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Vice Chancellor’s Introduction

It gives me great pleasure to introduce my first Annual Report as Vice-Chancellor of the University of Surrey. I hope that you find the report an interesting and informative summary of the University’s many achievements during a very busy year.

If I were to choose one word that best sums up what this report says about the University of Surrey, it would be ‘quality’. Surrey has an aspiration and a commitment to achieve the very highest quality in all that it does. In this report, you will find numerous examples of how the University is living up to that commitment in many different areas, from its top-rated research base and high-calibre teaching, to a highly regarded reputation for innovation and enterprise.

The focus of the report is quite deliberately on our people – the staff, students and supporters who together create a successful and dynamic University community. Although there are many fascinating stories that could be told, we have been able to choose only a few. But they say a great deal about the University and its priorities, and the different ways our people are working to fulfil our vision of ‘Understanding and shaping the real world’.

Highlights of 2004/2005 include:

• The opening in June 2005 of the Postgraduate Medical School, our £10m landmark building on Manor Park. In addition to University staff, the School houses colleagues from the NHS in a regional centre of excellence for health education and research. Early examples of successful collaboration between the University and its regional health partners include the appointment of Professor Michael Bailey – one of the UK’s leading surgeons in the area of keyhole surgery – as a visiting Professor (see Page 8), and Professor Margot Umpleby’s research into insulin resistance in diabetes (see Page 9). The year also saw the establishment of a Chair of Urological Oncology and a new centre for prostate cancer research. In June, a new training unit to combat bowel cancer was launched in the Postgraduate Medical School, with substantial sponsorship from the Guildford Undetected Tumour Screening against Cancer (GUTS).

• The work of Professor Ravi Silva and his colleagues on the potential applications of nanotechnology in industry, in particular the exciting possibilities of using patented technology developed at Surrey to ‘grow’ carbon nanotubes at low temperature. On Page 4, Professor Silva also introduces some provocative ideas about the role nanotechnology could play in addressing what is regarded as the biggest challenge facing humanity over the next 50 years: energy consumption.

• Surrey Satellite Technology Limited’s (SSTL) continued success as the world leader in innovative small satellite technology. During the year in review, SSTL won the 2004 World Technology Network Award for Space and received the Queen’s Award for Enterprise. On Page 5, founder and chief executive Professor Sir Martin Sweeting talks about his vision for the future of ever-smaller, highly responsive satellites.

• Surrey’s continuing development as a University committed to innovation and enterprise. During the year, we launched the Centre for Enterprise and Entrepreneurship Development (CEED), which provides support and advice for budding entrepreneurs like Surrey student Simon Blamires (see Page 7) on all aspects of entrepreneurialism, from idea generation to business planning and commercialisation.

• The University’s ongoing financial stability. During 2004/2005, Surrey maintained a robust financial position (see Financial Statements on page 24). However we operate in a sector that is undergoing significant change, including increasing global competition. One of our biggest challenges moving forward is to ensure that we remain competitive, which will inevitably involve adaptation and adjustment.

• Our commitment to improving teaching and learning. In January 2005, Surrey was successful in its bid to the Higher Education Council for England to become a Centre for Excellence in Teaching and Learning. The new centre (called SCEL/P6, or The Surrey Centre for Excellence in Professional Training and Education) aims to enhance the learning experience of students, especially those on professional placement, using an enquiry-based approach to education.

• Our performance in University League Tables. We significantly improved our standing in The Guardian newspaper’s annual University League Table, rising 24 places to 18th overall for undergraduate programmes. Surrey was rated Number 1 in the country for Tourism, with six other courses rated in the Top 10 and a further six within the Top 20 (see Facts and Figures on page 26).

My predecessor, Professor Patrick Dowling, was Vice-Chancellor for much of the year reviewed in this Annual Report, and I welcome this opportunity to pay tribute to his sterling leadership over eleven very challenging and successful years for the University. I am confident that Surrey will build on these successes and move forward to take a leading position in the UK and international Higher Education sector.

I hope that you enjoy reading this Annual Report and learning more about the University’s many achievements over the past year.

Professor Christopher M. Snowden FRS FREng FIEE FIEEE FCGI
Vice-Chancellor and Chief Executive
Shaping the future

Professor Ravi Silva

Of all the major problems facing humanity over the next 50 years, one issue stands out above all the rest: energy consumption. With reserves of fossil fuels expected to peak within the next decade, how will we generate enough energy to satisfy rapidly increasing demands for power?

It is an issue that Professor Ravi Silva, Director of Surrey’s Advanced Technology Institute, follows with great interest.

“Before he died earlier this year, the nanotechnology pioneer and Nobel Laureate Professor Rick Smalley of Rice University published some interesting figures that really underline how serious this problem is.”

Over the next 50 years, the world’s population is expected to increase from six billion people to more than ten billion. Simply to maintain current standards of living, energy consumption will more than double.

To bring developing nations up to the level of energy consumption currently enjoyed by the West (around two kilowatt-hours per person), Rick Smalley calculated that the world would need to generate a staggering 60 terawatts of energy per day (equivalent to 900 million barrels of oil), compared with the current figure of 14.5 terawatts.

Where will all this energy come from? Professor Silva believes, as did Rick Smalley, that nanotechnology could provide the answer.

“We are surrounded by energy. For example, the world is bathed in 165,000 terawatts of solar energy every moment. The challenge is to develop a way of capturing, storing and distributing some of that energy cheaply and efficiently.”

Professor Silva’s team at Surrey is exploring the possibility of producing highly efficient, large area solar cells that take advantage of the remarkable conductive properties of carbon nanotubes. It is based on patented technology developed at the University to ‘grow’ carbon nanotubes at low temperature, in combination with solution processing of organics to create flexible plastic solar cells.

“The research is showing some very exciting possibilities. We have a long way to go, but I am confident that nanotechnology will play a major part in solving many of the world’s future technological challenges.”

Professor Sir Martin Sweeting

Imagine a communications satellite small enough to fit in the palm of your hand. Or a range of ‘disposable’ satellites that are so easy and cheap to produce that they can be used for brief one-off missions and then decommissioned only months later. Science fiction? Not at all. In fact, both of these visions are realistically achievable within the next ten years, says Professor Sir Martin Sweeting, founder and chief executive of Surrey Satellite Technology Limited (SSTL).

SSTL, a University of Surrey spin-out company, is already recognised as the world leader in small satellite technology. In 2005, one of its Guildford-built satellites, GIOVE-A, was selected (against much bigger space rivals) to be the first into space as part of ‘Galileo’, the ambitious European global navigation satellite system. The satellite was successfully launched in December 2005.

With technology advancing rapidly, and the costs of space access coming down, the potential for small satellites is limitless. Sir Martin and his team are already exploring the possibilities of creating ‘swarms’ of tiny credit card-sized satellites that would work together as a powerful integrated system.

“I think we will also see the advent of highly responsive, short-term space missions. For example, if you needed to monitor chemical levels in the atmosphere after a major industrial accident, you could simply ‘bolt on’ the necessary testing equipment to a pre-built, off-the-shelf satellite and launch it into space. Turnaround time could be as little as 48 hours, compared to years currently.”

“I also believe that affordable space access could have an important role to play in reducing political tensions and potential conflicts between nations. If every country had its own High Definition Earth Observation system, there would be much greater transparency across borders and fewer secrets.”
Enterprising students

Claire Iles

Taking that first step into the busy working world can be a daunting prospect for any student, but as recent Surrey graduate Claire Iles points out, there is a lot you can do to ease the transition.

Claire graduated with a BSc (2.1) in Psychology in June 2005, and started work in the sleek London headquarters of leading financial services group Smith & Williamson barely three weeks later. It was a big challenge, but one that Claire felt well prepared to take on, thanks to the practical, work-based skills that she had already acquired before graduating.

Claire was one of the first to get involved in Surrey’s Development, Accreditation, Volunteering and Employability project (popularly known as ‘DAVE’), a highly successful programme run by the Students’ Union to help students develop the personal and professional skills needed for the workplace.

She also credits her professional placement year (helping to run the busy Students’ Union as Vice President Education and Welfare) for exposing her to the challenges of a demanding office environment. Around 80 per cent of Surrey students spend a year working in industry as part of their degree programme, and Claire has no doubt that it gives them an edge when competing for jobs.

“Having practical working skills already under your belt when you go for interviews makes a real difference to employers, and helps you to stand out from other candidates. I would also encourage Surrey students to make the most of the University’s careers service team, who can help you create a strong CV and even conduct mock job interviews, which can really boost your confidence for the real thing.”

Simon Blamires

Successful entrepreneurs often have a knack for making money from a very early age, and Surrey student Simon Blamires is no exception. He launched his first venture at 14, buying sweets from the Post Office in the morning for 10p a bag, and selling them later at school (where there was no shop or vending machine) for 20p! At 17, he set up a small web design business, and has over the years dabbled in what he calls other “little schemes”.

So it is really no surprise to find Simon running yet another start-up business as part of his professional placement year at Surrey. Studying for a BSc in Entrepreneurship in Technology, IT and Business, he has created a company called Just Laptops Limited, which sells refurbished, ready-to-use laptop computers to home buyers online at www.justlaptops.com.

Simon is the first Surrey student to undertake a self-employed placement year, a new programme designed to encourage students to develop their practical entrepreneurial skills. He receives valuable support from UniSidirect and the Centre for Enterprise and Entrepreneurship Development (CEED), including advice and resources at the recently opened SEEDpod drop-in centre on campus. Simon’s placement year mentor, Mark Smith, from the SETsquared Centre at UniSidirect, is also on hand to provide support and advice when needed.

“This is the biggest business challenge I’ve faced so far, and it involves a lot of hard work. But it is a great experience, and I’ve already learnt a great deal in a very short time. I’ve had to get to grips with all aspects of the business, from negotiating prices with suppliers, discussing technical requirements with customers and selling solutions to them, arranging marketing and advertising, designing the website, providing customer support...the list is endless!”
Improving health

Professor Michael Bailey

With the ability to carry out major operations with very small incisions – 10mm in many cases, and sometimes only 5mm – “keyhole surgery” is a far less invasive form of surgery than traditional procedures, with obvious benefits for patient recovery.

Professor Michael Bailey is one of the UK’s foremost surgeons in this rapidly expanding area of medicine. He is a consultant surgeon at the Royal Surrey County Hospital, a Visiting Professor at the University of Surrey, and Director of the Minimal Access Therapy Training Unit (MATTU), which recently moved into the new Postgraduate Medical School (PGMS) building on Manor Park.

“Keyhole surgery is quite different from traditional surgery – with specialist equipment and techniques – so surgeons need to be re-trained in the necessary skills. The MATTU was one of three training centres created in the UK in 1995, and it has been very successful, attracting surgeons from around the world. But it has been limited by its size.”

* Our new facilities in the PGMS building have enabled us to increase training capacity from 20 to 100 people at any one time, which is a welcome expansion. It has also allowed the hospital and University to build a closer working relationship, which can only benefit both sides.*

“I think that there are great opportunities to strengthen that relationship further, including the possibility eventually of developing an undergraduate medical school. With University-based medical students walking the wards of the Royal Surrey County Hospital, we would have a truly integrated relationship.”

Professor Margot Umpleby

Professor Margot Umpleby joined the University of Surrey in July 2005 from King’s College London, and is now Professor of Human Metabolism and Head of Diabetes and Endocrinology in the Postgraduate Medical School.

Her particular area of interest is insulin resistance in diabetes – what causes it, and what role do genes play? She is also investigating the causes behind the high levels of fats that type 2 diabetics have in their blood.

Professor Umpleby and her research team recently published a paper showing how a specific genetic abnormality can cause insulin resistance in a rare form of diabetes, which they hope will unlock the secrets of more complex forms of the disease.

“By understanding how a single gene can cause insulin resistance, we may in future understand more about what happens in type 2 diabetes, which is a polygenic disease, where lots of different genes influence the development of insulin resistance.”

For Professor Umpleby and her team, collaboration with the Royal Surrey County Hospital is of paramount importance, because their research relies on being able to study real patients with type 2 diabetes.

“We are part of the new PGMS building is ideal for us in that respect. Not only do we have marvellous new laboratories and facilities, our close proximity to the hospital makes collaboration easy and effective, which benefits both the clinical and academic sides of the relationship.”
Lee Reynolds

Budding composer Lee Reynolds has always had a love for music, and is now in the second year of the BMus programme at Surrey. He plays several instruments, including the cello, and enjoys a range of different music styles.

One of the main attractions of the Surrey degree for Lee was its emphasis on performance. Students are encouraged to take part in live recitals as much as possible, with performances held every Tuesday and Wednesday during term. Lee has also been able to further his interests in composing, and has even found time to play in an orchestra and to direct musicals in his home town in Sussex.

Looking to the future, Lee is keen to keep his options open after graduation. He feels that the broad base of the Surrey BMus will provide a very good platform for launching a career in any one of several musical directions, including composing, conducting or even event management.

Margrét Gísladóttir

Margrét Gísladóttir, originally from Reykjavik in Iceland, arrived at Surrey in 2005 to study for a Masters in Dance Cultures, Histories and Practices. Her goals are to broaden her studies, open doors to other educational opportunities, and develop further her career in teaching.

Margrét’s decision to study at Surrey was based mainly on the variety of modules on offer, which she feels enable students to add to their knowledge no matter what their background is in Dance. Surrey’s close proximity to London also means that she will be able to attend some of the top shows and dance performances during her time in the UK.

To complement her course subjects, Margrét is taking advantage of the University’s foreign language short courses and creative writing classes. She also has teaching responsibilities, and was awarded a Teaching Assistantship for 2005/2006. She fully encourages other overseas students who are considering studying in the UK to take the plunge. Margrét strongly feels that being from overseas and a non-native English speaker should not be seen as an impediment by prospective students – previous experience and background are just as important.

Emily Gorrod

Emily Gorrod has just started the final year of her BA (Hons) Dance and Culture degree at Surrey, and will soon turn her attention to preparing her written dissertation. It was this balance between the mental rigours of academia and the physicality of dance itself that attracted Emily to Surrey in the first place. The programme modules offer a range of opportunities for professional development with a strong vocational edge.

For her professional placement year, Emily worked with the Dance Xchange in the West Midlands, and The Place, a contemporary dance school in London. This invaluable practical experience has shown Emily the types of careers available to dance graduates and what those careers actually entail.

Emily also feels that her degree programme has given her some excellent opportunities to perform in a variety of dance projects in and around Surrey, including student shows, site specific work, composer and choreographer workshops, and projects with visiting professionals.

Vikki Soanes

Currently studying for a degree in Music with Computer Sound Design, single parent Vikki Soanes can thank her local radio station for her new life at Surrey. It was while listening to an advertisement that she had a flash of inspiration to develop her skills further.

After making some enquiries into what options were available, her decision to come to Surrey was settled by the excellent support package on offer to mature students at the University, as well as a generous grant for childcare assistance from her local authority.

So far Vikki has found the ‘Creating Music with Computers’ module to be the most interesting, as it aims to develop students’ understanding of the computer systems and software involved in generating, processing and editing musical material for electronic and electroacoustic pieces.

Vikki also enjoys performing in the local choir and taking part in various acoustic and electronic ensembles.
Year in Review

**September 2004**

Professor Tim Jackson was appointed to a new government body, funded by DEFRA and the DTI, to investigate how changes in our patterns of consumption can help protect the environment both now and in the future.

The University welcomed a delegation of academic and business leaders from Iizuka City, Japan to discuss collaboration opportunities for biotechnology and IT venture companies in Japan and Surrey.

Professor Roland Clift was appointed as Specialist Adviser to a sub-committee conducting an inquiry into the Government’s policies on energy efficiency.

Professor David Airey was named as the winner of the EuroCHRIE Presidents’ Award for Outstanding Achievement, which recognises “an outstanding contribution to the hospitality industry and to education”.

Professor Ri Hornung of PGMS was elected to the Council of the Royal Society of Medicine.

**October 2004**

Professor Bernard Weiss was awarded an IEE Achievement Medal “for his outstanding contributions to integrated optics and optoelectronics”.

HRH The Earl of Wessex unveiled a magnificent bronze statue of pre-eminent Guildford scientist Alan Turing, and visited the Performing Arts Technology Studios, student radio station GU2 and Surrey Satellite Technology Limited (SSTL).

Professor Greville Corbett was awarded one of only eight ESRC Professorial Fellowships in social sciences in 2004.

Dr Kim Howells MP, Minister of State for Lifelong Learning, Further and Higher Education, officially opened the new School of Management Building.

Planning permission was granted for the initial phase of student and staff residences on the University’s Manor Park site.

SSTL won the 2004 World Technology Network Award for Space, scooping the prize against stiff competition from the JPL Cassini-Huygens team, NASA’s International Space Station and Mars Rover Teams, and SpaceX.

Khurshid Ahmad, Professor of Artificial Intelligence, was elected a Fellow of the British Computer Society.

**November 2004**

Dr Jason Devereux of the European Institute of Health and Medical Sciences published a pioneering new study into stress and musculoskeletal disorders, revealing some startling findings on the effects of work-related stress.

Lord Sainsbury of Turville, Parliamentary Under-Secretary of State for Science and Innovation, gave the annual Leggett Lecture on the subject of ‘Universities in the Knowledge Economy’.

The Rt Hon John Redwood MP was once again welcomed to the School of Management for this year’s briefing entitled “Private – Public Partnerships in Public Sector Services”.

Surrey’s Department of Sociology became the first in the world to have its own Access Grid Node, an enhanced form of video teleconferencing that enables visual images and sound to be exchanged between different computers. The project was led by Professor Nigel Fielding with funding from the ESRC e-Social Science programme.
Year in Review (continued)

December 2004

Dr Brian Gennery was appointed as expert in ‘Life Sciences, Genomics and Biotechnology for Health’ at the European Commission.

The University announced the latest phase of its collaboration with the Vinca Institute of Nuclear Sciences to create an Ion Beam Centre at the Belgrade institution.

A large-scale research study was conducted by Dr Simon Archer at the National Science Museum to investigate the link between the body clock, sleep and genes.

January 2005

Professor Michael J. Kearney was appointed Head of the School of Electronics and Physical Sciences.

Surrey was successful in its bid to the Higher Education Council for England to become a Centre for Excellence in Teaching and Learning, focusing on professional training.

Surrey graduate, Suzanne Johnson, was awarded a Salters’ Institute Graduate Prize, an award made to individuals who combine the highest levels of academic achievement with professional skills and activities in industry.

It was announced that Professor Ian Kitchen’s team is to lead a major European research initiative in the genetics of drug addiction, funded by an £8.1m contract from the European Commission’s Framework Six.

Surrey announced the sale of a ten per cent stake in SSTL to California-based commercial rocket company SpaceX.

A consortium of scientists and industry specialists led by Surrey won a £1m research grant from the Carbon Vision Programme, funded by the Carbon Trust and EPSRC, to investigate the levels of emissions of carbon dioxide and other greenhouse gases from different industrial sectors in the UK.

February 2005

Professor Mark Gillan joined Surrey as the first Sir George Edwards Chair in Aerospace Engineering. He was formerly Head of Vehicle Performance at Red Bull Racing.

A new sculpture called ‘Spine’ was installed beside the lake on the Stag Hill campus, and was highly commended later in the year by Guildford Borough Council.

Surrey was the lead scientific institution on BBC 1’s ‘How to Sleep Better’ television special.

Over 1,300 staff, students and guests welcomed Chinese New Year at the biggest celebration of its kind in the region.

Professor Nicholas Emler, newly appointed as Head of the School of Human Sciences, gave his inaugural Professorial lecture on why gossip is what separates humans from all other species.

Lord Swraj Paul shared many insights from his long and successful career in a lecture entitled ‘The Caparo Story’ given to Surrey MBA students.

To celebrate 2005 as Einstein Year, Dr Jim Al-Khalili was one of two co-presenters of the Channel 4 programme, ‘The Secret of Einstein’s Brain’.

Professor Ross Lawrenson, Dean of Medicine and Head of Surrey’s Postgraduate Medical School, received the Dean’s Award in recognition of his work in promoting education among general practitioners.
Year in Review (continued)

March 2005

Surrey's world-class expertise in nanotechnology research was the key contributor to an exhibition entitled ‘Nanotechnology: small science, big deal’ at the Science Museum in London.

Surrey's Big Band won the title of National Open Big Bands Champion for an unprecedented third year in a row.

Research by Professor Neil Rickman and Dr Robert Witt showed that, since becoming full-time professionals in the 2001/2002 season, football referees' match decisions have become more impartial.

International Week was launched at Rubix. The USSU-organised evening was a colourful celebration of Surrey's diverse international student population.

Against the backdrop of the Government’s introduction of variable fees in 2006, Surrey announced a range of financial support packages for full-time UK/EU undergraduates, to reward academic excellence and provide financial support where it is most needed.

April 2005

Quantum Filament Technologies was created as a cross-border ‘spin-out’ from the Universities of Surrey and Dundee, and will develop radical new nanotechnology-based techniques in the field of flat panel displays.

Surrey improved its position significantly over previous years in The Guardian’s University League Table, rising 24 places to 18th overall for undergraduate programmes (out of 122 universities). Surrey was rated first in the country for the study of Tourism, with six other courses rated in the Top 10 in their field in the UK, and a further six within the Top 20.

Hussain Al-Shahristani, a visiting Professor at Surrey and Deputy Speaker of the Iraqi Parliament, helped create the foundations for The Iraqi Academy of Science.

Barry Hitchcock, Director of UniSport, was presented with the AD Munrow award at the University & College Sport annual conference.

An international trio of scientists, including Surrey’s Dr Alan Dalton, won a three-year, US$1.1m research grant to study the use of carbon nanotubes in medicine.

Along with four other European institutions, Surrey was awarded €4.4m by the EU to create a multi-disciplinary Marie Curie Training Research Network to investigate the causes and implications of poor sleep patterns. Surrey is the only academic institution in the network to be investigating two distinct areas of sleep research, with Professor Sara Arber (SHS) and Professor Debra Skene (SBMS) taking the lead.

In the lead-up to the General Election, Liberal Democrat Leader Charles Kennedy visited the European Institute of Health and Medical Sciences.

May 2005

The Chancellor, HRH The Duke of Kent, officially opened the University’s new I-Lab, a unique multidisciplinary research centre for testing user interactions with new technologies.

The University, the Royal Surrey County Hospital, and The Prostate Project signed an agreement to establish a Chair of Urological Oncology and a new centre for prostate cancer research in Guildford, based at the Postgraduate Medical School.

Surrey Research Park-based company OmniPerception, which uses technology developed at Surrey, secured major venture capital funding to develop further its leading technologies in Computer Vision and Intelligent Personal ID.

Dr Wei Sun of SETL was chosen as the 2004 BEXA-WiB Achievement Award winner in recognition of her outstanding contribution to UK exports.

Surrey’s James Murray demonstrated incredible physical and mental stamina to complete a 300-mile expedition to the North Pole for charity.

Professor Christopher Snowden, Surrey’s Vice-Chancellor Designate, was appointed a Fellow of The Royal Society in recognition of his pioneering work in the fields of microwave engineering and compound semiconductors.
Year in Review (continued)

June 2005

Loyd Grossman gave the 27th Edith Clarke Lecture and delivered an insight into the rationale behind the controversial subject of hospital food.

HRH The Duke of York visited SSTL and formally presented the Queen’s Award for Enterprise to the company.

Professor Nicholas M. Spyrou was awarded the internationally prestigious George Hevesy Medal at the 8th International Conference on ‘Nuclear Analytical Methods in the Life Sciences’ in Rio de Janeiro.

A new state-of-the-art training unit to combat bowel cancer was launched at PGMS, with financial support from the Guildford Undetected Tumour Screening against Cancer (GUTS).

Surrey’s Vicki Hansford not only won the 100m in the T44 category at the British Open Championships, but also set a new British record of 16.1 seconds for the event. She is now setting her sights on the Beijing Paralympic Games in 2008.

Honorary degrees of Doctor of the University were conferred on cricketer Alec Stewart and Nobel Prize winner Professor Sir Harry Kroto in recognition of their contributions to the fields of sport and science respectively.

Surrey graduate, Dr Andrew Scott, was chosen to receive the John A. Curry Award by the World Association for Cooperative Education (WACE).

July 2005

Surrey bade farewell to former Vice-Chancellor, Professor Patrick Dowling, and welcomed Professor Christopher Snowden to the role.

Professor Bernard Weiss was elected a Fellow of The Royal Academy of Engineering, joining the very highest achievers in UK engineering and technology.

The University’s Hospitality Catering Services team achieved Hospitality Assured, the internationally recognised, industry-specific standard for delivering business and service excellence in the hospitality industry.

The School of Arts was renamed the School of Arts, Communication and Humanities under the leadership of newly appointed Head of School, Professor Colin B. Grant.

Surrey scientists took the lead on an international, £7m nanomaterials project called NAPOLEON to develop new types of coatings, adhesives and cosmetics with outstanding properties.

August 2005

Surrey spin-out company RecombinoGen Ltd announced preliminary data indicating that its series of related novel antibiotics are effective against potentially deadly multi-resistant bacteria such as MRSA.

UniSport hosted its ninth year of summer Children’s Activity Weeks, with a programme that included team games, dance, football, climbing, trampolining, ice skating, ten-pin bowling, canoeing, archery and laser quest.
Senior Management

Professor Bernard Weiss – Pro-Vice-Chancellor

The University has four priorities in the area of staff development for the coming year. The first is to raise the profile of Health and Safety in the University, and to develop a culture of awareness of Health and Safety issues across the campus. We will also be working to enhance further the student experience, and to make Surrey the university of choice among our key markets. We will achieve this by addressing student needs, and improving facilities to support student learning. We will continue to raise the University of Surrey’s profile internationally, with an emphasis on increasing overseas student recruitment and establishing strategic partnerships. Finally, we will work to increase equality and diversity awareness among our staff through training, staff induction (in particular the probationary process), and other programmes to support the development of staff capabilities.

Professor Andy Robertson – Pro-Vice-Chancellor

In many ways, we are just coming to terms with the consequences of the last Research Assessment Exercise (RAE) in 2001. Whatever the rights and wrongs of RAE 2008, all of the University’s staff need to help ensure that Surrey maximises the impact of its submission. The RAE is about research quality and sustainability – it measures activity and outcomes, not individuals. Its importance is clearly financial (in the region of £13m per annum currently), but it is also of critical importance to our prestige and reputation, and in the recruitment of staff and students. Our submission will be based on evidence, strategy and good judgement in the interests of the University as a whole. It will require a strong collegiate and collective endeavour. I will work in an open and transparent way to ensure the best possible outcome, and I will need the help of all staff.

Professor Barry Evans – Pro-Vice-Chancellor

The first challenge in research is to extend further the increase (some £3m, or 14 per cent) that we secured this year in our research grants and contracts income as a result of a focussed, more managed approach, and our investment in research strategy. This has to be done in the face of increased competition in the research councils and the introduction of full economic costs. On the research output side, our priority is to ensure increased quality for the Research Assessment Exercise 2008 submission. We have been very successful in the delivery of our Enterprise Strategy, particularly in creating spin-out companies, increasing revenue from Intellectual Property Rights (IPR), and establishing entrepreneur/enterprise education. We have managed to change the academic culture, and now need to respond to this funding pipeline and renew resources via HEIF3.

Professor John Turner – Deputy Vice-Chancellor

In 2005 the Schools of the University have risen to the challenge of student recruitment in a difficult year, stepped up their research income, publications and other output; and extended their enterprise activity. Restructuring in the School of Arts, Communication and Humanities and in the School of Electronic and Physical Sciences has put us in a strong position to move forward. Our priorities for next year are to build on that restructuring, and on the work of previous years in other Schools, to sustain and improve the quality of our education and research. There will be renewed emphasis on international partnerships and new forms of distance learning, and, at home, on meeting the changing educational and research needs of the local health economy.

Greg Melly – Director of Corporate Services

Corporate Services in the Surrey context covers those activities and departments which are required for the effective operation of facilities, support services, commercial services and the development of the University’s markets. The departments include Human Resources, Business Support and Improvement, Estates and Facilities, Unidirect, Unisport, Marketing and Public Affairs, the Surrey Research Park, Commercial operations and the Alumni and Development Office.

The sector is dynamic and undergoing exciting changes which provide both challenge and opportunity. Change is speeding up and will continue to do so as institutions respond to increased competition nationally and internationally. Winners in this environment will be those that show market focus, leadership and speed whilst delivering high quality services at good value. Our people are responding well to these challenges of change and have implemented numerous improvements over the past twelve months that have sharply increased productivity and value whilst reducing costs.

Professor David Airey – Pro-Vice-Chancellor

The coming year presents two key challenges for learning and teaching at Surrey. The first is to build on excellent practice. The award in 2005 by HEFCE of a Centre of Excellence for Teaching and Learning at Surrey to be devoted to professional training (known as SCEPTRE) gives recognition for our work in this field. More importantly it creates an opportunity to develop our work and keep us in the forefront of this key aspect of our provision. The second, through the Academic Reform Programme, is to examine all aspects of learning and teaching and to introduce wide-sweeping change in activities from assessment and feedback to classroom practice and recognition of teaching. The commitment is to ensure that all our students have a first class learning experience.

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High Officers

Sir William Wells, Chairman of Council

A Chartered Surveyor by profession, Sir William Wells has a long association with many aspects of the National Health Service. He brings extensive commercial experience, as well as knowledge of the public sector, to his role as Chairman of Council. He has served as Chairman of various Health Authorities at local and regional levels and is currently Chairman of the NHS Appointments Commission. He is also Chairman of the Advisory Board of the Department of Health and a Member of the General Council and Management Committee of the King’s Fund. Sir William is Vice President of the National Association of Hospital and Community Friends and of the Royal College of Nursing, and an Honorary Fellow of the Royal College of Physicians. He has served on the University Council since 1998, becoming Chairman in 2001.

The Rt Hon Baroness Bottomley of Nettlestone, Pro-Chancellor

Baroness Bottomley is a Director of the executive search and selection company Odgers Ray & Berndtson, chairing the company’s Not-For-Profit practice. She served as MP for South West Surrey for 19 years until 2005 and was appointed a Privy Councillor in 1992. Having held a number of ministerial appointments, Virginia Bottomley was Secretary of State for Health and subsequently for National Heritage. She is President of the Farnham Castle, Centre for International Briefing, a Trustee and Fellow of the Industry and Parliament Trust, National President of the Abbeyfield Society and a Lay Canon of Guildford Cathedral. She is on the Supervisory Board of Akzo Nobel NV. She is well placed to make an input into several of the University’s strategic initiatives, for example in the area of Health and Medical Sciences. Baroness Bottomley was appointed as a Pro-Chancellor in 2005.

Baroness Perry of Southwark, Pro-Chancellor

Baroness Perry was appointed Her Majesty’s Inspector in the Department for Education in 1970, becoming Her Majesty’s Chief Inspector in 1981. She was subsequently Vice-Chancellor of South Bank University and then President of Lucy Cavendish College, Cambridge. She is a Trustee of the Cambridge Foundation and President of the Higher Education Foundation. As Co-Chair of the All-Party Parliamentary Universities Group, Baroness Perry has made a distinctive contribution to the University’s affairs from a wide range of education and other interests. She is a member of the Select Committee on Science and Technology and of a number of previous Select Committees – for example on Stem-Cell Research and Human Rights. Baroness Perry was appointed as a Pro-Chancellor in 2001.

Mr Douglas Robertson CBE DL, Pro-Chancellor

By profession a Chartered Quantity Surveyor, Douglas Robertson is a Principal in the Surveyors Collaborative. He brings to his role as a Pro-Chancellor a wealth of many years’ experience of public service and a wide knowledge of local authorities in the Surrey region. He is a past Chairman of Surrey County Council and a former High Sheriff of Surrey. At a national level his interests extend to being Chairman of National Crimebeat Ltd. Locally he has been Chairman of several health trusts and is currently Chairman of the North Surrey Primary Care Trust. He is Chairman of Surrey Social Market & Research Ltd and a Director of Research Park Developments Ltd. He served as Chairman of the University Council from 1994-97 and was appointed as a Pro-Chancellor in 1998.

Dr John Forrest CBE FREng, Pro-Chancellor designate

Dr Forrest is Chairman of the Advisory Board of the technology merchant bank, Interegnum plc. He serves as Chairman or Director of a range of companies in the technology and financial service sectors and has active involvement with universities and industry in Europe and the USA. He has acted as an advisor to the European Commission on technology and was previously a Non-Executive Director of the international venture capital company 3i plc. He has served on many UK Government committees and was founder Chairman of the UK Government Spectrum Management Advisory Board. As Senior Vice-President of the Royal Academy of Engineering, he founded the Academy’s publication Ingenia. He is currently a member of the Advisory Board for the School of Electronic and Physical Sciences. Dr Forrest takes up his appointment as a Pro-Chancellor early in 2006.

drs Jan (Mac) Derwig, University Treasurer

Mac Derwig holds the joint appointments of University Treasurer and Chairman of the Finance Committee. He brings to these roles wide experience of international business. He retired from Unilever in 2000 after an unbroken career of 32 years culminating in senior appointments as Chief Finance Officer Chemicals, Deputy Director for Africa and the Middle East, and Head of Special Projects. He is actively engaged with three charities involved with Child Abuse and Prostate Cancer as Chairman of the Early Age and Staging Project, as Chairman of Prostate Cancer UK and a trustee of the Prostate Project, which is currently funding the Urological Oncology Chair in the Postgraduate Medical School. Mac Derwig is a Member of the Advisory Board of the School of Management. He joined the Finance Committee in 2002 and was appointed University Treasurer in 2003.

Sir Alan Rudge CBE FREng FRS, Pro-Chancellor

Sir Alan Rudge is Chairman of the ERA Foundation and Senior Independent Director on the Board of GUS plc. He brings to the Council wide management experience coupled with expertise in the areas of engineering, science and technology. He is a former Chairman of the Engineering and Physical Sciences Research Council and of the Senate of the Engineering Council. He served as Deputy Chief Executive of BT until 1997 and was subsequently Chairman of WS Atkins until 2001 and Chief Executive of Celtel International BV until 2004. Sir Alan is a Past President of the Institution of Electrical Engineers and Chairman of the Board of Management of the Royal Commission for the Exhibition of 1851. He was appointed as a Pro-Chancellor in 2001.
Financial Statements 2004/2005

The University has achieved a consolidated financial surplus of £5.37m which includes £1.59m from the sale of shares in the University's subsidiary Surrey Satellite Technology Ltd (SSTL). This result has generated additional funds above those budgeted and has enabled the University to continue with its extensive investment programme.

The improved result for 2004/2005 has come from all sections of the University's accounts with the unconsolidated position being better largely because all our budgeted contingency provisions were not required to be utilised.

The University's Research Park, which largely comprises the Foundation Fund, has achieved both a surplus and an enhanced valuation better than forecast, despite challenging trading conditions in the current property letting market.

The University's subsidiary companies also achieved profits in excess of forecast mainly due to the improved performance of SSTL, the University's principal trading subsidiary.

The University's current financial position provides a strong foundation on which to move forward in an increasingly volatile, challenging and competitive environment.

Income and expenditure account for the year ended 31 July 2005

<table>
<thead>
<tr>
<th></th>
<th></th>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Funding Council grants</td>
<td>£000</td>
<td>39,702</td>
<td>36,766</td>
</tr>
<tr>
<td>Academic fees and support grants</td>
<td>£000</td>
<td>43,717</td>
<td>42,535</td>
</tr>
<tr>
<td>Research grants and contracts</td>
<td>£000</td>
<td>27,903</td>
<td>24,810</td>
</tr>
<tr>
<td>Other operating income</td>
<td>£000</td>
<td>46,955</td>
<td>40,119</td>
</tr>
<tr>
<td>Endowment and trust income and interest receivable</td>
<td>£000</td>
<td>9,684</td>
<td>9,501</td>
</tr>
<tr>
<td>Total income</td>
<td>£000</td>
<td>167,961</td>
<td>153,731</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff costs</td>
<td>£000</td>
<td>90,740</td>
<td>83,371</td>
</tr>
<tr>
<td>Other operating expenses</td>
<td>£000</td>
<td>60,324</td>
<td>54,665</td>
</tr>
<tr>
<td>Depreciation</td>
<td>£000</td>
<td>8,456</td>
<td>7,153</td>
</tr>
<tr>
<td>Interest payable</td>
<td>£000</td>
<td>4,695</td>
<td>5,488</td>
</tr>
<tr>
<td>Total expenditure</td>
<td>£000</td>
<td>164,216</td>
<td>150,677</td>
</tr>
</tbody>
</table>

| Operating Surplus on continuing operations | £000 | 3,745     | 3,054     |
| Profit on sale of fixed asset investments | £000 | 1,588     |           |

| Surplus on continuing operations after profit on sale of fixed asset investments but before taxation and minority interests | £000 | 5,333     | 3,054     |
| Taxation                                                                                     | £000 | 107       | (258)     |
| Minority interests                                                                         | £000 | (129)     | (43)      |
| Surplus after taxation and minority interests                                                | £000 | 5,311     | 2,753     |
| Transfer from accumulated income within specific endowments                                  | £000 | 60        | 90        |
| Retained surplus for the year                                                                 | £000 | 5,371     | 2,843     |

Balance sheet as at 31 July 2005

<table>
<thead>
<tr>
<th>Fixed assets</th>
<th>Consolidated</th>
<th>2005</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tangible assets</td>
<td>£000</td>
<td>161,487</td>
<td>129,020</td>
</tr>
<tr>
<td>Investments</td>
<td>£000</td>
<td>30,599</td>
<td>28,292</td>
</tr>
<tr>
<td>Total fixed assets</td>
<td>£000</td>
<td>192,086</td>
<td>157,312</td>
</tr>
</tbody>
</table>

| Endowment asset investments | £000 | 64,115     | 58,459     |

| Current assets | Consolidated | 2005       | 2004       |
| Stocks and stores in hand | £000 | 1,261      | 1,219      |
| Debtors         | £000         | 25,151     | 20,454     |
| Investments     | £000         | 13,851     | 5,588      |
| Cash at bank and in hand | £000 | 13,775     | 22,411     |
| Total current assets | £000    | 54,038     | 49,672     |

| Creditors: Amounts falling due within one year | £000 | (52,530)   | (50,722)   |
| Net current assets/(liabilities)              | £000 | 1,508      | (1,050)    |

| Total assets less current liabilities | £000 | 257,709    | 214,721    |

| Creditors: Amounts falling due after more than one year | £000 | (84,471)   | (64,978)   |
| Provisions for liabilities and charges | £000 | (1,338)    | (1,455)    |
| Total net assets                        | £000 | 171,900    | 148,288    |
| Deferred capital grants                 | £000 | 41,107     | 29,112     |

| Endowments | Consolidated | 2005       | 2004       |
| Specific   | £000         | 1,368      | 1,442      |
| General    | £000         | 62,747     | 57,017     |
| Total endowments | £000 | 64,115     | 58,459     |

| Reserves | Consolidated | 2005       | 2004       |
| Restricted reserves | £000 | 1,291      | 1,125      |
| Revaluation reserve  | £000 | 895        | 738        |
| Income and expenditure account | £000 | 63,992     | 58,758     |
| Total funds before minority interests | £000 | 171,400    | 148,192    |
| Minority interests | £000 | 500        | 96         |
| Total funds         | £000 | 171,900    | 148,288    |

The University has achieved a consolidated financial surplus of £5.37m which includes £1.59m from the sale of shares in the University's subsidiary Surrey Satellite Technology Ltd (SSTL). This result has generated additional funds above those budgeted and has enabled the University to continue with its extensive investment programme.

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Facts and Figures

Total Student Numbers 2004/2005

<p>| | |</p>
<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>Undergraduates</td>
<td>7,138</td>
</tr>
<tr>
<td>Undergraduates (part-time)*</td>
<td>980</td>
</tr>
<tr>
<td>Postgraduate Taught</td>
<td>3,464</td>
</tr>
<tr>
<td>Postgraduate Research</td>
<td>1,115</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>12,697</strong></td>
</tr>
</tbody>
</table>

1,219 students undertook Continuing Professional Development provided by the University of Surrey, or pursued other programmes not leading to an award at the University. There were 62,646 contact hours of non-credit bearing activity.

At our Associated Institutions, 5,291 students were registered for awards of the University of Surrey.

*The majority of part-time undergraduate students are pursuing programmes in Combined Studies.

Academic Awards 2004/2005

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>First Degrees</td>
<td>1,461</td>
</tr>
<tr>
<td>Undergraduate Diplomas and Certificates</td>
<td>379</td>
</tr>
<tr>
<td>Postgraduate Diplomas and Certificates</td>
<td>252</td>
</tr>
<tr>
<td>Masters Degrees</td>
<td>1,557</td>
</tr>
<tr>
<td>Doctorates</td>
<td>198</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>3,847</strong></td>
</tr>
</tbody>
</table>

Students registered at our Associated Institutions gained 2,420 University of Surrey awards.

Staff Numbers 2004/2005 (effective 1 August 2005)

<table>
<thead>
<tr>
<th></th>
<th>Full-time</th>
<th>Part-time</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Academic</td>
<td>457</td>
<td>61</td>
<td>518</td>
</tr>
<tr>
<td>Academic related</td>
<td>398</td>
<td>85</td>
<td>483</td>
</tr>
<tr>
<td>Computing</td>
<td>32</td>
<td>5</td>
<td>37</td>
</tr>
<tr>
<td>Manual</td>
<td>124</td>
<td>160</td>
<td>284</td>
</tr>
<tr>
<td>Research</td>
<td>298</td>
<td>63</td>
<td>361</td>
</tr>
<tr>
<td>Clerical</td>
<td>339</td>
<td>194</td>
<td>533</td>
</tr>
<tr>
<td>Technician</td>
<td>80</td>
<td>7</td>
<td>87</td>
</tr>
<tr>
<td>Tutors</td>
<td>80</td>
<td>91</td>
<td>171</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>1,808</strong></td>
<td><strong>666</strong></td>
<td><strong>2,474</strong></td>
</tr>
</tbody>
</table>

In the 2005 University League Table published by The Guardian, Surrey was rated 18th overall for undergraduate programmes, out of 122 universities.

The rankings for specific Surrey programmes were as follows:

- Tourism 1
- Modern Languages 6
- Psychology 6
- Drama (including Dance) 8
- Biological Sciences 9
- Chemical Engineering 9
- Mechanical Engineering 10
- Civil Engineering 11
- Nursing 13
- Electrical Engineering 13
- Music 14
- Chemistry 16
- Politics 17
- ComputingIT 21
- Law 25
- Sociology 27
- Economics 28
- Physics 29
- Business Management 32
Associated Institutions

Roehampton University
• Students continue to be awarded University of Surrey degrees up to the summer of 2007

Farnborough College of Technology
• Vocationally orientated institution offering a wide range of FE and HE programmes
• Accredited institution since 2002
• Foundation, BA, BSc and MSc degrees validated by the University
• Research degree provision in School of Applied and Health Sciences

Guildford College of Further and Higher Education
• Wide range of vocational, professional and academic qualifications
• Associated institution since September 2000
• BA Business Studies validated by the University

Guildford School of Acting (GSA) Conservatoire
• Founded as a School of Dance in 1936 and reconstituted as the Guildford School of Acting in 1964
• Associated institution since 1993
• BA degrees in Theatre and Stage Management and Technical Theatre validated by the University

HMS Sultan, Gosport, Nuclear Department
• MSc and PG Diplomas validated by the University
• Associated institution since 1985

King Edward VII Hospital, Department of Staff Development
• Undergraduate programme in Health Studies
• Associated institution since 1992

North East Surrey College of Technology (NESCOT)
• Specialises in vocational education with a full range of FE and HE programmes
• Associated institution since 1979
• BSc and MSc degrees validated by the University

The Pre-Retirement Association (PRA)
• Specialises in mid-career and pre-retirement education
• Associated institution since 1996
• Offers PG Certificate and MSc validated by the University

SHL (UK) Ltd
• International firm specialising in HR, management consultancy, assessment and training with PG Diploma validated by the University
• Associated institution since 1995

Southern Theological Education and Training Scheme (STETS)
• Certificate, Diploma and BA in Christian Ministry and Mission validated by the University
• Associated institution since 1999

ST John’s Seminary
• Courses of preparation for the Roman Catholic priesthood, including Bachelor of Theology validated by the University
• Associated institution since 1998

ST Mary’s College – A College of the University of Surrey
• Catholic college of HE established in 1850
• College of the University since 1992, accredited 1996
• BA, BA IT, BSc, PGCE, MA and MSc degrees accredited by the University
• Research degree provision

Wimbledon School of Art
• Specialist school of art and design
• Accredited institution since 1994
• BA and MA degrees accredited by the University
• Research degree provision

The 40th Vice-Chancellor’s Annual Report gives a brief overview of major developments at the University of Surrey from 1 September 2004 to 31 August 2005 for presentation to the Court of the University. The University Charter was granted in 1966.

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Every effort has been made to ensure the accuracy of the information in this Annual Report, but the University can accept no responsibility for errors and omissions.