. This relatively small decrease was caused partly by more revenues from work in progress that were invoiced in advance, but was especially due to the significantly higher funding.

The provisions will continue on a downward trend due to the transfers to the unemployment insurance obligations.

The increase in short-term liabilities was largely caused by the invoicing of central services at the end of the year.

In 2008, the solvency increased from 9.7% to 11.9%. The capital base, which is the equity capital including the equalisation reserve, rose from 25.7% to 28.2%. In accordance with *Richtlijn 660*, the equalisation reserve was accounted for under long-term liabilities.

• **Modifications to the opening balance and comparative balance figures**

Since 1 January 2008, the new guideline for annual reporting for educational institutions (*Richtlijn 660*) has been in force. This *Richtlijn 660* replaces the previous guidelines of the Ministry of Education, Culture and Science (OCW) concerning the financial reporting of educational institutions. The *Richtlijn* resulted in modifications to the opening balance, and consequently to the comparative balance figures at the end of 2007 as well. These modifications can be summarised as follows:

Increasing the book value of tangible fixed assets with €3.2 million as a result of a modification of the depreciation term.

Increasing the reserves with €3.6 million as a result of splitting ongoing projects into a debit and credit balance.

Increasing equity capital with €3.2 million as a result of the increased book value of tangible fixed assets.

Reducing the equalisation reserve for investment subsidies by €8.3 million as a result of a new classification of this item under long-term liabilities.

A decline in the provisions of €1.0 million as a result of the release of the major repairs provision (€1.5 million), the release of student provisions (€0.1 million), as well as the formation of another personnel provision (jubilee bonuses) in the amount of €0.6 million.

An increase in the long-term liabilities of €8.9 million in connection with the new classification of the equalisation reserve for investment subsidies and a revaluation of the corresponding tangible fixed assets.

An increase in the short-term liabilities of €4.0 million in connection with the new classification of the equalisation reserve for investment subsidies and splitting ongoing projects into a debit and credit balance.

• **Prognoses 2009**

Developments in the result

For 2009, Van Hall Larenstein has budgeted a result of €0.5 million. During this year, many investments will be made in recruitment and staff.

Amounts * € 1000

2.2.2 Annual accounts

Balance sheet

After allocation of the net result.

ASSETS	31-12-2008	Budget 2008	31-12-2007
FIXED ASSETS			
1 Tangible fixed assets	34,088	31,481	35,801
Total fixed assets	34,088	31,481	35,801
CURRENT ASSETS			
2 Stock	2,190	70	3,630
3 Receivables and accrued income	4,911	4,400	4,915
4 Liquid assets	11,226	4,977	11,511
Total current assets	18,327	9,447	20,056
TOTAL ASSETS	52,415	40,928	55,857
LIABILITIES			
EQUITY CAPITAL			
General reserves	6,252	2,085	5,419
5 EQUITY CAPITAL	6,252	2,085	5,419
6 EQUALISATION RESERVE	0	7,784	0
7 PROVISIONS	5,468	7,237	8,663
8 LONG-TERM LIABILITIES	17,045	10,238	19,964
9 SHORT-TERM LIABILITIES	23,649	13,584	21,811
TOTAL LIABILITIES	52,415	40,928	55,857

Amounts * € 1000

Profit and loss account

	<i>Result 2008</i>	<i>Budget 2008</i>	<i>Result 2007</i>
10 INCOME			
Direct government funding LNV	27,129	26,879	25,392
Other funding and payments	3,071	0	1,129
Tuition, course and examination fees	6,393	6,795	6,346
Income from work for third parties	9,420	10,697	9,780
Other income	3,946	2,681	3,523
Total income	49,959	47,052	46,170
EXPENDITURE			
11 Personnel costs	28,365	26,486	29,000
12 Depreciation	2,741	2,719	2,915
13 Accommodation costs	3,679	3,843	2,481
14 General costs	7,939	6,855	5,349
15 Specific costs	6,210	5,833	5,828
Total expenditure	48,934	45,736	45,573
OPERATING RESULT	1,025	1,316	597
16 Financial income and expenditure	-191	-430	-333
RESULT ON ORDINARY ACTIVITIES BEFORE TAXES	834	886	264
Taxes from ordinary activities	0	0	0
17 Result from participating interests	0	0	0
RESULT FROM ORDINARY ACTIVITIES AFTER TAXES	834	886	264
Share of third parties	0	0	0
Extraordinary income and expenditure	0	0	0
NET RESULT	834	886	264

Amounts * € 1000

Cashflow statement

	Result 2008	Budget 2008	Result 2007
OPERATIONAL ACTIVITIES			
Net result	834	886	264
Depreciation	2,741	2,719	2,915
	3,575	3,605	3,179
Changes in provisions	-3,195	-2,652	-1,862
Changes in working capital	3,282	-400	3,056
Result from non-consolidated participating interests	0	0	0
	87	-3,052	1,194
Cash flow from operational activities	3,662	553	4,373
INVESTMENT ACTIVITIES			
Investments in buildings and grounds	-72	-350	-130
Investments in other tangible assets	-954	-1,350	-780
Investments in participating interests and members' capital contributions	0	0	0
Divestments in fixed assets	-2	0	0
Cash flow from investment activities	-1,028	-1,700	-910
FINANCING ACTIVITIES			
Change in long-term debt to Ministry LNV	-389	0	-489
Changes in other long-term debts	-2,530	-1,093	-481
Changes in equity capital	0	0	0
Cash flow from financing activities	-2,919	-1,093	-970
CASH FLOW	-285	-2,240	2,493
CHANGE IN LIQUID ASSETS			
Balance of liquid assets on 1 January	11,511	7,217	9,018
Balance of liquid assets on 31 December	11,226	4,977	11,511
Change in liquid assets	-285	-2,240	2,493

2.2.3 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 the previous report year are in accordance with the figures from the annual accounts of that year, with the exception of the effects of the system change included in the balance based on the transition to the new guideline (*RJ 660*). 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

Van Hall Larenstein Foundation, together with the *Stichting Business Center Van Hall*, *Stichting Onroerend Goed Larenstein* and *Stichting Larenstein Transfer*, is part of a group. *Stichting TPL* was closed in 2008.

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 guidelines for annual reporting, and the explanation of the guidelines, from the Ministry of Education, Culture and Science.

• 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	60 years
Corporate buildings	
– Basic structure	60 years
– Finish work	30 years
– Built-in components/ facilities for corporate buildings	15 years
Greenhouses, sheds, various structures/buildings:	15 years
Machinery and equipment	
– Office furniture / machines and tools / machinery and equipment for foodservice facilities / glass fibre network / other machinery and equipment	10 years
– Office furniture purchased before 1/1/2005	5 years
– Laboratory apparatus / audiovisual apparatus / vehicles / public relations and communication material	5 years
– Automation apparatus, including programming (hardware for networks)	
– Automation apparatus, including programming (other hardware)	5 years
	3 years

Investment subsidies acquired and amounts from externally financed projects are subtracted from the amount shown as assets in the year of purchase. Subsidies received as assets that are required for the primary process, such as educational buildings, are shown as liabilities and are released during the useful life of the asset.

Fixed assets that are no longer serviceable for the primary activities are not depreciated. Write offs due to sustained decline in value, sales, loss or discontinuation are reported separately.

Stock

This item consists of trading stock and finished product. 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. 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 item Work in progress is included on the balance sheet.

Receivables and accrued income

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

Equity capital

Van Hall Larenstein Foundation makes no distinction between private assets and public assets.

– 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

Provisions

The provisions are valued at nominal value, with the exception of personnel provisions based on *RJ 271*. When calculating the amount of the obligations, future indexing and price increases are taken into account. 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; 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 expenditures in connection with staff who have already left employment and staff with a temporary employment contract.

Other staff provisions - jubilee bonuses

The expected obligation for future jubilee bonuses is based on historical data; the transfer is based on realisation. The provision is calculated to present value based on the market interest rate applying to the Van Hall Larenstein Foundation.

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.

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

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 cash flow statement.

Consolidated accounts

These annual accounts include the non-consolidated annual accounts of Van Hall Larenstein Foundation.

System changes

In accordance with the guideline *RJ 140.208/140.209*, the transition from the reporting guidelines for higher education (*Richtlijn voor de verslaggeving voor het hoger onderwijs*) of the Ministry of Education, Culture and Science (OC&W) to *RJ 660* of the *Raad voor de Jaarverslaggeving* has been completed for the Annual Report. As a result of these new guidelines, the following items have been processed into the financial report:

Tangible fixed assets

– Valuation based on components method € 3,017,000

Stock:

The work in progress to be invoiced has been removed from the short-term liabilities and placed here.

Equalisation reserve:

– Valuation based on components method € 1,025,000

The equalisation account was then moved to long-term and short-term liabilities.

Provisions:

– Release of maintenance provision -/- € 1,500,000

– Release of student provisions -/- € 62,000

– Formation of a guarantee provision € 279,000

Equity capital € 3,275,000

Amounts * € 1000

2.2.4 Explanation of the balance sheet

1 TANGIBLE FIXED ASSETS

	<i>Grounds</i>	<i>Buildings</i>	<i>Machinery and equipment</i>	<i>Total</i>
Book value 31-12-2007	3,945	29,463	2,393	35,801
investments	0	72	954	1,026
Divestments *	0	0	-2	-2
Depreciation	0	1,293	912	2,205
Exceptional write-downs	0	536	0	536
Book value 31-12-2008	3,945	27,706	2,437	34,088
Purchase value 31-12-2007	3,945	44,241	21,122	69,308
Purchases 2008	0	72	954	1,026
Purchase value divestments 2008	0	445	2,663	3,108
Purchase value 31-12-2008	3,945	43,868	19,413	67,226
Cumulative depreciation	0	15,626	16,976	32,602
Cumulative write downs	0	536	0	536
Book value 31-12-2008	3,945	27,706	2,437	34,088
* Divestments, of which:				
- Purchase price	0	445	2,663	3,108
- Depreciation	0	445	2,665	3,110
Total divestments	0	0	-2	-2

Amounts * € 1000

2 STOCK

	31-12-2008	31-12-2007
STOCK		
Trading stock	59	75
	59	75
Less: provision for un-marketability	0	0
SUBTOTAL STOCK	59	75
WORK IN PROGRESS		
Costs of activities conducted on behalf of third parties	2,925	4,189
Less: Declared payments	0	0
	2,925	4,189
Assignments from third parties, not LNV	2,925	4,189
Less: Expected losses	-794	-634
Subtotal work in progress	2,131	3,555
TOTAL STOCK	2,190	3,630

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

In 2008, the income from activities conducted on behalf of third parties totalled € 9.4 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.

Amounts * € 1000

3 RECEIVABLES AND ACCRUED INCOME

	31-12-2008	31-12-2007
Accounts receivable	2,089	1,934
Accounts receivable group companies (elimination statement)	282	0
Less: provision for possible uncollectible receivables	-167	-172
Total accounts receivable	2,204	1,762
Prepayments and accrued income	297	192
Other	2,410	2,961
Total advances and accrued income	2,707	3,153
Total receivables and accrued income	4,911	4,915

The receivables from affiliated parties concerns DLO and Wageningen University.

4 LIQUID ASSETS

	31-12-2008	31-12-2007
Cash in hand	23	11
Current account bank (including cross booking)	4,891	5,988
Deposits	6,312	5,512
Total liquid assets	11,226	11,511

In 2008, liquidity decreased to €0.3 million. The budget provided for a liquidity position of €5.0 million. The improvement with respect to the budget can be explained as follows (amounts * € 1 million).

	<i>Budget</i>	<i>Realisation</i>	<i>Change compared to budget</i>
Liquid assets on 1 January 2008	7.2	11.5	4.3
Result	0.9	0.8	-0.1
Depreciation	2.7	2.7	0.0
Decreased provisions	-2.6	-3.3	-0.7
Change in working capital	-0.4	3.3	3.7
Cash flow from operational activities	0.6	3.5	2.9
Cash flow from investment activities	-1.7	-1.0	0.7
Cash flow from financing activities	-1.1	-2.8	-1.7
Total liquid assets	5.0	11.2	6.2

Amounts * € 1000

Operational activities

- The liquid assets balance on 1 January 2008 was €4.3 million higher than expected in the budget. This was caused by an improvement in the working capital, while a decline was expected.
- The result in 2008 was €0.1 million below the prognosis.
- The depreciation was equal to the budget.
- In 2008, €0.7 million more was transferred to the provisions.
- The working capital developed positively primarily due to the project funding that was received in advance. This amount was included in the balance as a short-term liability.

Investment activities:

- In total, the investments were €0.7 million below budget.

Financing activities

- Due to the beneficial liquidity development, withdrawals from the new loan were less than budgeted.

5 EQUITY CAPITAL

	<i>General reserve</i>	<i>Allocated reserve</i>	<i>Total</i>
Balance on 31-12-2007	5,140	279	5,419
Allocation from the result	834	0	834
Balance on 31-12-2008	5,974	279	6,253

6 PROVISIONS

	<i>Balance on 31-12-2007</i>	<i>Transfer</i>	<i>Withdrawal</i>	<i>Release</i>	<i>Balance on 31-12-2008</i>
Unemployment insurance obligations	3,680	332	924	0	3,088
Other personnel provisions	228	0	0	0	228
Reorganisation costs	2,202	507	557	0	2,152
Other provisions	2,553	0	2,553	0	0
Total provisions	8,663	839	4,034	0	5,468
			<i>31-12-2008</i>		<i>31-12-2007</i>
Specification of the term of the provisions					
Short term (ending on or before 31-12-2009)			1,958		2,183
Long term (ending between 31-12-2009 and 31-12-2013)			3,123		6,566
Long term (ending after 31-12-2013)			387		565
Total provisions			5,468		9,314

Unemployment insurance obligations

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

Other personnel provisions

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

Reorganisation costs

The provision for reorganisation costs was created for expected expenditures in relation to reorganisations.

Other provisions

The other provisions concern the statutory provision *Waarborgfonds HBO*.

7 LONG-TERM LIABILITIES

	<i>Balance on 31-12-2007</i>	<i>Increased liability</i>	<i>Decreased liability</i>	<i>Balance on 31-12-2008</i>
Former equalisation reserve for investment subsidies	8,909	0	389	8,520
Other long-term liabilities	11,055	6,000	8,530	8,525
Total long-term liabilities	19,964	6,000	8,919	17,045

Summary of long-term liabilities:

<i>Description</i>	<i>Total (k€)</i>	<i>Interest</i>	<i>Term</i>	<i>Cumulative repayment (k€)</i>	<i>Long-term > 5 years (k€)</i>	<i>Short-term < 1 year (k€)</i>
BNG	6,000	4.71%	15 years	0	4,735	0
BNG	2,269	6.28%	27 years	638	1,070	77
Friesland Bank	1,588	5.6%	27 years	322	891	50
Total	9,857			960	6,696	127

Amounts * € 1000

8 SHORT-TERM LIABILITIES

	31-12-2008	31-12-2007
Advance payments from third parties	5,414	5,614
Debts owed to suppliers	2,292	2,121
Debts owed to suppliers of affiliated parties	1,596	0
Taxes to be paid	1,497	1,362
Debts owed to other affiliated parties	0	0
Research for LNV that is yet to be completed	4,997	4,839
Accrued and deferred liabilities	4,608	4,644
Other	3,245	3,231
Total short-term liabilities	23,649	21,811

In 2008, the short-term liabilities increased relative to 2007 by k€1,838. This is primarily the result of the debts owed to suppliers of affiliated parties. The debts owed to suppliers of affiliated parties concern DLO and Wageningen University.

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 2009	Ending between 2010 and 2012	Ending after 2012
Rental obligations	2,588	1,479	1,109	0
Total	2,588	1,479	1,109	0

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 (suretyship) was provided by the Stichting Waarborgfonds HBO in The Hague. The suretyship from the Stichting Waarborgfonds HBO in The Hague to benefit the VHL Foundation is a positive/negative mortgage statement given with respect to the loans from the Bank Nederlandse Gemeenten. On behalf of the Stichting Waarborgfonds HBO in The Hague, the bankers have provided guarantees equal to the balance of the appropriated reserve in the amount of K€ 279.

2.2.5 Explanation of the profit and loss statement

9 INCOME

	<i>Result 2008</i>	<i>Result 2007</i>
Direct government funding		
Direct government funding from LNV	27,129	25,392
Other payments	3,071	1,129
TUITION AND COURSE FEES		
Tuition and examination fees	6,393	6,346
Course fees	0	0
TOTAL TUITION AND COURSE FEES	6,393	6,346
INCOME FROM WORK FOR THIRD PARTIES		
Revenues from work for third parties	10,685	9,728
Change in work in progress	-1,265	52
Total income from work for third parties	9,420	9,780
OTHER INCOME		
Sales and use of facilities	0	0
Rental income	1,750	1,675
Sports cards	0	0
Secondments	847	451
Other income	1,349	1,397
Total other income	3,946	3,523
TOTAL INCOME	49,959	46,170

There were positive developments in income during 2008. The funding from LNV increased by €1.7 million to €27.1 million. However, revenues from contract activities fell by €0.4 million to € 9.4 million, a decrease of 4%. Compared to 2007, income from tuition fees increased due to a small rise in the fees.

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

10 PERSONNEL COSTS

	<i>Result 2008</i>	<i>Result 2007</i>
Gross wages and salaries	24,297	23,986
Temp workers and hired personnel	2,186	2,635
Other personnel costs	1,550	1,225
Transfer to provision for unemployment insurance obligations	332	1,154
Total personnel costs	28,365	29,000

Personnel costs declined by €0.6 million as a result of a lower transfer to the unemployment insurance provision (€0.8 million). The increase in wages and salaries of €0.3 million that resulted from the collective labour agreement was compensated by lower costs for temp workers and hired personnel. Personnel capacity remained at 407 FTE in 2008. The average salary rose by 1.3%. In 2008, €0.332 million was transferred in total to the provision for unemployment insurance obligations.

11 DEPRECIATION

	<i>Result 2008</i>	<i>Result 2007</i>
Tangible fixed assets	2,205	2,915
Exceptional write downs	536	0
Total depreciation	2,741	2,915

The cost of depreciation remained the same due to a positive effect of €0.5 million in the matter of *Richtlijn 660*. This compensated the exceptional write down €0.5 million.

12 ACCOMMODATION EXPENDITURE

	<i>Result 2008</i>	<i>Result 2007</i>
Rental	1,499	546
Insurances	69	77
Maintenance	577	301
Energy and water	758	713
Cleaning expenses	477	553
Levies	223	245
Other accommodation costs	76	46
Total accommodation costs	3,679	2,481

Accommodation costs increased by only €1.2 million as a result of increasing rental costs at the Wageningen Location.

Amounts * € 1000

13 GENERAL COSTS

	<i>Result 2008</i>	<i>Result 2007</i>
Other equipment costs	2,043	100
Other general expenses	5,389	5,421
Transfer to provisions		
Reorganisation costs	507	30
Major maintenance	0	-252
Student provisions	0	50
Total transfers to general provisions	507	-172
Total general costs	7,939	5,349

The other general costs include office expenses, travel and lodging expenses, representation expenses, automation expenses, public relations activities and the costs of catering. The increase in this group was caused by increased costs for ICT administration.

14 SPECIFIC COSTS

	<i>Result 2008</i>	<i>Result 2007</i>
Specific costs	3,020	3,211
Services by third parties	3,191	2,617
Contributions and subsidies	0	0
Total specific costs	6,211	5,828

The specific costs rose by €0.4 million, while the corresponding income from work for third parties declined by €0.3 million. However, €0.6 million of the increase in above-standard funding was used to cover the specific costs. The increase in specific costs was caused by an increase in third-party services.

15 FINANCIAL INCOME AND EXPENDITURE

	<i>Result 2008</i>	<i>Result 2007</i>
Financial income	380	286
Financial expenditure	-571	-619
Total financial income and expenditure	-191	-333

The financial income concerns interest received on the bank accounts held during the year under review. Interest income increased significantly in 2008 due to improved management of liquid assets and the conversion and repayment of loans.

Amounts * € 1000

2.2.6 Non-consolidated annual accounts

NON-CONSOLIDATED BALANCE SHEET

ASSETS	31-12-2008	31-12-2007
FIXED ASSETS		
Tangible fixed assets	28,680	30,161
Financial fixed assets	3,842	4,125
Total fixed assets	32,522	34,286
CURRENT ASSETS		
Stock	59	75
Receivables and accrued income	6,404	5,550
Liquid assets	7,749	9,484
Total current assets	14,212	15,109
TOTAL ASSETS	46,734	49,395
LIABILITIES		
EQUITY CAPITAL	3,936	3,712
PROVISIONS	6,477	8,644
LONG-TERM LIABILITIES	17,045	19,964
SHORT-TERM LIABILITIES	19,276	17,075
TOTAL LIABILITIES	46,734	49,395

The non-consolidated balance sheet does not include the figures from *Stichting Business Center Van Hall*, *Stichting Onroerend Goed Larenstein* and *Stichting Larenstein Transfer*. The equity capital deviates with respect to the consolidated balance sheet by k€2,316. This concerns the equity capital of *Stichting Business Center Van Hall* and *Stichting Larenstein Transfer* (k€-1,548) and *Stichting Onroerend Goed Larenstein* (k€3,874), as well as an elimination item of k€10 in the matter of the release of the negative equity capital reserve of *Stichting TPL*.

Amounts * € 1000

NON-CONSOLIDATED PROFIT AND LOSS STATEMENT

	Result 2008	Result 2007
INCOME		
Direct government funding LNV	30,200	26,521
Tuition, course and examination fees	6,393	6,346
Income from work for third parties	2,500	3,919
Other income	5,657	5,623
Total income	44,750	42,409
EXPENDITURE		
Personnel costs	27,331	27,844
Depreciation	2,485	2,563
Housing expenses	4,831	4,691
General costs	7,983	5,548
Specific costs	1,737	3,036
Total expenses	44,637	43,682
OPERATING RESULT	383	-1,273
Financial income and expenditure	-159	-229
Net result	224	-1,502

The result deviates with respect to the consolidated profit and loss account by k€593. This concerns the results of *Stichting Business Center Van Hall* and *Stichting Larenstein Transfer* (k€-239) and *Stichting Onroerend Goed Larenstein* (k€832).

2.2.7 Other data

• **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 the Executive Board and Supervisory Board of Van Hall Larenstein.

Report on the consolidated financial statements

We have audited the accompanying financial statements 2008 of Van Hall Larenstein, in Leeuwarden which comprise the consolidated and company balance sheet as at 31 December 2008, the consolidated and company profit and loss account for the year then ended and the notes.

The directors' responsibility

The Board of the institution are responsible for the preparation and fair presentation of the financial statements and for the preparation of the management board report, both in accordance with "de Regeling jaarverslaggeving onderwijs (WJZ/2007/50507)".

Also the Board of the institution is responsible for the financial rightfulness of the income, expenses, and balance sheet transactions included in the financial statements. This implies that these amounts should be in accordance with the conditions 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; 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 "artikel 2.9, derde lid van de Wet op het hoger onderwijs en wetenschappelijk onderzoek". We conducted our audit in accordance with Dutch law and the 'Controleprotocol OCW 2008'. 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 the Board, as well as evaluating the overall presentation of the 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 Van Hall Larenstein as at 31 December 2008, and of its result for the year then ended in accordance with "de Regeling jaarverslaggeving onderwijs (WJZ/2007/50507)".

Furthermore we are of the opinion that the income, expenses, and balance sheet transactions included in the financial statements 2008 comply with the requirements of financial rightfulness. This implies that the amounts are in accordance with the conditions in the applicable rules and regulations, as stated in the "Controleprotocol OCW 2008".

Report on other legal and regulatory requirements

Pursuant to the legal requirement under 2:393 sub 5f 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, 20 May 2009
PricewaterhouseCoopers Accountants N.V.
Originally signed:

A.H.J.M. Tönissen RA

2.2.8 Appendixes

• Appendix 1 Staff capacity (FTE)

	2008	2007
Educational staff		
Lector	1.8	3.0
Lecturer	222.8	220.1
Assistant	7.8	12.0
Total Educational staff	232.4	235.1
Support staff and management:		
Scale 13 and higher	8.8	13.6
Scale 9 - 12	60.5	59.5
Lower than scale 9	105.0	98.5
Total support staff and management staff	174.3	171.6
Total staffing capacity	406.7	406.7

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

	2008	2007
DGIS/Nuffic	4,014	3,377
Educational institutions	516	304
National government	108	166
Other government	1,850	2,803
Businesses	2,768	3,018
Other private parties	164	112
	9,420	9,780
In the Netherlands		
Contract research	3,068	3,011
Second flow of funds	3,350	3,964
In or with developing countries	3,002	2,805
	9,420	9,780

2.3 Annual accounts of the DLO Foundation

2.3.1 Financial report

• Financial developments

In 2008, the DLO Foundation achieved a positive net result of €14.4 million. This result is €11 million lower than the net result for 2007 (€25.4 million). The difference relative to 2007 can be explained by a real estate devaluation of €13 million in 2008.

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

– Institutes	€ 4.0 million
– Internal margin for capital costs	€ 6.7 million
– Executive Board / Staff departments / Facilities and Services:	
Incidental	€–3.2 million
Operational	€ 6.9 million
– Total result DLO Foundation	€ 14.4 million

The result for 2008 includes a number of incidental result components, with a total negative effect of €3.2 million.

The most important of these incidental components are:

– Release of provisions and balance sheet items	€ 1.8 million
– Devaluation of real estate in Bleiswijk, Randwijk, Wageningen, Aver Heino, Lisse and Lelystad	€ –13.0 million
– Book profits on sales of real estate	€ 8.0 million

The turnover for 2008 was € 348.1 million. The largest client of the DLO Foundation is the Ministry of Agriculture, Nature and Food Quality (LNV), with approximately 48% of the total research turnover.

At the end of 2008, the liquid assets declined by €19.1 million relative to 2007. This decline was primarily the result of the cash flow from investment and financing activities, (€57.0 million), which was greater than the positive cash flow from operational activities (€37.8 million).

• Changes in activities

In 2008 a number of changes took place in the group.

- The equity participation in Pepsan Systems BV fell from 35% to 34%.
- Wageningen Software Labs was closed in 2008.
- On 1-1-2008, the component ASG products was split off from ID-Lelystad to become Lelystad Biologicals BV.

• Early Warning System (EWS)

Every month, the Early Warning System (EWS) provides management information to the Executive Board about operational management (development of turnover and result, productivity, liquidity development, etc.). Based on these reports, the financial health of Wageningen UR is monitored very closely. These monthly reports allow timely managerial measures to be taken where this is necessary. In 2009, cash management will become a Strategic Organisational Plan priority area and the Rolling Forecast will be introduced.

• Prognoses 2009

A net result of €11.3 million has been budgeted for the DLO Foundation. The result from normal operations (=net result minus incidental result Executive Board) is estimated at €8.9 million. With an operational result of €8.9 million in 2009, DLO is solidly on course. The objective of the Strategic Plan is structural growth in the result from normal operations of at least €10.0 million.

Due to the positive result, solvency has increased to 46% (in 2007 the solvency was 43%) and based on the prognosis, is expected to increase further to 50% in 2009. As a result, the target for 2011 in the Strategic Plan (minimum solvency of 45%; 50% more solvency is desirable) will be achieved in 2009.

- **Investments**

In 2009 €31.2 million will be invested in buildings and grounds. The most important projects are the Strategic Plan for New Construction, including infrastructure, for the Wageningen Campus, regular investments by Facilities and Services (including investments at the Central Veterinary Institute) and investments by the decentral units, including investments in the applied research centres by the Animal Sciences Group.

Amounts * € 1000

2.3.2 Annual accounts

Consolidated balance sheet

After allocation of the net result

ASSETS	31-12-2008	31-12-2007
FIXED ASSETS		
Tangible fixed assets	334,007	315,613
Financial fixed assets	81,928	86,035
Total fixed assets	415,935	401,648
CURRENT ASSETS		
Stock	38,053	30,501
Receivables and accrued income	49,223	48,090
Liquid assets	36,801	55,882
Total current assets	124,077	134,473
TOTAL ASSETS	540,012	536,121
LIABILITIES		
EQUITY CAPITAL		
Other reserves	247,261	232,897
EQUITY CAPITAL	247,261	232,897
SHARE OF THIRD PARTIES	-83	54
GROUP EQUITY CAPITAL	247,178	232,951
PROVISIONS	41,557	49,237
LONG-TERM LIABILITIES	144,824	153,598
SHORT-TERM LIABILITIES	106,453	100,335
TOTAL LIABILITIES	540,012	536,121

Amounts * € 1000

Consolidated profit and loss statement

	Result 2008	Result 2007
INCOME	348,164	341,180
EXPENDITURE		
Personnel costs	182,508	174,904
General costs	87,058	75,476
Specific costs	61,742	62,197
TOTAL EXPENDITURE	331,308	312,577
Other income and expenditure	0	0
OPERATING RESULT	16,856	28,603
Financial income and expenditure	-2,958	-2,553
RESULT ON ORDINARY ACTIVITIES BEFORE TAXES	13,898	26,050
Taxes from ordinary activities	635	691
Result from participating interests	-306	-1,510
RESULT FROM ORDINARY ACTIVITIES AFTER TAXES	14,227	25,231
Share of third parties	137	186
Extraordinary income and expenditure	0	0
NET RESULT	14,364	25,417

Amounts * € 1000

Consolidated cash flow statement

	Result 2008	Result 2007
OPERATIONAL ACTIVITIES		
Net result	14,364	25,417
Depreciation and exceptional write-downs	34,130	23,664
	<hr/>	<hr/>
	48,494	49,081
Changes in provisions	-7,680	-9,026
Changes in working capital	-2,567	-30,806
Result from non-consolidated participating interests	306	1,510
	<hr/>	<hr/>
	-9,941	-38,322
	<hr/>	<hr/>
Cash flow from operational activities	38,553	10,759
INVESTMENT ACTIVITIES		
Investments in intangible assets	0	0
Investments in buildings and grounds (incl. WU)	-47,893	-36,478
Investments in other tangible assets	-8,912	-7,668
Investments in participating interests and members' capital contributions	-143	1,778
Divestments in fixed assets	4,281	14,510
	<hr/>	<hr/>
Cash flow from investment activities	-52,667	-27,858
FINANCING ACTIVITIES		
Change in long-term receivable from Ministry LNV	3,944	3,945
Change in long-term debt to Ministry LNV	-3,944	-3,944
Changes in other long-term debts	-4,511	-3,117
Decline in lease obligations	-319	-306
Changes in equity capital	0	0
Changes in share of third parties	-137	84
	<hr/>	<hr/>
Cash flow from financing activities	-4,967	-3,338
	<hr/>	<hr/>
CASH FLOW	-19,081	-20,437
Balance of liquid assets on 1 January	55,882	76,319
Balance of liquid assets on 31 December	36,801	55,882
	<hr/>	<hr/>
Change in liquid assets	-19,081	-20,437

2.3.3 Principles of valuation

- **General**

The credit and debit 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*.

- **Consolidated accounts**

The consolidated accounts include the financial information for the institution, its group companies and other institutions which it effectively controls (based on the actual situation) or which it manages centrally. Group companies are legal entities over which the institution exerts effective control, directly or indirectly, because it holds majority of the voting rights or can control the financial and operational activities in some other way. This also takes account of potential voting rights that can be directly exercised on the balance sheet date.

The group companies and other legal entities which it effectively controls or which it manages centrally, are included for 100% in the consolidated accounts. The share of third parties in the group assets and the group result is reported separately.

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

	<i>Registered Office</i>	<i>% at end of 2007</i>	<i>Change</i>	<i>% at end of 2008</i>
Agri New ventures BV	Wageningen	100%	–	100%
Agrotechnology & Food Innovations BV	Wageningen	100%	–	100%
Alterra BV	Wageningen	100%	–	100%
Calendula Oil BV	Wageningen	56%	–	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 Neushoortocht BV – nav	Wageningen	100%	–	100%
Windmolenpark Mammoethocht 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 2007</i>	<i>Change</i>	<i>% at end of 2008</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%
Telemetronics 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%	-/- 1%	34%
VOF Oostwaardhoeve – nav	Slootdorp	50%	–	50%

• 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
– 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. On every balance sheet date, the institution evaluates whether there are indications that a fixed asset can be subject to an exceptional write down. If there are such indications, then the realisable value of the asset is ascertained. If it is not possible to determine the realisable value of the individual asset, then the realisable value is determined for the cash-flow-generating unit to which the asset belongs. An exceptional write down concerns a situation where the book value of an asset is higher than the realisable value; the realisable value is the sale value or the going-concern value, whichever is higher.

If it is ascertained that an exceptional write down which was posted in the past no longer exists or has been reduced, then the increased book value of the corresponding asset is not set any higher than would be the case if no exceptional write down would have been posted for the asset.

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 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; 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 expenditures in connection with staff who have already left employment and staff with a temporary employment contract.

Provision for the Invalidation 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. The provision is calculated to present value based on the market interest rate applying to Wageningen University.

Other staff provisions - 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.

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.

The tax on the result is calculated on the result before taxes in the income and expenditure statement, taking account of the available losses from previous financial years that are offsettable against tax (to the extent they are not included in the deferred tax receivables) and exempt profit components, and after inclusion of non-deductible costs. In addition, changes in the deferred tax receivables and deferred tax payables are taken into account, due to changes in the applicable tax rate.

- **System changes**

Not applicable.

Amounts * € 1000

2.3.4 Explanation of the balance sheet

TANGIBLE FIXED ASSETS

	Corporate estates -	Corporate buildings	Permanent furnishings /fittings of corporate buildings	Machinery and equipment	Work in progress	Total
Book value 31-12-2007	103,005	157,196	137	16,579	38,696	315,613
Investments	2,189	63,635	43	8,869	-17,931	56,805
Divestments *	3,507	622	-27	179	0	4,281
Depreciation	0	13,790	16	7,331	0	21,137
Exceptional write downs	0	12,993	0	0	0	12,993
Book value 31-12-2008	101,687	193,426	191	17,938	20,765	334,007
Purchase value 31-12-2007	103,005	224,759	721	87,885	38,696	455,066
Purchases 2008	2,189	63,635	43	8,869	-17,931	56,805
Purchase value divestments 2008	3,507	1,723	-27	3,511	0	8,714
Purchase value 31-12-2008	101,687	286,671	791	93,243	20,765	503,157
Cumulative depreciation	n.a.	74,587	600	75,162	0	150,349
Cumulative write downs	0	18,658	0	143	0	18,801
Book value 31-12-2008	101,687	193,426	191	17,938	20,765	334,007
* Divestments, of which:						
- Purchase price	3,507	1,723	-27	3,512	0	8,715
- Depreciation	n.a.	1,101	0	3,333	0	4,434
Total divestments	3,507	622	-27	179	0	4,281

In 2008, €45.9 million was allocated to the item work in progress, and €63.8 million was transferred.

Besides a number of smaller projects, the allocation to the item work in progress includes the Strategic Plan for New Construction (€22.4 million), PPO Paddenstoelen (€1.0 million), renovation -new construction RIKILT (€5.1 million), new construction VWA (€6.4 million), De Haaff (€1.5 million) and the Bosma Zathe manure digester (€1.6 million).

Delivered projects include the new Radix building for Plant Sciences (€38.4 mln.), De Haaff (€6.1 million), PPO Paddenstoelen (€1.1 million) and new infrastructure (€8.4 million).

The property of the DLO Foundation is insured for €469.9 million (reference date 1-7-2008). The valuation for municipal tax purposes (WOZ) is €249.0 million (reference date 1-1-2007).

Amounts * € 1000

FINANCIAL FIXED ASSETS

	31-12-2008	31-12-2007
Participating interests in group companies	2,251	2,487
Other participating interests	6	6
Receivables from group companies	0	0
Receivables from other affiliated parties	667	817
Members' capital contributions	1,367	1,146
Other securities	556	554
Receivable from Ministry LNV	77,081	81,025
Total financial fixed assets	81,928	86,035

Itemisation of participating interests in group companies:

<i>Description</i>	<i>Book value 31-12-2007</i>	<i>Investments/ divestments</i>	<i>Other changes*</i>	<i>Devaluation</i>	<i>Result 2008</i>	<i>Book value 31-12-2008</i>
Covaccine BV	28	0	38	0	-48	18
Fresh Forward Holding BV	966	0	0	0	-141	825
Knowhouse BV	0	0	0	0	0	0
Nsure Holding BV	46	0	45	0	-91	0
Oostwaardhoeve Beheer BV	18	70	0	0	0	88
Pepscan Systems BV	1,135	0	456	0	-452	1,139
VOF Oostwaardhoeve	294	0	23	0	-136	181
Total	2,487	70	562	0	-868	2,251

* other changes concern results from 2007 due to differences between the tentative and definitive annual figures of the participating interests

Itemisation of other participating interests

<i>Description</i>	<i>Book value 31-12-2007</i>	<i>Investments/ divestments</i>	<i>Other changes</i>	<i>Devaluation</i>	<i>Result 2008</i>	<i>Book value 31-12-2008</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
Telemetronics 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 31-12-2007</i>	<i>Change</i>	<i>Book value 31-12-2008</i>
Fresh Forward BV	750	-250	500
Bfactory BV	0	100	100
Knowhouse BV	67	0	67
Total	817	-150	667

The members' capital contributions include the following:

<i>Description</i>	<i>Book value 31-12-2007</i>	<i>Change</i>	<i>Book value 31-12-2008</i>
Avebe	138	-56	82
Agrico	1	-1	0
Bloemeneveiling Aalsmeer (VBA)	5	-1	4
Boskoopse Veiling	0	0	0
FrieslandCampina	803	275	1,078
Cosun	60	8	68
CSM	9	-2	7
Flora Holland	3	0	3
Fruitmasters	1	2	3
Greenery	10	-4	6
Koelhuis Mastland	3	0	3
Nautilus	0	2	2
Nedato	2	0	2
Noliko	7	-4	3
Potatopol	1	0	1
Windunie	104	0	104
Rounding off	-1	1	0
Total	1,146	221	1,367

Itemisation of other securities

<i>Description</i>	<i>Book value 31-12-2007</i>	<i>Investments/ divestments</i>	<i>Other changes</i>	<i>Dividend</i>	<i>Result 2008</i>	<i>Book value 31-12-2008</i>
Prionics AG	554	0	44	0	-42	556
Total	554	0	44	0	-42	556

The shares in Prionics A.G., which were valued at the end of 2007 according to the visible equity capital of Prionics A.G., were converted to the exchange rate of the Swiss franc at the end of 2008.

Amounts * € 1000

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	4.5%	27,999	53,150	2,800
Conveyance of buildings and grounds due to the integration of the Institutes for Applied Plant Research	28,702	5.2%	7,893	19,852	957
Conveyance of buildings and grounds IAC and ILRI	5,627	5.0%	1,360	4,079	188
Total	118,278		37,252	77,081	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	31-12-2008	31-12-2007
STOCK		
Trading stock	4,330	3,145
Livestock	2,244	1,951
Harvested agricultural products	520	481
Stock of semi-manufactured products	2,701	2,963
Advance payments on stock	0	0
	9,795	8,540
Less: provision for un-marketability	-769	-80
SUBTOTAL STOCK	9,026	8,460
WORK IN PROGRESS		
Costs of activities conducted on behalf of third parties	436,621	424,308
Less: Declared payments	406,606	400,168
Orders from third parties	30,015	24,140
Less: Expected losses	-988	-2,099
Subtotal work in progress	29,027	22,041
TOTAL STOCK	38,053	30,501

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 assignments from third parties are itemised below:

- Projects with a positive balance for work in progress	k€62,466
- Projects with a negative balance for work in progress	k€32,540
- Balance of assignments from third parties	k€29,926

Amounts * € 1000

Receivables and accrued income	31-12-2008	31-12-2007
Accounts receivable	33,241	33,055
Accounts receivable affiliated parties	0	0
Less: provision for possible uncollectible receivables	-2,250	-3,124
Total accounts receivable	30,991	29,931
Advances	1,466	1,460
Corporation tax to be paid	635	0
Receivables from affiliated parties	3,637	3,585
Accrued income	8,074	8,606
Other	4,420	4,508
Total advances and accrued income	18,232	18,159
Total receivables and accrued income	49,223	48,090

The accounts receivable rose slightly by €1.0 million. This rise was almost entirely due to the decline in the provision for possible uncollectible receivables. The item receivables from affiliated parties concerns receivables from Wageningen University. These are short-term positions in the current account that are periodically settled mutually.

LIQUID ASSETS

	31-12-2008	31-12-2007
Cash in hand	45	34
Current account bank (including cross booking)	36,756	36,848
Deposits	0	19,000
Total liquid assets	36,801	55,882

The liquidity declined by €19.1 million This decline can be itemised as follows:

– Net result	€ 14.4 million
– Increase in real estate (balance of investments, disinvestment and depreciation)	€ -18.5 million
– Actual payments of the provisions	€ -7.7 million
– Repayment of long-term liabilities	€ -5.0 million
– Development of the working capital	€ -2.6 million
– Result from non-consolidated participating interests	€ 0.3 million

Of the liquid assets balance, €2.8 million is frozen as a result of bank guarantees and suretyship; the remaining balance is freely available. The credit facility of the DLO Foundation is €1.9 million.

Amounts * € 1000

EQUITY CAPITAL

	<u>General reserve</u>	<u>Total</u>
Balance on 31-12-2007	232,897	232,897
Allocation from the result	14,364	14,364
Addition to reserve	0	0
Withdrawal from reserve	0	0
Balance on 31-12-2008	<u>247,261</u>	<u>247,261</u>

The positive net result (€14.4 million) for the year under review has been allocated entirely to the general reserve.

Share of third parties

	<u>Balance on 31-12-2007</u>	<u>Addition / withdrawal</u>	<u>Balance on 31-12-2008</u>
Share of third parties	54	-137	-83
Total share of third parties	<u>54</u>	<u>-137</u>	<u>-83</u>

Specification of the item share of third parties

<i>Description</i>	<i>Book value 31-12-2007</i>	<i>Investments/ divestments</i>	<i>Dividend</i>	<i>Other changes</i>	<i>Result 2008</i>	<i>Book value 31-12-2008</i>
Calendula Oil BV	54	0	0	0	-137	-83
Total	<u>54</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>-137</u>	<u>-83</u>

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 2008 was 56%. 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 31-12-2007</i>	<i>Transfer</i>	<i>Withdrawal</i>	<i>Release</i>	<i>Balance on 31-12-2008</i>
Unemployment insurance obligations	4,608	883	385	1,095	4,011
Invalidity insurance	278	0	46	65	167
Provision for jubilee bonuses	5,573	128	561	198	4,942
Reorganisation costs	24,702	0	4,979	1,496	18,227
Product and contract risks	3,078	325	218	310	2,875
Major maintenance	10,998	3,118	2,781	0	11,335
Other material provisions	0	0	0	0	0
Total provisions	49,237	4,454	8,970	3,164	41,557

	<i>31-12-2008</i>	<i>31-12-2007</i>
Specification of the term of the provisions		
Short term (ending within 1 year)	5,669	13,718
Long term (between 1 and 5 years)	27,327	27,446
Long term (ending after 5 years)	8,561	8,073
Total provisions	41,557	49,237

The reorganisation costs include, among other things, the provision for the restructuring plan Focus 2006. In 2008, an amount of €5.0 million was spent from this provision.

LONG-TERM LIABILITIES

	<i>Balance on 31-12-2007</i>	<i>Increased liability</i>	<i>Decreased liability</i>	<i>Balance on 31-12-2008</i>
Debt owed to LNV	115,685	0	3,944	111,741
Multi-year savings model	850	180	92	938
Other long-term liabilities	35,663	410	5,009	31,064
Subtotal long-term liabilities	152,198	590	9,045	143,743
Financial lease obligations	1,400	0	319	1,081
Total long-term liabilities	153,598	590	9,364	144,824

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%	44,798	87,810	2,800
Conveyance of buildings and grounds due to the integration of the Institutes for Applied Plant Research	28,701	5.20%	7,892	19,852	957
Conveyance of buildings and grounds IAC and ILRI	5,627	5.00%	1,360	4,079	188
Total	169,736		54,050	111,741	3,945

The annual linear repayment of these loans 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.

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	1,040	1,685	312
De Lage Landen Financial Services	425	not applicable			425	
Triodos Bank, Zeist	20,500	3.00%	10	4,246	14,131	2,123
Triodos Bank, Zeist	19,500	3.00%	10	4,144	13,284	2,072
Rabobank Vallei en Rijn	375	3.60%	10	112	226	37
Stichting Restaurant v/d Toekomst	1,871	10 year funding +0.2%	10	372	1,313	186
Total	45,708			9,914	31,064	4,730

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

Amounts * € 1000

The financial lease obligations comprise the following:

Description	Total (k€)	Interest	Cumulative lease amounts	Long-term	Short-term
De Lage Landen Financial Services	2,612	not applicable	1,531	762	319
Total	2,612	not applicable	1,531	762	319

Of the long-term component, an amount of €0.8 million has a term less than 5 years.

SHORT-TERM LIABILITIES

	31-12-2008	31-12-2007
Advance payments from third parties	37,326	30,374
Debts owed to suppliers	10,819	11,390
Debts owed to suppliers of affiliated parties	0	0
Taxes to be paid	7,160	6,804
Debts to affiliated parties	2,191	9,357
Programme research LNV to be completed	5,690	-331
Accrued and deferred liabilities	14,301	15,213
Other	28,966	27,528
Total short-term liabilities	106,453	100,335

The other liabilities include the holiday supplement (€5.9 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.

The debt to affiliated parties includes the following:

Description	Book value 31-12-2007	Change	Book value 31-12-2008
TNO Imares	63	-63	0
Restaurant van de Toekomst	95	-95	0
Wageningen University	9,199	-7,008	2,191
Total	9,357	-7,166	2,191

The debt owed to Wageningen University concerns short-term positions in the current account that are periodically settled mutually.

The increase in the programme research LNV to be completed was €6.0 million. This increase can be explained by the payment of the limitation on the 2007 advance financing from the LNV (€ 9.2 million). However, due to the major efforts that were made to reduce the uncompleted programme research, this item was smaller than it would have been otherwise.

Obligations and rights not included on the balance sheet (consolidated)

At the end of 2006, an amount of €2.8 million was pledged. In addition, the DLO Foundation has made a surety deposit with the European Commission of €2.7 million

Obligations regarding rental fees, operational leases and similar items amounted to €23.6 million at the end of 2008 (at the end of 2007 this was €20.4 million). The payments that fall within one year amount to €2.5 million in total. The payments that fall between one year and five years amount to €9.1 million. The payments that fall after five years therefore amount to €12.0 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	19,603,276	1,455,956	6,108,548	12,038,772
Lease obligations	608,104	266,401	341,703	0
Maintenance contracts	3,219,001	648,223	2,570,778	0
Bank guarantees	37,000	0	37,000	0
Loan Knowhouse BV	142,300	142,300	0	0
Total	23,609,681	2,512,880	9,058,029	12,038,772

On 31 December 2008, the total investment and renovation obligations for tangible fixed assets amounted to €25.9 million and €1.2 million, respectively. The total of the renovation obligations becomes payable in the coming year. Of the investment obligations, an amount of €16.3 million becomes payable in the coming year. The remaining component becomes payable in the period between one and five years. As part of the Strategic Plan for New Construction, the DLO Foundation has received a total amount of €0.5 million in bank guarantees from third parties.

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 €1.9 million.

Wind turbine park group companies of the DLO Foundation

Both *Windmolenpark Mammoethocht BV* and *Windmolenpark Neushoorntocht BV* have been assigned building rights by the DLO Foundation to build the wind turbines.

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 *Exploitiemaatschappij 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 in 2007 from the DLO Foundation has provided bank guarantees (up to €0.8 million) regarding possible earn-out post payments in the period 2009-2010 if the milestones on product group turnover in the contract are achieved.

Amounts * € 1000

2.3.5 Explanation of the profit and loss statement

INCOME	Result 2008	Result 2007
Contract research		
EU	19,692	18,017
Government agencies and public bodies	32,961	29,955
Product boards	16,840	12,698
Business community	42,045	35,375
LNV financing - other than the funding scheme	12,018	6,457
Other	8,847	9,637
Total contract research	132,403	112,139
Patents and licences	2,785	3,847
Sales revenues	17,233	15,327
Analyses and consulting	6,675	3,841
Ministry of LNV- in accordance with funding scheme		
Policy-support Research and Legal research assignments	113,922	117,558
Basic knowledge	36,554	35,841
Other, including additional research projects	6,053	18,050
Total Ministry of LNV – in accordance with funding scheme	156,529	171,449
Sales of real estate	8,017	4,486
Course fees (Wageningen International)	1,097	1,235
Revenues from wind turbines	9,751	9,062
Other	13,674	19,794
Total income	348,164	341,180

Amounts * € 1000

EXPENDITURE

PERSONNEL COSTS

	<i>Result 2008</i>	<i>Result 2007</i>
Costs of permanent staff	150,295	148,012
Costs of temporary staff	17,362	11,011
Temp workers and hired personnel	9,404	9,769
Other personnel costs	5,794	5,772
Transfer to provision for unemployment insurance obligations	-212	-321
Transfer to provision for invalidity insurance	-65	-117
Transfer to other staff provisions	-70	778
Total personnel costs	182,508	174,904

The direct costs of temporary and permanent staff rose by €8.6 million. This rise is the result of three components. First, there was an increase in average personnel costs per FTE of 4.7%, with a total effect of €7.4 million. Second, there was an increase in the volume of FTEs of approximately 9 FTEs (including interns), with a total effect of €0.5 million. Third, there was an increase in the hours of leave with a financial effect of €0.7 million.

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 2,888 (in 2007: 2,879). The personnel costs include €4.3 million for social security (in 2007: €3.8 million) and a pension contribution of €17.9 million (in 2007: €16.8 million).

The share of the DLO Foundation remuneration of the Executive Board was €0.4 million in 2008. (in 2007: €0.4 million). This includes pension obligations and other benefits. The item costs of permanent staff includes an amount of € 0.034 million (2007: the same) for remuneration paid to the 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).

Amounts * € 1000

GENERAL COSTS

	<i>Result 2008</i>	<i>Result 2007</i>
Accommodation costs	27,115	26,532
Depreciation of tangible and intangible fixed assets	21,137	20,831
Exceptional write downs of tangible and intangible fixed assets	12,993	2,833
Other equipment costs	8,489	7,514
Other general expenses	15,687	16,895
Transfer to provisions		
Reorganisation costs	-1,496	-3,343
Product and contract risks	15	1,254
Major maintenance	3,118	2,960
Other provisions	0	0
Total transfers to general provisions	1,637	871
Total general costs	87,058	75,476

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 other general costs are the accountant's costs including an amount of €713,000, of which €168,000 is for the auditing activities for the annual accounts.

Specification of depreciation and changes in value

	<i>Result 2008</i>	<i>Result 2007</i>
Depreciation		
Intangible fixed assets	0	119
Tangible fixed assets	21,137	20,712
Financial fixed assets	0	0
Total depreciation	21,137	20,831
Change in value		
Tangible fixed assets	12,993	2,833
Total change in value	12,993	2,833

The following exceptional write-downs took place in 2008, for a total amount of €13.0 million.

– Bleiswijk	6.1 million
– Randwijk	1.0 million
– Lisse	1.3 million
– Lelystad Edelhertweg	2.6 million
– Aver Heino	0.8 million
– Restaurant of the Future	1.2 million

The exceptional write downs in 2007 include the devaluation resulting from the demolition of facilities in Naaldwijk (€2.7 million).

Amounts * € 1000

SPECIFIC COSTS

	<i>Result 2008</i>	<i>Result 2007</i>
Specific costs	27,200	25,501
Services by third parties	33,972	36,194
Contributions and subsidies	570	502
Total specific costs	61,742	63,197

OTHER INCOME AND EXPENDITURE

	<i>Result 2008</i>	<i>Result 2007</i>
Transfer to provision for reorganisation costs	0	0
Total other income and expenditure	0	0

FINANCIAL INCOME AND EXPENDITURE

	<i>Result 2008</i>	<i>Result 2007</i>
Financial income	3,549	3,977
Financial expenditure	-6,507	-6,530
Total financial income and expenditure	-2,958	-2,553

The financial income includes the interest received on the bank accounts held during the report year. 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 2008</i>	<i>Result 2007</i>
Taxes from ordinary activities (corporation tax)	635	691
Total taxes from ordinary activities	635	691

In 2008, the expected corporation tax refund was used for the loss incurred in 2008 by components of the DLO Foundation that are subject to corporate tax, which will be compensated with the years to come.

Result from participating interests

	<i>Result 2008</i>	<i>Result 2007</i>
VOF Oostwaardhoeve	-113	-72
Fresh Forward Holding BV	-141	-203
Covaccine BV	-10	-22
Pepscan Systems BV	4	-1,024
Nsure Holding BV	-46	-108
Lactive BV	0	0
Prionics AG	2	-81
rounding off	-2	
Total result from participating interests	-306	-1,510

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 2008</i>	<i>Result 2007</i>
Share of third parties	137	186
Total share of third parties	137	186

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

Amounts * € 1000

2.3.6 Non-consolidated balance sheet

After allocation of the net result

ASSETS	31-12-2008	31-12-2007
FIXED ASSETS		
Tangible fixed assets	285,841	263,583
Financial fixed assets	115,004	111,299
Total fixed assets	400,845	374,882
CURRENT ASSETS		
Reserves	4,452	3,240
Receivables and accrued income	52,515	56,501
Liquid assets	10,534	22,773
Total current assets	67,501	82,514
TOTAL ASSETS	468,346	457,396
LIABILITIES		
Equity capital	247,261	232,897
Provisions	37,264	44,431
Long-term liabilities	113,762	117,719
Short-term liabilities	70,059	62,349
TOTAL LIABILITIES	468,346	457,396

Amounts * € 1000

Non-consolidated profit and loss statement

	Result 2008	Result 2007
INCOME	127,465	110,444
EXPENDITURE		
Personnel costs	40,568	31,983
General costs	55,881	38,586
Specific costs	18,719	18,626
Total expenses	115,168	89,195
Other income and expenditure		0
OPERATING RESULT	12,297	21,249
Financial income and expenditure	-1,182	-1,688
RESULT FROM ORDINARY ACTIVITIES BEFORE TAXES	11,115	19,561
Taxes from ordinary activities	0	0
Result from participating interests	3,249	5,856
RESULT FROM ORDINARY ACTIVITIES AFTER TAXES	14,364	25,417
Share of third parties	0	0
Extraordinary income and expenditure	0	0
NET RESULT	14,364	25,417

Amounts * € 1000

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

	<i>Corporate estates -</i>	<i>Corporate buildings</i>	<i>Permanent furnishings/fittings of corporate buildings</i>	<i>Machinery and equipment</i>	<i>Work in progress</i>	<i>Total</i>
Book value 31-12-2007	102,938	118,765	1	3,539	38,340	263,583
Investments	2,189	63,635	43	1,487	-18,032	49,322
Divestments*	3,507	622	-27	-931	0	3,171
Depreciation	not applicable	9,232	5	1,663	0	10,900
Exceptional write downs	0	12,993	0	0	0	12,993
Book value 31-12-2008	101,620	159,553	66	4,294	20,308	285,841
Purchase value 31-12-2007	102,938	179,118	17	16,036	38,340	336,449
Purchases 2008	2,189	63,635	43	1,487	-18,032	49,322
Purchase value of divestments 2008	3,507	1,723	-87	-6,197	0	-1,054
Purchase value 31-12-2008	101,620	241,030	147	23,720	20,308	386,825
Cumulative depreciation	not applicable	62,819	81	19,283	0	82,183
Cumulative write downs	0	18,658	0	143	0	18,801
Book value 31-12-2008	101,620	159,553	66	4,294	20,308	285,841
* Divestments, of which:						
- Purchase price	3,507	1,723	-87	-6,197	0	-1,054
- Depreciation	not applicable	1,101	-60	-5,266	0	-4,225
Total divestments	3,507	622	-27	-931	0	3,171

In 2008, €45.6 million was allocated to the item work in progress, and €63.6 million was transferred.

Besides a number of smaller projects, the allocation to the item work in progress includes the Strategic Plan for New Construction (€22.4 million), PPO Paddenstoelen (€1.0 million), renovation -new construction RIKILT (€5.1 million), new construction VWA (€6.4 million), De Haaff (€1.5 million) and the Bosma Zathe manure digester (€1.6 million).

Delivered projects include the new Radix building for Plant Sciences (€38.4 mln.), De Haaff (€6.1 million), PPO Paddenstoelen (€1.1 million) and new infrastructure (€8.4 million).

The property of the DLO Foundation is insured for €469.9 million (reference date 1-7-2008). The valuation for municipal tax purposes (WOZ) is €249.0 million (reference date 1-1-2007).

Amounts * € 1000

FINANCIAL FIXED ASSETS

	31-12-2008	31-12-2007
Participating interests in group companies	7,702	4,453
Receivables from group companies	30,221	25,821
Receivables from affiliated parties	0	0
Receivable from Ministry LNV	77,081	81,025
Total financial fixed assets	115,004	111,299

Itemisation of participating interests in group companies:

<i>Description</i>	<i>Book value 31-12-2007</i>	<i>Investments/ divestments</i>	<i>Other changes</i>	<i>Devaluation</i>	<i>Result 2008</i>	<i>Book value 31-12-2008</i>
DLO Holding BV	4,453	0	0	0	3,250	7,703

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:

<i>Description</i>	<i>Book value 31-12-2007</i>	<i>Change</i>	<i>Book value 31-12-2008</i>
Wageningen University	0	0	0

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	4.5%	27,999	53,150	2,800
Conveyance of buildings and grounds due to the integration of the Institutes for Applied Plant Research	28,702	5.2%	7,893	19,852	957
Conveyance of buildings and grounds IAC and ILRI	5,627	5.0%	1,360	4,079	188
Total	118,278		37,252	77,081	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	31-12-2008	31-12-2007
Stock		
Trading stock	67	58
Subtotal stock	67	58
Work in progress		
Costs of activities conducted on behalf of third parties	34,403	17,576
Less: Declared payments	29,505	13,464
Orders from third parties	4,898	4,112
Less: Expected losses	-513	-930
Subtotal work in progress	4,385	3,182
Total stock	4,452	3,240

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	k€14,001
- Projects with a negative balance for work in progress	k€9,192
- Balance of assignments from third parties	k€4,809

Amounts * € 1000

RECEIVABLES AND ACCRUED INCOME

	31-12-2008	31-12-2007
Accounts receivable	3,818	3,498
Accounts receivable from group companies	0	0
Accounts receivable affiliated parties	0	0
Less: provision for possible uncollectible receivables	-138	-39
Total accounts receivable	3,680	3,459
Advances	317	-511
VAT to be received	0	0
Receivables from group companies	37,716	43,169
Receivables from affiliated parties	2,828	3,311
Accrued income	3,781	2,903
Other	4,193	4,170
Total advances and accrued income	48,835	53,042
Total receivables and accrued income	52,515	56,501

The receivables from group companies declined by €5.5 million This was caused by a decline in the mutual receivables between the DLO Foundation and the institutes. The item receivables from affiliated parties concerns receivables from Wageningen University. These are short-term positions in the current account that are periodically settled mutually.

LIQUID ASSETS

	31-12-2008	31-12-2007
Cash in hand	21	10
Current account bank (including cross booking)	10,513	15,263
Deposits	0	7,500
Total liquid assets	10,534	22,773

The liquidity declined by €12.2 million This decline can be itemised as follows:

– Net result	€ 14.4 million
– Increase in real estate (balance of investments, disinvestment and depreciation)	€ -22.3 million
– Actual payments of the provisions	€ -7.2 million
– Repayment of long-term liabilities	€ -4.4 million
– Development of the working capital	€ 10.5 million
– Result from non-consolidated participating interests	€ -3.2 million

Of the liquid assets balance, €2.8 million is frozen as a result of bank guarantees and suretyship; the remaining balance is freely available. The credit facility of the DLO Foundation is €0.1 million.

Amounts * € 1000

EQUITY CAPITAL

	<i>General reserve</i>	<i>Total</i>
Balance on 31-12-2007	232,897	232,897
Allocation from the result	14,364	41,364
Addition to reserve	0	0
Withdrawal from reserve	0	0
Balance on 31-12-2008	247,261	247,261

The positive net result (€14.4 million) for the year under review has been allocated entirely to the general reserve.

PROVISIONS

	<i>Balance on 31-12-2007</i>	<i>Transfer</i>	<i>Withdrawal</i>	<i>Release</i>	<i>Balance on 31-12-2008</i>
Unemployment insurance obligations	1,539	497	197	340	1,499
Invalidity insurance	195	0	46	65	84
Other personnel provisions	5,361	108	419	183	4,867
Reorganisation costs	24,338	0	4,863	1,496	17,979
Product and contract risks	2,000	0	190	310	1,500
Major maintenance	10,998	3,118	2,781	0	11,335
Other material provisions	0	0	0	0	0
Total provisions	44,431	3,723	8,496	2,394	37,264

Specification of the term of the provisions

	<i>31-12-2008</i>	<i>31-12-2007</i>
Short term (ending within 1 year)	2,244	10,275
Long term (ending between 1 and 5 years)	26,531	26,216
Long term (ending after 5 years)	8,489	7,940
Total provisions	37,264	44,431

The reorganisation costs include, among other things, the provision for the restructuring plan Focus 2006. In 2008, an amount of €5.0 million was spent from this provision.

Amounts * € 1000

LONG-TERM LIABILITIES

	<i>Balance on 31-12-2007</i>	<i>Increased liability</i>	<i>Decreased liability</i>	<i>Balance on 31-12-2008</i>
Debt owed to LNV	115,685	0	3,944	111,741
Multi-year savings model	403	79	0	482
Other long-term liabilities	1,631	410	502	1,539
Subtotal long-term liabilities	117,719	489	4,446	113,762
Financial lease obligations	0	0	0	0
Total long-term liabilities	117,719	489	4,446	113,762

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%	44,798	87,810	2,800
Conveyance of buildings and grounds due to the integration of the Institutes for Applied Plant Research	28,701	5.20%	7,892	19,852	957
Conveyance of buildings and grounds IAC and ILRI	5,627	5.00%	1,360	4,079	188
Total	169,736		54,050	111,741	3,945

The annual linear repayment of these loans 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 multiyear savings model increased by €0.1 million.

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	3.60%	10	112	226	37
Stichting Restaurant v/d Toekomst	1,871	10 year funding +0.2%	10	372	1,313	186
Total	2,246			484	1,539	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

	31-12-2008	31-12-2007
Advance payments from third parties	11,464	15,516
Debts owed to suppliers	2,926	2,270
Debts to suppliers of group companies	0	0
Debts owed to suppliers of affiliated parties	0	0
Taxes to be paid	4,448	4,566
Debts to group companies	22,488	14,757
Debts to affiliated parties	1,879	9,109
Research for LNV that is yet to be completed	1,233	-7,362
Accrued and deferred liabilities	7,029	5,853
Other	18,592	17,640
Total short-term liabilities	70,059	62,349

The other liabilities include the holiday supplement (€5.9 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 Agriculture, Nature and Food Quality in the amount of €3.9 million and the short-term component of the other long-term loans (€0.2 million) are also included in the other debts item. 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 31-12-2007</i>	<i>Change</i>	<i>Book value 31-12-2008</i>
Wageningen University	9,109	-7,230	1,879

The debt owed to Wageningen University concerns short-term positions in the current account that are periodically settled mutually.

The short-term debt owed to group companies includes €16.5 million from the liquid assets of institutes that have made deposits via the central treasury.

The increase in the programme research LNV to be completed was €8.6 million. This increase can be explained by the payment of the limitation on the 2007 advance financing from the LNV (€ 9.2 million). However, due to the major efforts that were made to reduce the uncompleted programme research, this item was smaller than it would have been otherwise.

• Obligations and rights not included on the balance sheet (non-consolidated)

At the end of 2006, an amount of €2.8 million was pledged. In addition, the DLO Foundation has made a surety deposit with the European Commission of €2.7 million

On 31 December 2008, the total investment and renovation obligations for tangible fixed assets amounted to €25.9 million and €1.2 million, respectively. The total of the renovation obligations becomes payable in the coming year. Of the investment obligations, an amount of €16.3 million becomes payable in the coming year. The remaining component becomes payable in the period between one and five years. As part of the Strategic Plan for New Construction, the DLO Foundation has received a total amount of €0.5 million in bank guarantees from third parties.

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 €1.9 million.

2.3.7 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 allocate the positive net result of €14.4 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 the Executive Board and Supervisory Board of the DLO Foundation.

Report on the financial statements

We have audited the accompanying financial statements 2008 of Stichting Dienst Landbouwkundig Onderzoek, in Wageningen which comprise the consolidated and company balance sheet as at 31 December 2008, the consolidated and company profit and loss account for the year then ended and the notes.

The directors' responsibility

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

Also the Board of the institution is responsible for the financial rightfulness of the income, expenses, and balance sheet transactions included in the financial statements. This implies that these amounts should be in accordance with the conditions 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; 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 "het Controleprotocol DLO 2008". 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 the Board, as well as evaluating the overall presentation of the 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 2008, 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 sheet transactions included in the financial statements 2008 comply with the requirements of financial rightfulness. This implies that the amounts are in accordance with the conditions in the applicable rules and regulations, as stated in the "Controleprotocol OCW 2008".

Report on other legal and regulatory requirements

Pursuant to the legal requirement under 2:393 sub 5f 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, 20 May 2009
PricewaterhouseCoopers Accountants N.V.
Originally signed:

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

Amounts * € 1000

2.3.8 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>
Zegveld	1.91	61		DK.2007/1958
Naaldwijk	2.89		988	DK.2006/448
Horst-America				DK.2006/406
– America	13.22		545	
– Horst	27.88	1,974	1,974	
Bosma Zathe (property transfer tax)	77.09	154		DK.2006/2491 + DK.2007/1298
Subtotal land, grounds and infrastructure		2,189	3,507	
<i>Buildings</i>		<i>Purchase</i>	<i>Sale</i>	<i>Letter reference number</i>
America		0	1,723	DK.2006/406
Subtotal buildings		0	1,723	
Total		2,189	5,230	

• Appendix 2 Explanation of LNV funding of management contract 2008

Funding provided by DLO Foundation 2008

Knowledge Base	33,592	
ICRA	230	
Phytophthora	1,274	
Potato Genome Sequencing Consortium	1,200	
Policy support research	56,747	
BO – Additional projects	17,452	
Legal research assignments	43,698	
Legal research assignments – Additional projects	-854	
LNV funding	153,339	
Other amounts		
- 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	28,621	
- Payment via laser/honing scheme	-163	
Total funding provided by DLO Foundation 2008	185,686	Letter reference number DK.2008/2556
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	28,622	Outcome via balance sheet
Funding from LNV included in balance sheet	32,567	
LNV income to be accounted for	153,119	
Changes in research for LNV that is yet to be conducted	-6,020	Balance sheet item research yet to be conducted
Payment of 5% funding	9,197	
Other accounted for under LNV income	233	
Income accounted for on annual accounts DLO Foundation	156,529	

2.4 Remuneration

Summary of remuneration

		2008	2007
Supervisory Board			
Boer M. de	Chair on 1 April 2007	18,592	17,519
Depoele L. Van	Member on 1 May 2008	zero*	–
Duijn J.J. van	Vice chair	12,161	12,082
Maij-Weggen J.R.H.	Member	11,781	11,698
Vink J.A.J.	Member	11,969	11,941
Kemenade J.A. van	Chairperson until 1 April 2007, member until 1 October 2007	–	13,046

* the remuneration for 2008 will be paid in 2009.

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

		Gross annual income	2008 pension premium employer	Total	Gross annual income	2007 pension premium employer	Total
Executive Board							
Dijkhuizen A.A.	Chair	271,020	41,918	312,938	266,396	35,485	301,854
Breukink I.J.J.H.	Member	211,888	32,552	244,440	210,953	29,265	240,218
Kropff M.J.	Rector Magnificus, Vice Chair	211,423	32,550	243,973	210,937	28,442	239,379
Speelman L.	former rector magnificus (left service on 1 August 2007)	–	–	–	352,521	16,897	369,418
Other	Director (Wageningen University)	176,823	28,691	205,514			

Amounts have been converted to a full-time employment equivalent for the entire year. In 2008 and 2007, bonuses for 2007 and 2006, respectively, were paid to the members of the Executive Board. Mr. Speelman was paid an allowance in 2007.

The members of the Supervisory Board and the Executive Board have same function on the Supervisory Board and Executive Board of Wageningen University, the DLO Foundation and the Van Hall Larenstein Foundation.

The costs of remuneration for the Supervisory Board and the Executive Board are shared equally between Wageningen University and the DLO Foundation. This means that the remuneration of the members of the Executive Board for 2008 took place as follows:

	Wageningen University	DLO Foundation	Total
Dijkhuizen A.A.	156,469	156,469	312,938
Breukink I.J.J.H.	122,220	122,220	244,440
Kropff M.J.	121,987	121,987	243,973

3 Corporate social responsibility report

3.1 HRM in strategic plans

Wageningen UR educates people and develops expertise in the domains of 'healthy food and living environment' with the aim of contributing to the quality of life. An integral aspect of this aim is that the quality of our staff and our organisation is a central focus of HRM policy. In 2008, one result of this focus was the creation of the priority areas Recruiting Power (including internationalisation) and Career Policy for Scientific Staff. In addition, the facilitation of the manager and his/her role will be improved and further development has taken place of the modified Performance and Development Interview (R&O) as a tool for HRM.

3.1.1 Recruiting Power and internationalisation

The Recruiting Power project has the objective of enhancing the position of Wageningen UR on the job market as an attractive employer and optimising the recruitment in all target groups. A specific component of this project is recruiting top talent from the Netherlands and abroad. For example, to attract international employees more intensive use will be made of international networks, including the alumni network, and for the first time this year Wageningen UR will participate in various career events. In the prestigious journal *Nature*, a full-page advertisement was published: "Spotlight on the Netherlands". In addition, the recruitment process will be structured to become more transparent and efficient, and the selection process will be digitalised. This will lead to transformation to professionalism within the HRM department. The central focus of the modernised recruitment process will be the new "Working at Wageningen UR" site, which is now under construction. In 2009, there will also be increased focus on international recruitment, and an experienced recruiter will be hired to support the transformation to professionalism within HRM and to give it additional form and content.

3.1.2 Career Policy for Scientific Staff

A second priority area is the further development of the Career Policy for Scientific Staff at Wageningen University. Capturing the attention of top talent and strengthening the ties with this target group by means of the new recruitment policy is an important precondition for only maintaining, but also increasing the quality within the organisation. We do this by offering attractive scientific career paths. By means of transparent and clearly formulated criteria, high potentials are offered the possibility of continuing on to a professorship (personal chair). A new aspect of this approach is that there is a fixed moment in the career path when the choice is made by the organisation to continue employment permanently, while offering additional career prospects, or to terminate employment. This policy will be implemented in 2009.

3.1.3 Focus on managers

Facilitating management by providing management information in the simplest possible fashion was also one of the priority areas for 2008. This has led, among other things, to an expansion of the *medewerkerbutton* on the intranet with a tab sheet for management information. All managers have been surveyed, and the corresponding members of staff have been linked to this button, so that the manager has immediate access to the information needed with respect to his or her staff. The Performance and Development Interview (P&D) has been implemented digitally, as a successor to the E-tool, but is now more accessible and user-friendly. In addition, the sickness absence report has been digitalised and is now available via the *medewerkerbutton*. In 2009, explicit attention will also be focused on the quality and development of staff in their HRM role of managers at the various levels.

3.2 Employee development

Wageningen UR facilitates the development of its employees. It does this by reserving 2% of total wages for training staff, and by ensuring an adequate assortment of training programmes. At the same time, employees are individually responsible for maintaining or improving their knowledge and skills. As a result, deployability is also ensured for the longer term.

Partly in the context of the results and development cycle as a priority area, in 2008 WUR-wide training programmes were organised to promote good P&D interviews. In addition, the third edition of the Top Professionalisation Programme was completed. This programme will continue in 2009 as the Talent Management Programme. Finally, as part of *LerenderWijs*, training programmes will be provided in areas such as project management and acquisition, and intervision processes will be implemented.

3.3 Developments in the collective labour agreements (CAO)

In 2007, multi-year Collective Labour Agreements were signed for the DLO (term of 2 years), WU (term of 2.5 years) and VHL (term of 3 years). The core components of HRM policies such as career policy and talent development that were formulated in the agreements are part of the 2008 priority areas.

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 an optimal health and welfare policy is pursued. 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, organisation and working systems, and human resources management.

Staff satisfaction survey (VHL) / Employee Monitor (WU/DLO)

In 2008 a staff satisfaction survey was held at VHL and at WU and DLO the joint Employee Monitor was conducted. The objective was to determine how employees think about work-related topics, so that policy can be possibly adapted to the results. Important conclusions from the studies concern the experienced distance between staff/management/Executive Board, the limited involvement with the core values and the meagre response to the survey at VHL. Supplementary points of attention for the various components include work pressure, the role of the managers and management of the organisational components and obstacles in the work process. These conclusions have led to the formation of guidance teams for each organisational component that must ensure that adequate actions are aligned with the needs of the corresponding unit. For each Sciences Group a single contact person has been appointed who reports on the progress of actions to the supervising working group for the Employee Monitor. Based on these reports, communication takes place within the organisation. Specifically at VHL, in view of the low response, an additional discussion round with staff teams has been initiated.

3.4.2 Absentee monitoring

With good absentee monitoring, Wageningen UR aims to exert a positive influence (preventive and curative) not only on sickness absence that is caused by the conditions or emotional atmosphere at work, but also when caused by the combination of work and private life. During the supervision and monitoring of employees who are absent, the priority is on maintaining contact with these 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 themselves to return to work.

Besides individual supervision and monitoring, there is a **social-medical team** (SMT) and sometimes a **social policy-medical team**. The SMT involves consultation between the manager, HR officer, company doctor and corporate social worker, during which the various steps concerning the absenteeism process of the employee are aligned with each other. In the social policy-medical team, the focus is not on causality, but on the big picture of absenteeism.

3.4.3 Absenteeism data

For both WU and DLO, the absenteeism percentage is within the target: maximum absenteeism of 4%. However, a small increase has become visible. VHL has an absenteeism percentage of 6%. At VHL, the target has not yet been achieved, but the figures from this year show an improvement of nearly 1%.

Table Sick leave percentages

	2008	2007	2006
DLO Foundation	3.3	3.1	3.5
Wageningen University	3.3	2.8	2.8
Van Hall Larenstein	6.0	6.9	–
Total Wageningen UR	3.3	3.2	3.3

Additional absenteeism data are included in Appendix 2 of the Corporate social responsibility report.

3.4.4 Long-term sick leave

Special attention is paid to long-term sick leave, so that these employees do not end up immobilised in the procedures for both Wageningen UR and the Social Security Agency UWV, and all possible energy is directed towards reintegration. Since the first quarter of 2006, the number of employees on long-term sick leave has been registered according to the new regulations (Work and Income according to Labour Capacity Act), where two categories of employees on long-term sick leave have been distinguished: those on sick leave longer than one year (36 people), and those on sick leave longer than two years (8 people).

3.4.5 Corporate social work

The corporate welfare office (BMW) contributes to a good balance between the employee and the organisation. The activities are based on methodical help provision to employees and groups of employees. The core tasks are help provision, advice and consultation, policy development, education and prevention. Since April 2008, staff of Van Hall Larenstein have also been able to use the services of the corporate welfare office.

• Prevention and education

Due to the filling of a vacancy and an expansion of the sphere of activity of BMW to include VHL, information on corporate social work has been provided to managers and departments on a periodic basis. In addition, a total of eight meeting/workshops on work stress were held for 210 employees and managers

• Summary of the most important client data

In 2008, the number of new contacts (273 = 4.4% of all employees) was virtually the same as in 2007 (4.5%). The total percentage of employees who were clients of BMW in 2008 was 6% of all Wageningen UR employees, compared to 6.6% in 2007. The new clients originated proportionally from all organisational components. The requests for help concerned work stress and excessive strain (37% in 2008; 36% in 2007), problems with colleagues (18% in 2008; 24% in 2007), mobility and reorganisation (14% in 2008; 11% and 2007) and personal problems (18% in 2008; 13% in 2007). In 2008, the treatment for 217 clients was completed; for 88% of the clients, the treatment was completed in six consultations or less.

Clients use their contact with the BMW to deal with their situation in a timely and adequate fashion; in the majority of cases (67%) there is no sickness absence. As a result, the BMW complies with the preventive task that Wageningen UR has formulated for the BMW.

3.4.6 Mediation

Mediation has proven itself as a process of supervised negotiation to come out of a conflict situation. Wageningen UR has an independent and certified mediator. In 2008, 14 mediations were conducted (compared to 9 in 2007); in nearly all cases a settlement was achieved that was endorsed by both parties. In a single case, a solution turned out to be unattainable, and a decision was made to return the issue to the management structure.

3.4.7 Health Promotion Courses

Wageningen UR is actively involved with promoting the health and welfare of staff and students. In this context, during the past year courses were given in cooperation with the University Sports Centre de Bongerd (USB) and the student physician in areas such as Yoga, Tai Chi, fitness for people with arm, neck, shoulder and back problems, relaxation training and Zen meditation. There were 303 participants, and the total cost of these courses was €36,000.

3.4.8 Risk Inventory and Evaluation (RI&E)

A preventive medical examination (PMO, previously PAGO) is intended to spot health risks in a timely fashion and to facilitate staff in the prevention of these health risks. The main priority is to prevent exposure to risk factors. If a RI&E (regular or in-depth) indicates that a specific risk is not controlled or is controlled insufficiently, then a PMO can ascertain possible damage and preventive measures can be adapted.

In 2008, Wageningen UR began coordinating the individual data files (which support the examinations) with the aim of increasing their reliability and effectiveness.

3.4.9 Preventive medical examination (PMO)

The registry data from the student physician indicates that the number of students complaining of RSI symptoms increased in 2008 for the first time in many years. Unfortunately, this increase (from 36 to 51) is relatively larger than could be expected from the increased number of students. However, students are contacting the student physician about their symptoms at a reasonably early stage. The in-house medical officer has also observed an increase in the number of staff who report RSI symptoms. However, absenteeism related to RSI symptoms has not increased. The cause of the increased number of people with RSI symptoms is unclear. We must therefore remain alert to this problem.

Appendix 1 Education at Wageningen University

Table 1 Summary of Bachelors and Masters programmes 2008/ 2009

Bachelors Programme

Masters Programme

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 2008

<i>Type of enrolment</i>	<i>Male</i>	<i>Female</i>	<i>Total</i>	<i>First-year students Male</i>	<i>First-year students Female</i>	<i>First-year students Total</i>
Student	2,361	2,767	5,128	636	773	1,409
Student MSc-EC						
PhD Student	111	108	219	17	19	36
Contract Student	21	8	29	21	8	29
Second Enrolment Student	27	54	81	21	46	67
Auditor	3	1	4	3	0	3
Erasmus Student	49	83	132	49	82	131
Exchange Student Other	6	18	24	5	14	19
Total number enrolled	2,578	3,039	5,617	752	942	1,694

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 2008

<i>Type of enrolment</i>	<i>Male</i>	<i>Female</i>	<i>Total</i>	<i>First-year students Male</i>	<i>First-year students Female</i>	<i>First-year students Total</i>
BSc	1,408	1,462	2,870	410	475	885
Doctoraal	38	21	59			
none	31	44	75			
MSc	881	1,238	2,119	226	298	524
Propedeuse	3	2	5			
Total number enrolled	2,361	2,767	5,128	636	773	1,409

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 2008

<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 (BAE)	62	2	64	20	1	21
Management, Economics and Consumer Studies (BME)	121	114	235	28	37	65
Biology (BBI)	206	173	379	60	57	117
Forest and Nature Management (BFN)	110	58	168	35	19	54
Organic Agriculture (BOA)	5	10	15			
Biotechnology (BBT)	106	45	151	30	10	40
Soil, Water and Atmosphere (BSW)	95	51	146	33	15	48
Animal Sciences (BAS)	92	170	262	18	53	71
Economics and Policy (BEP)	33	13	46	11	4	15
Health and Society (BHS)	6	59	65	4	17	21
International Land and Water Management (BIL)	107	49	156	31	17	48
International Development Studies (BIN)	62	186	248	28	68	96
Landscape Architecture and Planning (BLP)	126	77	203	21	26	47
Food Technology (BFT)	70	93	163	22	35	57
Environmental Sciences (BES)	41	30	71	15	12	27
Molecular Sciences (BMS)	56	35	91	16	10	26
Plant Sciences (BPS)	56	27	83	16	4	20
Applied Communication Science (BTC)	8	11	19	3	4	7
Nutrition and Health (BNH)	46	259	305	19	86	105
Total number enrolled	1,408	1,462	2,870	410	475	885

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 2008

Study programme	Male	Female	Total	First-year students		First-year students Total
				Male	Female	
Agricultural and Bioresource Engineering (MAB)	34	2	36	7		7
Aquaculture and Fisheries (MAF)	18	10	28	6	7	13
Management of Agro-Ecological Knowledge & Social Change (MAK)						
Animal Sciences and Aquaculture (MAS)	58	144	202	26	30	56
Bioinformatics (MBF)	15	3	18	6	1	7
Biology (MBI)	29	38	67	1	3	4
Biotechnology (MBT)	49	59	108	13	14	27
Applied Communication Science (MCS)	6	20	26	1	5	6
Earth System Science (MEA)	4	6	10	1	1	2
Environmental Sciences (MES)	69	79	148	13	12	25
Forest and Nature Conservation (MFN)	65	64	129	11	13	24
Food Quality Management (MFQ)	14	27	41	3	3	6
Food Safety (MFS)	18	46	64	10	15	25
Food Technology (MFT)	48	86	134	19	21	40
Geo-information Science (MGI)	27	14	41	6	4	10
Hydrology and Water Quality (MHW)	29	15	44	2	1	3
International Development Studies (MID)	31	104	135	16	36	52
International Land and Water Management (MIL)	43	33	76	12	6	18
Leisure, Tourism and Environment (MLE)	24	55	79	8	22	30
Landscape Architecture and Planning (MLP)	47	37	84	3	7	10
Meteorology and Air Quality (MMA)	10	11	21	2		2
Management, Economics and Consumer Studies (MME)	77	93	170	12	20	32
Molecular Sciences (MMS)	13	10	23	4	1	5
Nutrition and Health (MNH)	11	152	163	2	36	38
Organic Agriculture (MOA)	22	14	36	5	4	9
Plant Biotechnology (MPB)	11	17	28	3	6	9
Plant Sciences (MPS)	51	48	99	20	14	34
Soil Science (MSS)	8	10	18	1	1	2
Urban Environmental Management (MUE)	16	15	31	5	3	8
Total number enrolled	881	1,238	2,119	226	298	524

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 2008

Study programme	Propeduse			Doctoraal		
	Male	Female	Total	Male	Female	Total
Biology (B)	1	–	1	5	5	10
Biotechnology (BT)	–	–	–	1	–	1
Animal Sciences (DW)	–	–	–	3	2	5
Forestry (L10)	–	–	–	1	–	1
Agricultural Systems (L20)	–	–	–	1	–	1
Land Use (L30)	–	1	1	2	4	6
Soil, Water and Atmosphere (L50)	–	–	–	2	2	4
Agricultural Engineering Studies (L60)	–	–	–	2	–	2
Argricultural and Environmental Economics (M10)	–	–	–	2	–	2
Molecular Sciences (MW)	–	–	–	2	2	4
Tropical Land Use (O10)	–	–	–	4	1	5
Rural Development Studies (O20)	–	–	–	1	2	3
Plant and Crop Sciences (PG)	1	–	1	–	–	–
Plant Breeding and Crop Protection (T15)	–	–	–	2	–	2
Crop Sciences (T16)	–	–	–	2	–	2
Zootechnics (T20)	1	–	1	3	2	5
Food Technology (T30)	–	–	–	1	–	1
Environmental Sciences (T32)	–	1	1	2	1	3
Bioprocess Technology (T34)	–	–	–	2	–	2
Total number enrolled	3	2	5	38	21	59

Table 7 Yields of the MSc study programmes of the cohorts 2004/05 through 2006/07 (N in absolute numbers, after x years in %)

Study programme	N	Generation 2004			N	Generation 2005		Generation 2006	
		after 2 years	after 3 years	after 4 years		after 2 years	after 3 years	N	after 2 years
MAB	9	56	89	89	10	80	90	10	50
MAF					3	0	33	7	71
MAK	29	41	55	66	25	36	72	26	50
MAS	57	74	91	91	47	66	87	81	40
MBF	6	50	83	83	10	30	80	1	0
MBI	10	100	100	100	30	77	93	32	84
MBT	29	72	79	83	36	78	92	41	66
MCS								7	14
MEA	4	0	25	75	4	0	75	6	83
MES	72	63	85	89	88	81	91	88	59
MFN	57	54	84	89	50	48	76	65	58
MFQ	41	83	88	93	18	61	78	26	54
MFS	14	50	100	100	21	48	76	22	86
MFT	40	73	88	88	51	69	92	64	83
MGI	33	76	94	94	28	64	86	23	57
MHW	22	45	82	86	24	46	83	19	26
MID	49	49	67	71	45	47	87	47	49
MIL	19	37	79	84	26	50	88	30	50
MLE	36	58	89	92	37	51	78	21	57
MLP	46	48	65	89	38	50	74	35	51
MMA	4	50	75	100	8	75	75	10	60
MME	56	68	88	88	56	73	88	89	78
MMS	5	60	100	100	22	82	91	14	86
MNH	63	67	94	95	46	72	91	64	50
MOA	12	42	67	75	17	76	82	24	42
MPB	9	56	78	78	11	64	91	4	75
MPS	33	73	85	85	45	64	87	36	67
MSS	12	75	92	92	7	43	86	11	55
MUE	23	91	91	91	30	63	80	17	71
Total study programmes	790	63	83	88	833	63	85	920	60
Total including changes of study programme	790	64	86	90	833	64	88	920	61

Table 8 Yields of the BSc study programmes based on re-enrolments in the second year (N t+1). Cohorts 2003/04 through 2005/06 (N and Nt+1 in absolute numbers, after x years in %)

Study programme	Generation 2002					Generation 2003				Generation 2004		
	N	N t+1	after 3 years	after 4 years	after 5 years	N	N t+1	after 3 years	after 4 years	N	N t+1	after 3 years
BAT	12	12	0	50	83	20	16	0	44	6	6	0
BBC	31	27	15	48	70	34	28	4	39	32	28	18
BBI	59	50	4	28	60	68	62	15	42	56	50	10
BBN	37	30	43	57	73	44	35	31	51	49	38	13
BBP	8	7	43	43	57	6	6	17	33	6	5	0
BBT	30	24	8	29	38	22	19	5	42	18	17	24
BBW	32	24	38	75	83	34	28	25	68	38	31	10
BDW	53	42	21	52	71	73	61	18	46	68	56	30
BEB						2	2	0	50	6	6	0
BGM						6	6	67	67	12	11	73
BIL	22	14	7	36	64	29	23	4	30	19	15	7
BIN	32	27	11	48	63	31	30	17	50	49	33	27
BLP	29	23	22	35	52	27	23	0	26	42	30	3
BLT	22	18	33	44	61	21	18	28	61	26	18	33
BMK	17	12	42	75	83	15	8	25	63	9	7	29
BMW	23	18	17	28	39	21	16	25	38	20	14	21
BPW	11	10	0	20	30	6	4	25	50	17	14	7
BTC												
BVG	49	45	53	76	91	44	31	42	74	63	48	27
Total study programmes	467	383	23	48	66	503	416	18	48	536	427	19
Total including changes of study programme	467	398	22	47	66	503	434	18	47	536	444	19

Appendix 1B Education at Van Hall Larenstein School 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 Programme	<ul style="list-style-type: none"> – Business Administration and Agribusiness – Forest and Nature Conservation – Animal and Livestock Management – Laboratory Science¹ – Land and Water Management – Rural Renewal – Tropical Agriculture/ Agri-systems Management – Garden and Landscape Architecture – Horticulture and Arable Farming – Food Technology
	Masters Programme	<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"> – Business Administration and Agribusiness – Biotechnology / Life Sciences² – Animal and Livestock Management – Livestock Management – International Business and Management Studies³ – Coastal and Sea Management – Environmental Sciences – Rural Renewal – Horticulture and Arable Farming – Food 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, per location and study programme, reference date 01-10-2008 (FT = Full time, PT = Part time, DU = Dual)

<i>Van Hall Larenstein School of Higher Professional Education</i>	2003	2004	2005	2006	2007	2008
Enrolment	1,164	1,094	1,209	1,113	1,039	1,046
– Leeuwarden	456	403	533	517	503	533
– Velp and Deventer/Wageningen ¹	708	691	676	596	536	513
Total number of students						
– Leeuwarden	1,714	1,649	1,699	1,844	1,874	1,885
– Velp and Wageningen	2,354	2,346	2,257	2,206	2,005	1,906
Total	4,068	3,995	3,956	4,050	3,879	3,791
<i>Leeuwarden</i>						
Business Administration and Agribusiness Entrepreneurship (Associate Degree)	166	156,5	158	168	179	184
Biotechnology / Life Sciences	58	75	79	149	183	247
Livestock Management	665	621	666	717	738	680
Animal and Livestock Management	280	234	218	213	168	165
Dairy Farming (Associate Degree)	0	0	0	31	29	28
IBMS (with CHN/NHL, 1/3 = VHL number)	17	?	17	32	34	25
Coastal and Sea Management	52	67	80	94	106	115
Environmental Sciences FT	217	201	184	145	144	136
Environmental Sciences PT	104	108	107	119	127	132
Integral Enforcement of Environmental Law (Associate degree)						8
Rural Renewal	33	36	39	31	25	17
Agriculture and Horticulture	0	42	41	43	45	51
Food Technology FT	115	101	122	98	96	89
Food Technology PT	7	7	5	4	0	0
<i>Velp and Wageningen</i>						
International Agricultural Trade	35	15	4	2	0	0
Farm and Agribusiness	180	209	164	134	103	105
Forestry and Environmental Management FT	383	392	390	411	410	419
Forestry and Environmental Management PT	77	101	83	99	93	82
Dutch Agriculture	1	1	1	1	0	0
Animal and Livestock Management	279	304	301	305	277	257
Land and Water Management FT	300	290	272	256	252	251
Land and Water Management PT	57	51	64	79	68	60
Rural Renewal	53	73	88	83	86	71
Tropical Agriculture	102	111	103	65	54	40
Agriculture and Horticulture	105	100	106	92	41	21
Garden and Landscape Architecture FT	478	393	383	358	355	352
Garden and Landscape Architecture PT	141	176	188	193	193	193
Agro-product Studies	10	0	0	0	0	0
Food Technology	45	48	55	53	57	51
Laboratory Science	108	82	55	25	14	4
Masters in Agriculture Production Chain Management	0	0	0	16	0	0
Masters in Management of Development	0	0	0	29	0	0
Animal husbandry - old (counts with Livestock & Animal husbandry)	0	0	0	5	2	0

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

	Number of graduates					Average study duration				
	'03/'04	'04/'05	05/'06	'06/'07	'07/'08	'03/'04	'04/'05	'05/'06	'06/'07	'07/'08
<i>Leeuwarden</i>	307	292	323	303	333	4.5	4.3	4.4	4.5	4.5
Business Administration and Agribusiness	42	36	28	32	30	4.3	4.2	4.2	4.5	4.9
Biotechnology / Life Sciences	10	4	17	13	10	4.2	4.3	4.6	4.2	3.9
Livestock Management	94	124	106	107	143	4.9	4.6	4.6	4.7	4.7
Animal and Livestock Management	70	59	41	55	45	4.3	4.0	4.0	4.2	4.1
IBMS	–	–	–	1	2	–	–	–	3	3.5
Coastal and Sea Management	–	0	14	10	15	–	0	4.4	4.2	4.8
Environmental Sciences	44	45	64	58	34	4.5	4.4	4.7	4.8	4.5
Rural Renewal	–	0	0	4	8	4	0	4.4	5.5	5.3
Agriculture and Horticulture	–	7	7	5	14	–	4.4	4.0	4.4	4.3
Food Technology	46	17	36	18	32	4.1	3.9	3.9	4.1	4
<i>Velp/Deventer 1</i>	415	454	368	415	369	4.3	4.3	4.5	4.2	4.4
Business Administration and Agribusiness	19	41	23	20	25	5.0	5.0	3.7	3.3	4.7
Forest and Nature Management (FT)	100	88	65	78	76	4.3	4.3	4.5	4.2	4.6
Forest and Nature Management (PT)	8	25	1	21	16	–	3.0	4.0	3.6	4.3
Animal and Livestock Management	37	56	53	56	40	4.2	4.2	4.3	4.3	4.6
International Agricultural Trade				3	0				6.3	0
Land and Water Management (FT)	62	78	54	64	43	3.9	3.9	4.1	3.8	4.3
Land and Water Management (PT)	7	13	1	25	18	2.3	2.3	5.0	4.0	3.6
Rural Renewal	3	5	13	11	15	4.0	4.0	4.4	4.3	4.3
Tropical Agriculture	16	10	2	5	21	4.3	4.3	4.0	4.8	4.0
Agriculture and Horticulture	4	13	17	18	13	3.5	3.5	4.1	4.3	3.5
Garden and Landscape Design (FT)	102	75	89	72	67	4.8	4.8	5.0	4.7	4.7
Garden and Landscape Design (PT)	1	11	23	27	18	4.0	4.0	4.6	4.8	4.7
Food Technology	13	8	7	6	10	4.4	4.4	4.9	4.2	4.2
Laboratory Science	29	23	19	8	7	3.9	3.9	4.0	4.0	4.7

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

	EDF factor	Number of graduates	Study duration of graduates	Number of dropouts	Study duration of dropouts
<i>Leeuwarden</i>					
2002/2003	0.910	345	4.5	229	1.9
2003/2004	0.959	307	4.5	174	2.2
2004/2005	0.949	292	4.3	154	2.1
2005/2006	0.958	323	4.4	123	2.2
2006/2007	0.930	303	4.5	177	1.8
2007/2008	0.884	333	4.5	189	2.2
<i>Velp/Deventer</i> ²					
2002/2003	0.921	424	4.5	341	1.7
2003/2004	0.964	415	4.3	215	2.0
2004/2005	0.999	454	4.2	200	2.1
2005/2006	0.898	368	4.5	224	2.1
2006/2007	0.968	415	4.2	247	2.04
2007/2008	0.928	369	4.4	253	2.2

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 2007- 2008**

Country and name of institution	Subject ³	Velp-Wageningen		Leeuwarden	
		students to VHL	VHL students to	students to VHL	VHL students to
Austria				1	2
– Universität für Bodenkultur				1	2
Belgium		5			
– Haute École Charlemagne	01.6	3			
– Erasmus Hogeschool Brussel		2			
Bulgaria					1
– University of Plovdiv					1
Czech Republic		1			
– Mendel University	02.5	1			
Denmark		1			
– Royal Veterinary University KVL	02.5	1			
Estonia					
– Estonian University of Life Sciences	01.0				

Country and name of institution	Subject ³	Velp-Wageningen		Leeuwarden	
		students to VHL	VHL students to	students to VHL	VHL students to
Germany		4	2		
– FH Eberswalde	01.6				
– FH Rottenburg	01.6	4			
– TU Berlin	01.6		2		
– FH Weihenstephan	01.0				
– FH Nuertingen	01.0				
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			1	
– ISAB Beauvais	07.4			1	
– ESA Angers	07.4				
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			1		5
– Hogskulen Sogn og Fjordane	01.6		1		5
Poland				2	
– University of Bydgoszcz	01.0				
– University of Wroclaw				2	
Portugal			1		
– University of Aveiro	01.0		1		

Country and name of institution	Subject ³	Velp-Wageningen		Leeuwarden	
		students to VHL	VHL students to	students to VHL	VHL students to
Romania					1
– University Clujapoki					1
Slovenia					
– University of Ljubljana	01.0				
Spain				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				
– Etsia/Universidad Politecnica de Valencia	07.4				2
– INEA/Universidad de Vallalodil	01.0				
– Universidad Miguel Hernandez de Elche	01.0				
Sweden			31		
– SLU; Swedish Agricultural University	01.6		31		
United Kingdom			2		
– Harper Adams University College	07.4				
– University of Greenwich	01.0				
– Writtle College	01.7				
– University of Inverness	01.0		2		
TOTALS		12	37	11	11

³ 01.0 = Agricultural Sciences; 01.6 = Forestry; 01.7 = Animal Husbandry; 02.5 = Landscape Architecture; 07.4 = Soil and Water Sciences

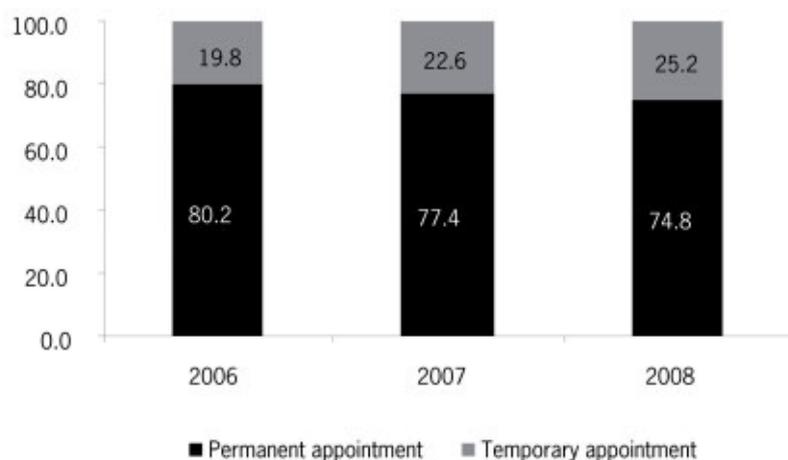
The following graphs contain data about Wageningen UR at the end of 2008.

STAFF

	2006	2007	2008
Number of staff (individual employment relationship) on 31-12	6,316	6,318	6,421
Number of staff (persons) op 31-12			6,220
Number of FTE on 31-12	5,423	5,447	5,553

Explanation: After the FOCUS 2006 operation, the number of FTEs increased by nearly 2%. In previous reporting years, besides the number of FTEs, the number of staff was expressed in IARs (individual employment relationships). Especially at WU, a relatively large number of employees have multiple employment relationships. To provide a clearer picture of the actual number of people who work for Wageningen UR, this additional information is listed in the above summary.

PERMANENT/TEMPORARY



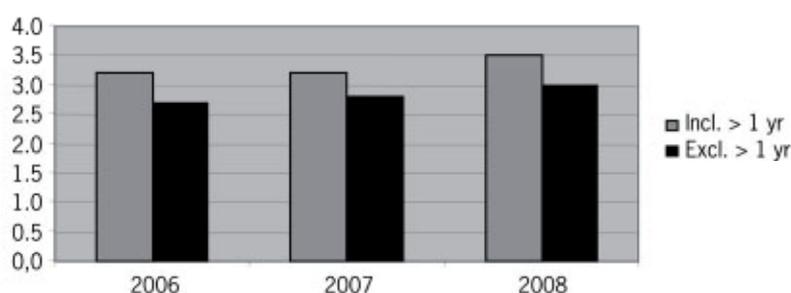
Explanation: The flexibility of the organisation is determined in part by the ratio between the number of permanent and temporary appointments. The above figures include PhD students. The tables show an increase in temporary appointments of more than 2.5% per year.

Appendix 2 Corporate social responsibility report

The following graphs contain data about Wageningen UR at the end of 2008.

ABSENTEEISM

	2006	2007	2008
Incl. sick leave > 1 year	3.2	3.2	3.5
Excl. sick leave > 1 year	2.7	2.8	3.0



Explanation: The absenteeism percentage increased especially in 2008. However, the Wageningen UR-wide absenteeism percentage still remains below the maximum target of 4%.

SICKNESS ABSENCE excluding Maternity leave

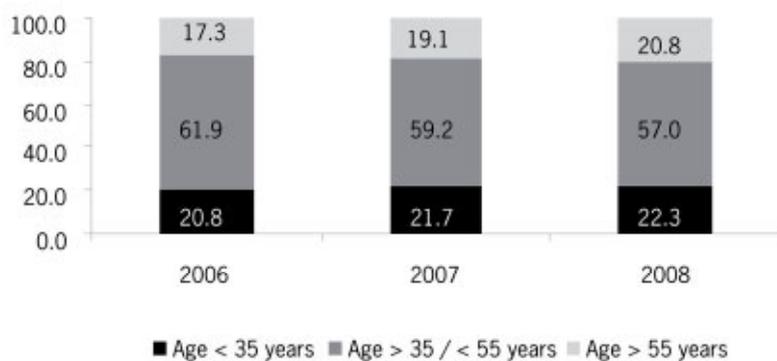
	2006	2007	2008
Average absence duration excl.> 1 year sickness absence (calendar days)	12.19	11.29	11.23
Absenteeism frequency (absenteeism reports relative to average number of staff)	1.09	1.11	1.10
Percentage staff without absenteeism	53.5	51.95	45.97
Number of sickness absence cases	6,839	6,789	6,761
Absenteeism percentage according to age group excl.> 1 years sickness absence			
< 25 years	3.03	2.16	1.40
25 - 34 years	2.46	2.32	2.74
35 - 44 years	2.93	3.14	3.58
45 - 54 years	3.78	3.36	3.50
55 years and older	3.57	4.16	4.14
Absenteeism percentage according to pay scale excl.> 1 years sickness absence			
Scale 1 - 6	7.18	6.22	6.52
Scale 7 - 9	4.01	3.38	3.99
Scale 10 - 11 (in 2006 scale 10 - 12)	2.66	2.98	3.19
Scale 12		2.93	2.83
Scale 13 - 14	1.95	1.64	2.15
Scale 15 and above (in 2006 scales 15 and 16)	0.97	1.35	0.78
(in 2006 scale 17 and above)	0.61		

DEVELOPMENT/TRAINING

	2006	2007	2008
Expenditure (x € 1,000.-) excluding time invested	3,449	3,787	4,075
Percentage of the wage costs	Approx. 1.1%	Approx. 1.1%	Approx. 1.2%

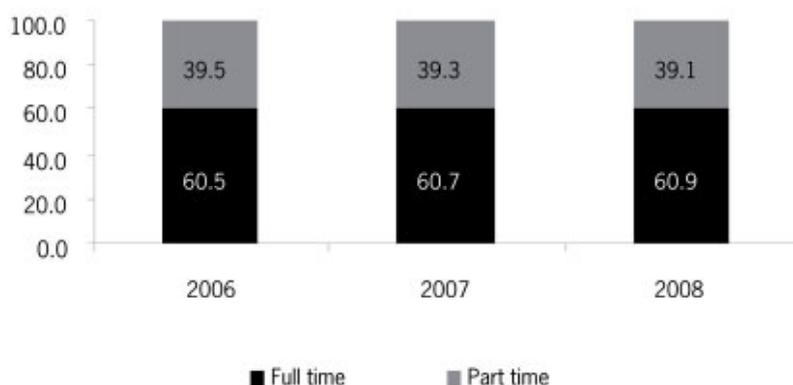
Explanation: the expenditure norm for development/training is set at 2% of the wage costs; the realisation in 2008 was 1.2%. It should be noted here that more and more training is being provided via in-company "train the trainer" programmes, which certainly leads to some cost reduction.

AGE DISTRIBUTION



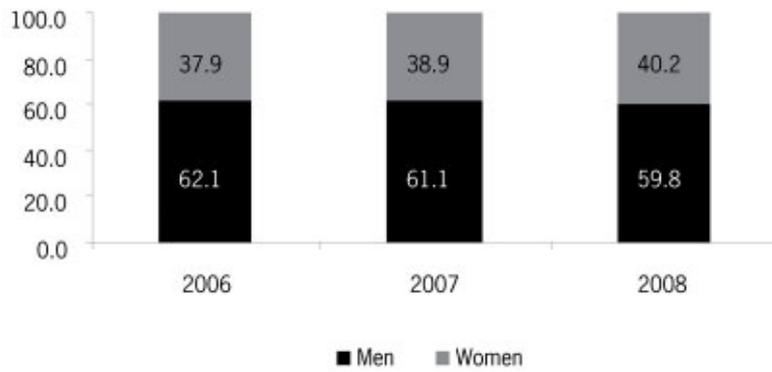
Explanation: the problems of an ageing population are also visible within Wageningen UR. The age group > 55 years has grown by 1.7%, while the age group < 35 years has grown by only 0.6%.

FULL TIME/PART TIME

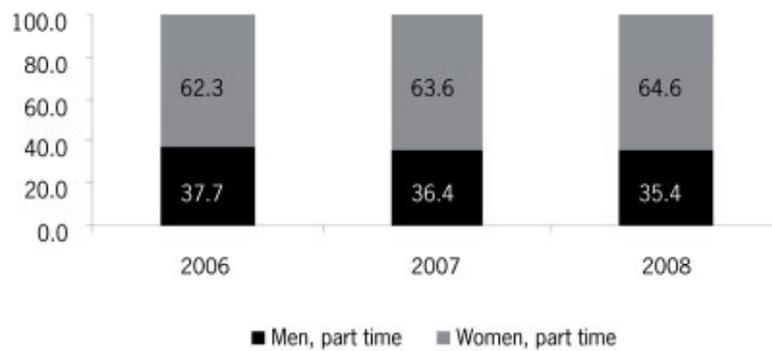


Explanation: The ratio of employees with full-time and part-time appointments has changed little in the past 3 years.

EMANCIPATION

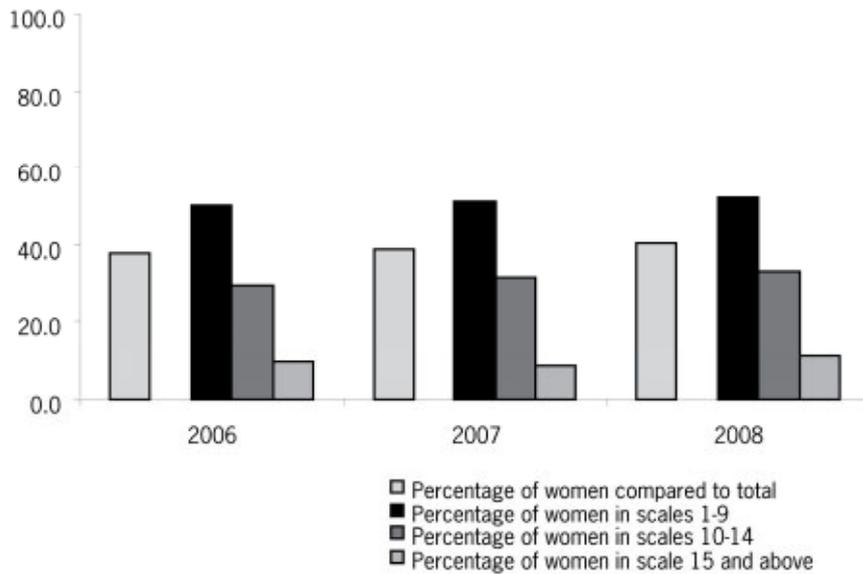


Explanation: The proportion of women in the organisation is increasing by more than 1% per year.



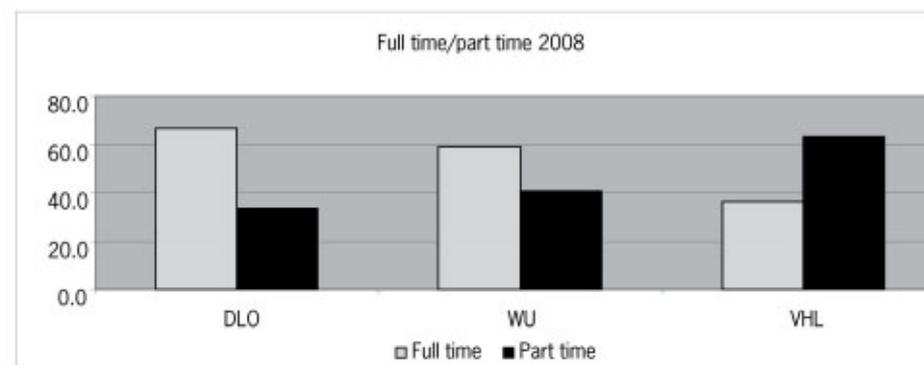
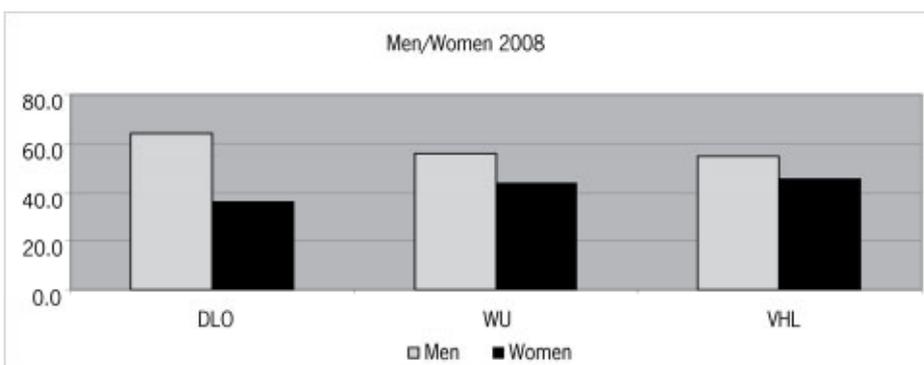
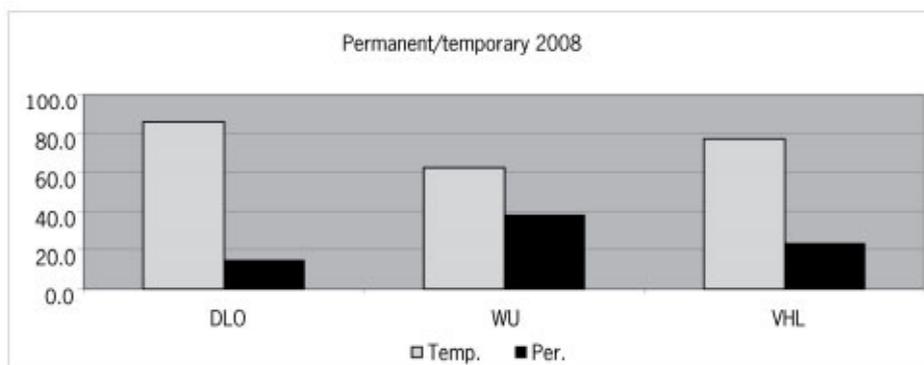
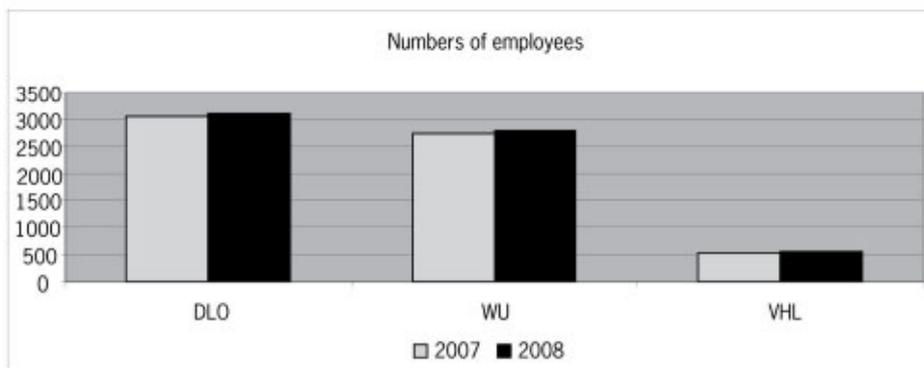
Explanation: The percentage of women working part time is also increasing by more than 1% per year relative to the percentage of men who work part time.

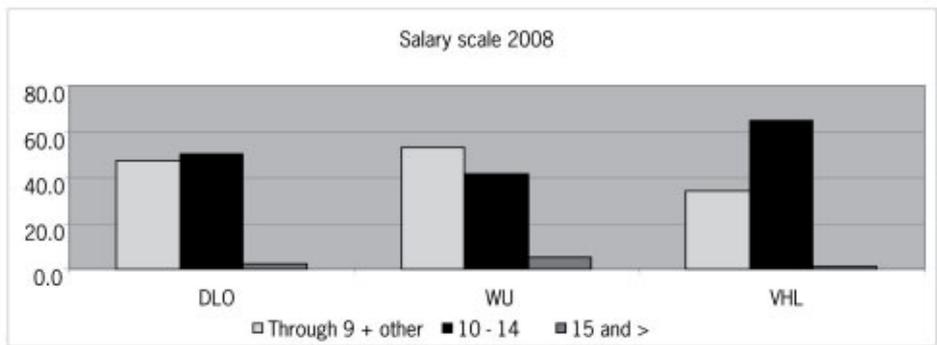
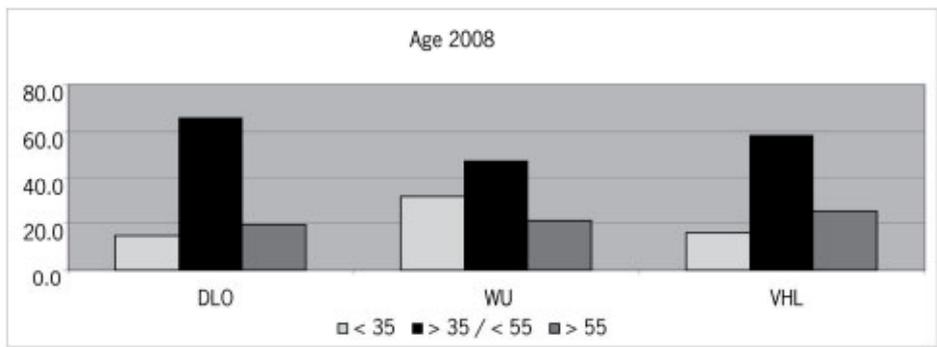
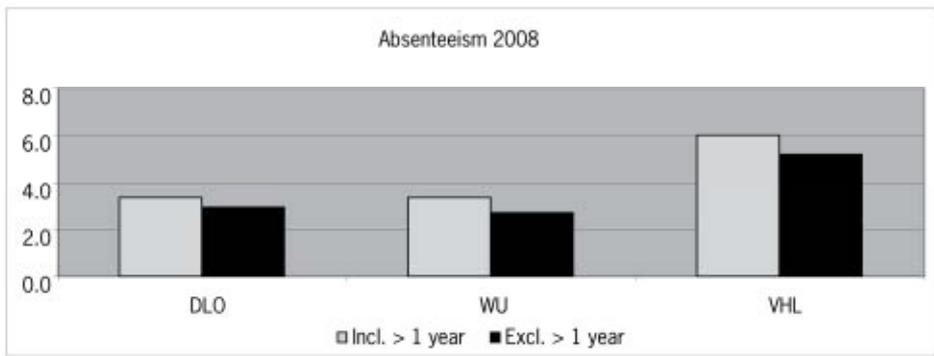
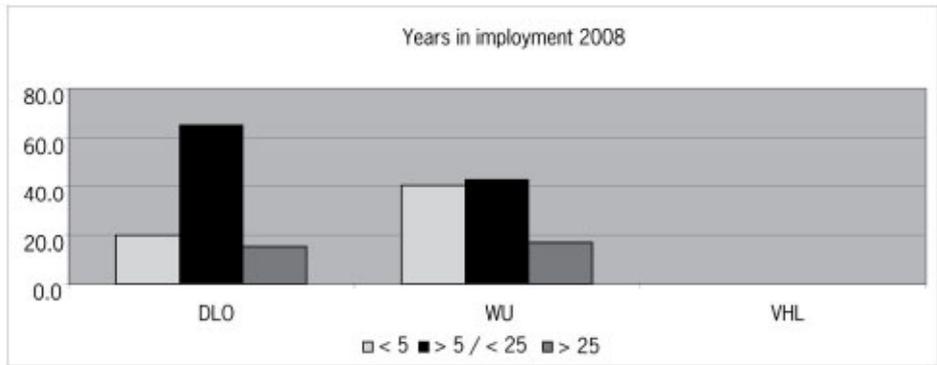
MALE/FEMALE PROPORTIONS IN THE VARIOUS SALARY SCALES



Explanation: During the past two years, the proportion of women in the organisation has increased by more than 1%. At the same time, the proportion of women working in jobs at salary scales 10-14 has increased by 2% on average, and is now exactly one-third of the total staff in this salary range. The proportion of women working at the highest salary levels still lags far behind the percentage of men working at those levels. However, in 2008 there was a 2.5% increase in the number of women working at the top salary scales.

The graphs below concern data for each component of Wageningen UR.





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