I am delighted to introduce you to this Annual Review of the University of Glasgow, covering the period August 2006 to July 2007.

Last year I was able to report an operating surplus of £2m after more than a decade in the red. This year our position has improved even further with 2006/7 showing an underlying operating surplus of £6.3m. This performance was underpinned by strong income growth in the year, which allowed the University to make strategic investments in staff, infrastructure and facilities.

Our financial position is forecast to remain secure in the next few years. Research and commercialisation activity continues to grow. The value of awards from industry-funded contracts and research councils increased substantially, placing us well inside the elite group of research-intensive universities.

With the aim of improving the rate and success of spin-out commercialisation of our world-class research, we entered into a 25-year partnership with the intellectual property commercialisation company, IP Group plc. Their first investment has been to Wireless bioDevices Ltd, set up to commercialise wireless sensor technology for use in medical diagnostics. The company’s first product will be an electronic pill which will take measurements as it passes through the body, transmitting the data via a wireless link to a small unit attached externally to the patient and detecting early signs of a number of diseases such as bowel cancer.

At Glasgow we offer students a degree they can be proud of and an experience they will enjoy, with a learning culture that values excellent teaching and that is shaped by our rich research environment. The quality of our teaching was reflected in the fact that, more than any other higher education institution in the UK.
once again, we received the highest-funded teaching grant in Scotland in 2007. And we were delighted with the findings of the 2007 National Student Survey which found that 87% of our final-year undergraduate students are satisfied with their academic experience, with some subject areas receiving positive feedback from up to 98% of our students.

The quality of our student experience, our financial position, our research and international activity are all core to what we do. While great challenges lie ahead as we strive to achieve the aims of our strategic plan – *Building on Excellence* – and continue to compete with the best universities in the world, I believe we can look to the next few years with confidence.

Sir Muir Russell
Principal and Vice-Chancellor
Review of the year

This last year has been one of great activity and achievement at the University of Glasgow.

World-renowned media analyst Philip Schlesinger joined the University at the start of 2007, bringing with him a team of talented colleagues. Professor Schlesinger was appointed to the new Chair in Cultural Policy and as Academic Director of the Centre for Cultural Policy Research. The centre has already established itself as an important forum for debate about cultural policy in Scotland, but under Professor Schlesinger the centre will shift to become an international player.

The University’s first ever Science Festival attracted almost 20,000 people to events ranging from schools’ workshops to public lectures, and has been hailed a huge success. The festival, established to commemorate the 100th anniversary of the death of Lord Kelvin – a graduate of the University and one of the UK’s greatest scientists – aimed to strip away the myths about science and technology and bring the subject into the community. The spread and format of events was broad – and, as almost all of the programme was free, the festival played an important part in promoting the University as an accessible learning resource for all.

The Business School joined the ranks of the world’s elite when it gained international accreditation from the Association to Advance Collegiate Schools of Business (AACSB). Fewer than 10% of the world’s business schools hold AACSB international accreditation.

The University’s Hunterian Museum – rated as one of the top five museums in Scotland – reopened in 2007 following a £750,000 refurbishment. Established 200 years ago, the museum is Scotland’s oldest public museum and is the legacy of Dr William Hunter, a University graduate and a pioneering obstetrician and teacher who had a passion for collecting. As well as new displays and exhibitions, a programme of lively events was organised to celebrate the museum’s bicentenary year.
Hundreds of the world’s leading physicists gathered at the University in 2007 to discuss final preparations for the world’s biggest scientific experiment. It was the first time the event had been held in the UK. Almost 2,000 physicists from 164 universities and laboratories in 35 countries are participating in ATLAS – a particle physics experiment designed to explore the fundamental nature of matter and the basic forces that shape our universe.

Television personality Carol Smillie (photo 1) got behind the wheel of a JCB to help kick off construction work on the University’s new Small Animal Hospital. The former Changing Rooms star performed the official ground-breaking ceremony at the site of the £10m state-of-the-art hospital, which will offer new services such as a cancer centre and a pain and rehabilitation centre.

The May 2007 Scottish Parliamentary elections saw the University’s tradition of educating future politicians continue. As well as Nicola Sturgeon, Deputy First Minister, and Fiona Hyslop, Scottish Cabinet Secretary, Glasgow can also count the leader of the Scottish Labour Party, Wendy Alexander, among its alumni.

The contribution of world-renowned 18th-century philosopher and economist Adam Smith was acknowledged on a newly designed £20 banknote introduced by the Bank of England. Adam Smith, a graduate and professor of the University, is regarded as one of the fathers of modern economics.

The University welcomed a number of eminent individuals to deliver lectures on a variety of subjects in 2006-7.

Prime Minister Gordon Brown (photo 2) delivered the first Donald Dewar Memorial Lecture to a packed Bute Hall in October 2006. In a wide-ranging speech, the then Chancellor of the Exchequer opened with a fulsome tribute to the achievements of his friend and colleague Donald Dewar – Scotland’s inaugural First Minister – whom he described as sharing a lifelong commitment to social justice.

Award-winning author Maggie O’Farrell, and poetry editor of the New Yorker magazine Alice Quinn were invited to take part in a series of talks organised by the School of English & Scottish Language & Literature.

Professor Gerald Feldman, University of California, Berkeley delivered the 2007 Holocaust Memorial Lecture and leading political theorist Professor Sir Bernard Crick considered the concept of Britishness in the opening lecture of the second Citizenship series.

Baroness Onora O’Neil, President of the British Academy, delivered a lecture on the ethics of rules, while acclaimed author Margaret Atwood presented a masterclass in creative writing to staff and students.

Deputy First Minister Nicola Sturgeon MSP gave a talk about women in politics to mark International Women’s Day 2007, and American mathematician and former professional magician Professor Persi Diaconis delivered the week-long Rankin lecture series, entitled Harnessing Chance, aimed at the general public and particularly school pupils.

Former deputy First Minister the Rt Hon Jim Wallace QC MSP delivered a lecture on the trials and triumphs of devolution, and leading politicians George Foulkes, Harriet Harman, Estelle Morris and Norman Lamont took part in the University Union’s John Smith Memorial Debate.
Research review

The University’s world-class research base includes pioneering work in the fields of human and animal health, nanotechnology and cell signalling.

Glasgow stepped to the forefront of stem cell research in Scotland through a partnership with one of the world’s most advanced stem cell companies, Cellartis AB. As part of a £9.5m, three-year deal, the University will provide expertise in molecular mechanisms that control cell signalling and development. It will be involved in the development of an automated process to produce high-quality stem cells, a capability that currently does not exist anywhere else in the world.

A team of scientists from the University’s Veterinary School and Texas A&M University has discovered that retroviruses – best known for their abilities to cause disease – are necessary for pregnancy in sheep. Retroviruses are unique for their ability to permanently insert their genetic material into the DNA of host cells. As mammals evolved, some retroviruses infected the germline of the host, which is inherited by their offspring. These retroviruses are present in the genome of all mammals. Once the team determines exactly how they function in the development of the sheep placenta, their results will have implications for both human health and animal production.

A new £1m complex of exercise science laboratories at the University will have a key role in helping scientists understand how genes and the environment affect the response of our bodies to exercise. The new labs are the first of their kind in the UK and allows scientists to take a broad approach to exercise science, from a molecular and genetic level right up to studying entire populations.

In 2007 University engineers received £1.2m to help develop the next generation of electronic gadgets. The University is a world leader in the development of simulation tools and techniques used to better understand and design the next generation of atomic-scale transistors that will power future-generation electronic devices similar to the iPhone and the PlayStation 3.

A new strategy for vaccinating large groups of animals with minimal intervention has been tested by researchers at the Universities of Glasgow, Edinburgh and Oxford. The team, led by Glasgow, has demonstrated that by vaccinating just 30% of the Ethiopian wolf population – the rarest carnivores in the world – they could reduce the spread of rabies during an outbreak and, consequently, the number of animals that die from the disease. The results could have far-reaching implications for species in danger of being wiped out by disease.

The University launched the Adam Smith Research Foundation at the start of 2007, building on the legacy and global impact of one of the University’s most renowned academics, to help shape future research and policy agendas. It is set to become one of the UK’s leading centres of legal, political, social and economic thinking.

Two Arts & Humanities Research Council Creative & Performing Arts Fellows were welcomed to the University for the first time in 2007. The aim of the fellowships is to combine research and performance in a bid to enhance the way arts education is taught at higher education institutions. These were the only two fellowships appointed in Scotland.
The University is committed to promoting research across the traditional boundaries of academic disciplines. In 2007, the University supported a range of interdisciplinary research initiatives to improve the quality of life.

Mechanical engineers worked with doctors to help people paralysed through spinal cord injury move their limbs and develop exercise therapies to aid rehabilitation. The team developed a technique to send electrical impulses directly to paralysed muscles, allowing a temporary restoration of function and replacing the signals that would otherwise be sent by the brain.

Physicists, biologists and engineers joined forces to tackle two of the most common forms of blindness – age-related macular degeneration and retinitis pigmentosa – which affect around one million people in the UK. By employing technology similar to that found in digital cameras, the team hope to produce an electronic implant for eyes that will help people to regain their vision.

Engineers developed a coating that tricks the body into believing that artificial implants such as heart valves and pacemakers are human tissue, reducing the likelihood of rejection. Artificial implants are often rejected by the body because they are incompatible with the surrounding human cells. The coating recreates the surrounding cells’ natural environment, making the cells think that the implant is part of the body’s natural system.

The University is host to a growing number of centres specialising in a variety of research fields.

The James Watt Nanofabrication Centre opened in March 2007, bringing together many different research groups working in engineering and science. The centre has one of the most advanced electron beam lithography tools in the world, and places the University at the forefront of understanding and building the microscopic devices of the future.

The University has a long history of working with universities and institutions in many African countries. In 2007 a new centre – the Glasgow Centre for International Development – was created to develop and strengthen these partnerships. The first in Scotland and the largest of its kind in the UK, the centre brings together more than 40 academics who will pool their resources in the areas of human and animal health, environmental management and infrastructure, education, and economic development.

A new environmental research facility at the University’s Scottish Centre for Ecology & the Natural Environment was opened in May 2007. Situated on the banks of Loch Lomond, it provides state-of-the-art laboratories, experimental streams and aquariums for research, ranging from ornithology and fish biology to aquatic ecosystems, helping towards an understanding of pollution, environmental change and loss of biodiversity.
Honours and distinctions

The outstanding achievements of our staff are frequently recognised by the conferment of honours and appointments.

Mr Richard Berry, Director of the Centre for Russian, Central & East European Studies, was awarded the Order of Merit by the Hungarian Republic for his outstanding contribution to the promotion of Hungarian language, culture and society.

Professor John Butt (photo 1), Gardiner Professor of Music, was elected a Fellow of the British Academy. Professor Butt is one of the most authoritative scholar-performers concerned with the music of the past.

Professor Richard Cogdell, Hooker Chair of Botany, was elected to the Fellowship of The Royal Society for his contributions to research into the structure and function of bacterial reaction centres and lightharvesting complexes.

Professor Lee Cronin (photo 2), Department of Chemistry, was awarded the silver medal of the 2006 European Young Chemists Award.

Professor Anna Dominiczak (photo 3), BHF Professor of Cardiovascular Medicine, was given the Lord Provost of Glasgow’s Special Award 2006 for her contribution and commitment to the health of the city. Professor Dominiczak, who is head of the BHF Cardiovascular Research Centre at the University, was also named Scotswoman of the Year by readers of the Glasgow Evening Times newspaper.

Professor Felicity Huntingford, Professor of Functional Ecology, was awarded the Association for the Study of Animal Behaviour Medal for 2006 for her contribution to the science of animal behaviour.

Professor Jeremy Mottram, Wellcome Centre for Molecular Parasitology, was awarded the prestigious Wright Medal by the British Society for Parasitology in recognition of his work on molecular parasitology.

Two members of staff featured in the 2007 New Year and Queen’s Birthday Honours Lists:

Emeritus Professor Moira Brown, Clinical Neurosciences, was made an OBE for services to health care in the 2007 New Year’s Honours List.

Professor Peter Holmes, Pro Vice-Principal, was made an OBE for services to veterinary medicine and to higher education in the 2007 Queen’s Birthday Honours List.

The following members of the University were elected Fellows of the Royal Society of Edinburgh in 2007:

Professor Jim Gallagher, Visiting Professor of Government, School of Law

Professor David Gillespie, Professor of Transcription & Cell Cycle Control

Professor Tessa Holyoake, Professor of Experimental Haematology

Professor Ruth Jarrett, Professor of Molecular Pathology

Professor Kennedy Lees, Professor of Cerebrovascular Medicine

Professor Kenneth McColl, Professor of Gastroenterology

Professor Adrienne Scullion, James Arnott Professor of Drama and Head of Theatre Studies

Professor Hugh Willison, Professor of Neurology
Honorary degrees

The University conferred 19 honorary degrees on distinguished figures from the worlds of arts, business, law and science during 2006–7.

Doctor of Divinity
The Reverend Professor Keith Ward
Formerly Regius Professor of Divinity at the University of Oxford

Doctor of Engineering
Professor Olgierd Zienkiewicz
Emeritus Professor and former Director of the Institute for Numerical Methods in Engineering at the University of Wales

Doctor of Letters
Professor Derick Thomson
Poet and Emeritus Professor of Celtic, University of Glasgow

Boyle Family
[Joan Hills (photo 4), Georgia Boyle and Sebastian Boyle] Collaborative artists

Doctor of Laws
Hon Sir Nicolas Bratza
Judge at the European Court of Human Rights

Doctor of Science
Professor Dame Nancy Rothwell
Neuroscientist and Vice-President for Research, University of Manchester

Professor Dame Carol Black
Professor of Rheumatology, Royal Free & University College Medical School and former President, Royal College of Physicians

Professor Joëlle Coutaz
Computer Scientist, Professor ‘Classe Exceptionelle’, University of Grenoble, France

Professor Peter Hagoort
Professor of Cognitive Neuroscience, Radboud University, Nijmegen, The Netherlands

Professor Sir Roddy MacSween
Emeritus Professor of Pathology, University of Glasgow

Professor Sir Michael V Berry
Royal Society Research Professor, University of Bristol

Dr John Hall
Fellow, JILA Research Institute at the University of Colorado, USA

Doctor of Veterinary Medicine & Surgery
Professor John Preston
International Animal Pharmaceuticals Industrialist and former Executive Chairman, Merial Ltd

Doctor of the University
Reverend Douglas Alexander
Churchman and advocate for social justice

Ms Olivia Giles
Volunteer fundraiser

Mr Donald Kaberuka
President, African Development Bank

Ms Rachel Lomax (photo 5)
Deputy Governor, Bank of England

Ms Shonaig MacPherson
Chair, National Trust for Scotland

Ms Susan Rice CBE
Chief Executive, Lloyds TSB Scotland

Sister Brigid McNally, assistant Catholic chaplain of the University for the past 15 years, was awarded an Honorary Fellowship of the University.
## Income and expenditure

<table>
<thead>
<tr>
<th></th>
<th>2006-7 £’000</th>
<th>2005-6 £’000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Income</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Funding Council grants</td>
<td>145,083</td>
<td>130,934</td>
</tr>
<tr>
<td>Tuition fees and education contracts</td>
<td>59,966</td>
<td>53,205</td>
</tr>
<tr>
<td>Research grants and contracts</td>
<td>97,630</td>
<td>90,050</td>
</tr>
<tr>
<td>Other income</td>
<td>52,444</td>
<td>47,447</td>
</tr>
<tr>
<td>Endowment and investment income</td>
<td>6,620</td>
<td>5,347</td>
</tr>
<tr>
<td><strong>Total income</strong></td>
<td>361,743</td>
<td>326,983</td>
</tr>
<tr>
<td><strong>Expenditure</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Staff costs</td>
<td>200,353</td>
<td>186,282</td>
</tr>
<tr>
<td>Exceptional restructuring costs</td>
<td>-</td>
<td>6,209</td>
</tr>
<tr>
<td>Other operating expenses</td>
<td>140,026</td>
<td>118,250</td>
</tr>
<tr>
<td>Depreciation</td>
<td>15,003</td>
<td>14,184</td>
</tr>
<tr>
<td>Interest payable</td>
<td>42</td>
<td>87</td>
</tr>
<tr>
<td><strong>Total expenditure</strong></td>
<td>355,424</td>
<td>325,012</td>
</tr>
<tr>
<td>Surplus on continuing operations after depreciation of fixed assets at valuation</td>
<td>6,319</td>
<td>1,971</td>
</tr>
<tr>
<td>Gain on disposal of assets</td>
<td>9,080</td>
<td>690</td>
</tr>
<tr>
<td>Surplus on continuing operations after depreciation of tangible fixed assets at valuation and disposal of assets</td>
<td>15,399</td>
<td>2,661</td>
</tr>
<tr>
<td>Transfer from accumulated income within specific endowments</td>
<td>(415)</td>
<td>(734)</td>
</tr>
<tr>
<td>Surplus for year retained within general reserves</td>
<td>14,984</td>
<td>1,927</td>
</tr>
</tbody>
</table>

The income and expenditure account is in respect of continuing activities.

### Consolidated statement of historic cost surpluses

<table>
<thead>
<tr>
<th></th>
<th>2006-7</th>
<th>2005-6</th>
</tr>
</thead>
<tbody>
<tr>
<td>Surplus on continuing operations</td>
<td>14,984</td>
<td>1,927</td>
</tr>
<tr>
<td>Difference between historical cost depreciation and the actual charge for the period calculated on the revalued amount</td>
<td>3,809</td>
<td>3,589</td>
</tr>
<tr>
<td>Realisation of property revaluation gains of previous years</td>
<td>5,872</td>
<td>727</td>
</tr>
<tr>
<td>Historical cost surplus for the period</td>
<td>24,665</td>
<td>6,243</td>
</tr>
</tbody>
</table>
Facts and figures

Senior Officers 2006-7

Chancellor
Professor Sir Kenneth Calman
KCB, MD, PhD, FRCS, DL, FRSE

Principal and Vice-Chancellor
Sir Muir Russell KCB, DL, FRSE

Chancellor’s Assessor
Mrs Joy Travers LLB, CA, ATII

Secretary of Court
Mr David Newall BA, CPFA

Clerk of Senate
Professor Andrew Nash
BVMS, PhD, CBiol, FIBiol, DipECVIM, MRCVS

Director of Finance
Mr Robert Fraser
BSc, MBA, CA

Rector
Mr Mordechai Vanunu
BA

A Register of Interests of Members of the University Court and Senior Management is maintained by the University. Application for copies may be made in writing to the Secretary of Court or the Register may be inspected on personal application to the Court Office.

Number of staff 2006-7

- Clinical 219 (3.8%)
- Management, professional and administration 1,594 (27.5%)
- Operational 966 (16.6%)
- Research and teaching 2,446 (42.1%)
- Technical and related 582 (10.0%)
- Total 5,807

Student numbers 2006-7

- Undergraduates 15,470 (76.0%)
- Postgraduates 4,874 (24.0%)
- Total 20,344 (100%)

Home residence of students 2006-7

- In or under 30 miles from Glasgow (47.1%)
- Over 30 miles from Glasgow but within Scotland (24.8%)
- Outwith Scotland but within UK (12.5%)
- Outwith UK but within EU (6.1%)
- Outwith EU (9.5%)

Students by faculty 2006-7

- Sciences (22.8%)
- Arts (22.8%)
- Law, Business & Social Sciences (19.9%)
- Clinical Medicine (12.0%)
- Education (11.2%)
- Engineering (7.0%)
- Veterinary Medicine (3.1%)
- Dumfries Campus (1.2%)
Find out more

For further information contact:
Corporate Communications
University of Glasgow
3 The Square
Glasgow G12 8QQ
Email: communications@gla.ac.uk
Tel: +44 (0)141 330 4919
www.glasgow.ac.uk