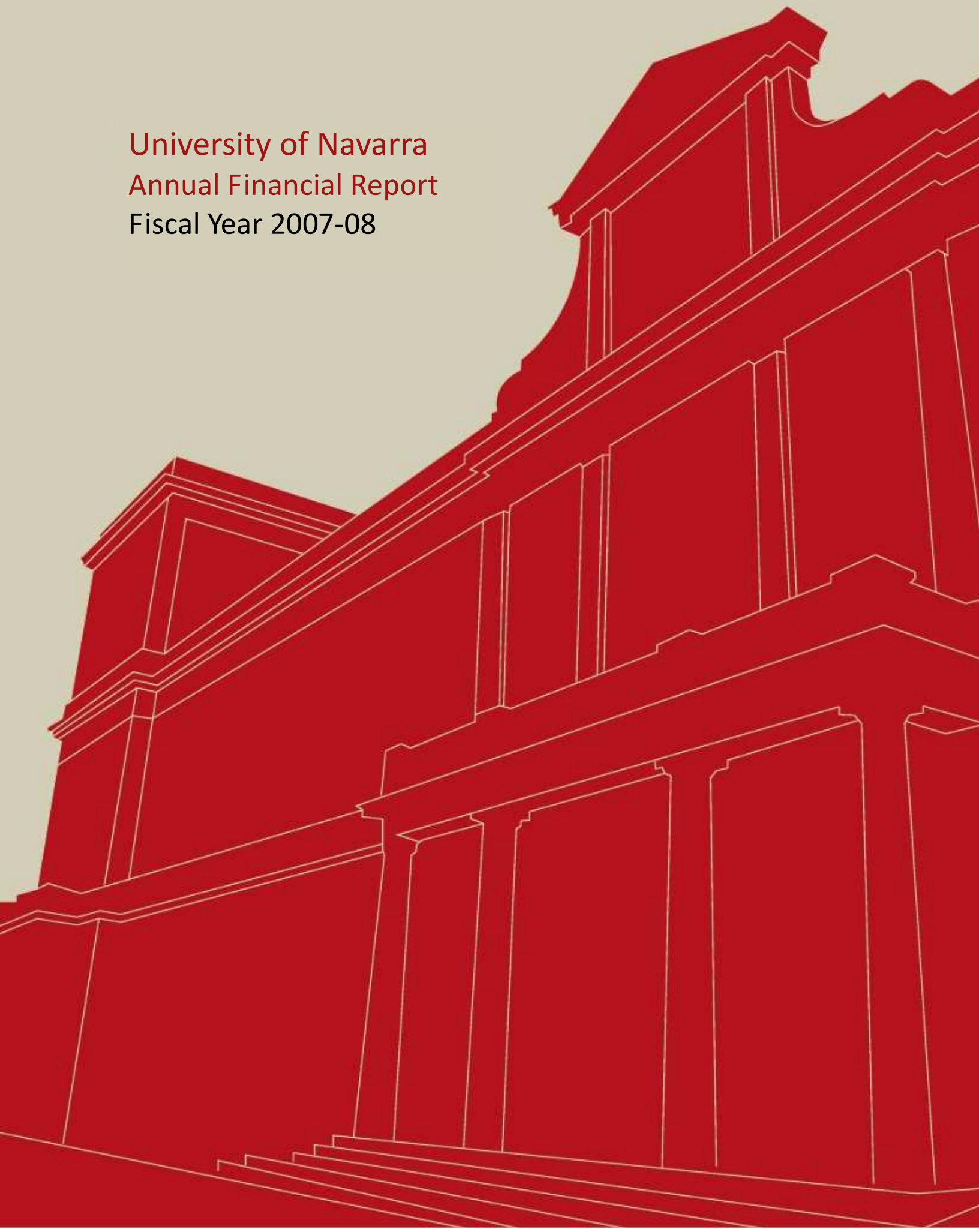


University of Navarra  
Annual Financial Report  
Fiscal Year 2007-08



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## PURPOSE AND CONTENT OF THIS REPORT

These pages situate the data corresponding to a standard financial report within a university context, and provide an overview of the efforts of the University of Navarra to responsibly administrate the resources it manages.

This document comprises the annual financial report of the University of Navarra, including the amounts provided to the University by other public and private entities, in furtherance of the University's purpose and objectives.

The audited annual financial statement of the University covers all of the activities it performs. On page 6, we provide an overview—derived from the audited figures—of the Income and Expenditure Account, following the model of the breakdown of the account statement, along with some complementary financial data.

On pages 7 through 10, we briefly describe the principal activities undertaken by, or simply financed by, some of the entities which collaborate with the University. Following this section, we present the amounts applied to these activities by the University and these entities, according to the data provided by the latter.

This information complements the various Annual Reports focusing on cultural activities, volunteer activities, research activities and academic activities, respectively; these Reports are available from <http://www.unav.es/servicio/informacion/memoria>. In addition, we have relied upon information provided by various publications of the IESE, the University Hospital and the rest of the Centers associated with the University.

## An Institution with a Distinctive Character

The University of Navarra was founded in 1952 on the initiative of St. Josemaría Escrivá, who was also the founder of Opus Dei, a personal prelature of the Catholic Church which operates throughout the world. More information about the University's Founder and about Opus Dei can be found at <http://www.unav.es/servicio/informacion/info-general>.

- Inspired by Christian values, the University proposes to:
- Discover, transmit and apply scientific knowledge at the highest level of development in all of its Centers, strengthening teamwork, in the service of the person and of society.
- Contribute to creating and spreading a culture which promotes the dignity of the person and the spirit of service.

- Work towards an interdisciplinary synthesis of humanistic, scientific and technological knowledge, by means of advanced research.
- Provide quality teaching which draws upon this research, with a commitment to constant improvement of instructional methodologies.
- Promote the transmission of knowledge as an expression of life itself, via the corresponding scientific content and personalized academic advising, so that the great questions about the human person and the most relevant phenomena of the contemporary world are raised and resolved in a spontaneous fashion.
- Enrich this knowledge through values linked to professional competence, such as truthfulness, honor and solidarity.
- Develop harmoniously all aspects of human personality in all members of the University community, so that they may contribute to the construction of a society characterized by greater justice and solidarity.
- Be a global campus, open to all, which broadens the horizons of life, promotes dialogue and teaches its members to think and act with audacity, depth and rigor.

## Organs of Governance

The day-to-day governance of the University is the responsibility of the Executive Board of the University, which is made up of the President, the Vice-Presidents, the General Administrator, the Bursar and the General Secretary. A description of the organs of government, and the names of the persons who occupy the positions described, can be found at <http://www.unav.es/servicio/informacion/authorities>.

## Campus and Centers

The University has four campuses, in Pamplona, Barcelona, San Sebastián and Madrid. At <http://www.unav.es/servicio/informacion/ubicacion> you will find up to date information. The Centers, for their part, also offer updated information about Students, Admission, Financial Aid, Teaching Faculty, Degree Programs, Research Lines, Alumni, Publications, Exchange Programs, News, etc. at <http://www.unav.es/servicio/docencia/>, <http://www.unav.es/servicio/titulaciones/>, <http://www.unav.es/servicio/investigacion/>, <http://www.unav.es/servicio/alumnos/>, etc.

## Criteria for Economic Management

- The University of Navarra is an autonomous nonprofit institution with its own legal personality, which provides independently audited financial statements, whose assets are held subject to the general-interest purposes which constitute its objective, and which enjoys broad support from society.
- The income proceeding from undergraduate tuition is preferentially directed towards covering ongoing instructional costs.
- In order to finance its research, the University participates in the corresponding public and private calls for grant proposals, and also receives financial support from persons and institutions with the sensibility to understand the fundamental importance of research in order to support the development of a just and balanced social order.
- Classroom buildings have mostly been financed by the Association of Friends of the University—in some cases, with additional assistance from the IESE Alumni Association—so that the cost of these investments does not fall on the shoulders of our students, in particular undergraduates.
- The University of Navarra Hospital finances its ongoing expenses, together with part of the research undertaken in its areas of specialization and the ongoing updating of its equipment and facilities, with funds deriving from the medical care it provides.
- The Alumni Association, the Association of Friends of the University, and other entities provide funding in order to assure, to the degree possible, that talented students with lower incomes are able to realize their desire of studying at the University of Navarra.
- The mission of the University of Navarra simultaneously implies the obligation of setting high goals and of rethinking the necessity of each expense or investment: those who work at the University have always sought to minimize unnecessary expenditures while increasing the value of necessary spending.
- Those who occupy positions of government within the University do not receive additional economic benefits linked to these positions.

## Synthesis of the University's Income and Expenditure Account

	Total 07/07	Pamplona and San Sebastián	IESE	CUN	Total 07/08
<b>INCOME</b>					
Instructional / Health Care <sup>1</sup>	304,573	67,706	74,189	165,627	282,086
Public Aid	7,688	5,651	310	1,727	4,735
Private Aid <sup>2</sup>	10,026	11,412	2,210	0	11,513
Supplementary and Other Income	2,853	2,326	196	331	3,460
Gains on Investments and Similar Income	832	211	538	83	4,236
Extraordinary Income	-330	1,025	524	-1,879	880
	<b>325,643</b>	<b>88,332</b>	<b>77,967</b>	<b>165,889</b>	<b>306,91</b>
<b>EXPENDITURES</b>					
Drugs, Medical Supplies and Other Purchases	51,286	0	0	51,286	46,363
Financial Aid and Allotments for Research and Projects <sup>2</sup>	3,772	2,438	2,021	2,243	4,687
Personnel and Social Security Contributions	175,971	54,327	34,628	87,016	163,557
Operating Expenses <sup>1</sup>	67,626	23,601	35,683	11,291	59,196
Amortizations and Provisions	19,151	4,165	4,332	10,654	17,924
	317,805	84,531	76,663	162,490	291,727
<b>SURPLUS PENDING APPLICATION</b>	<b>7,838</b>	<b>3,801</b>	<b>1,303</b>	<b>3,399</b>	<b>15,184</b>
<b>COMPLEMENTARY INFORMATION</b>					
Additions to Tangible and Intangible Fixed Assets	18,488	5,669	3,987	8,832	28,383
Revolving Fund	25,533	8,050	-766	18,249	18,040
Variation in Working Capital	5,917	-2,539	1,367	7,089	2,251

In thousands of Euros.

The accounting adjustments (1) and (2) have the purpose of compensating internal invoicing. The "Total 07/08" coincides with the audited figures.

<sup>1</sup> Adjustment in the amount of 2,949,000€, entered under the category of "Income" by the University of Navarra Hospital and under "Operating Expenses" by the rest of the Centers in Pamplona.

<sup>2</sup> Adjustment in the amount of 3,596,000€, which corresponds to the category of imputed subsidies for the Pamplona Campus, and to the category of "Allotment for Research and Projects" for other Centers

## Activity of Collaborating Entities

Independently of the various affiliated entities of the University (1), other entities, both public—such as the European Union, the Governments of Spain, of Navarra and of the Basque Country, etc.— and private—such as savings banks, foundations and associations—collaborate in the diverse activities of the University in accordance with their own purposes and natures.

Some of these private, nonprofit entities (2), which have arisen from social initiatives, have as their primary purpose the financing of, and in some cases the undertaking of, certain university-related activities within the University's ambit, in accordance with their statutes and the decisions of their governing boards. While they publish their own Annual Reports, we consider it to be useful to offer a summary of their work with the University.

(1) Two nonprofit corporations which manage programs of applied research, and which act as Technology Transfer Offices: The Science and Technology Institutes of Navarra and of Guipúzcoa; and two others which produce university-related publications: the University of Navarra Publications Service, and IESE Studies and Editions.

- (2) • Association of Friends of the University of Navarra
- Friends of the University of Navarra Foundation
  - Friends of the University of Navarra Foundation of Navarra (constituted under the laws of Navarra)
  - IESE Private Foundation
  - Private Foundation for Catalan Culture
  - University of Navarra Foundation
  - Center for Technical Studies and Research of Guipúzcoa
  - Foundation for Applied Medical Research
  - University of Navarra Business Foundation

### *Association of Friends of the University of Navarra*

The Association, founded in 1960 and declared to be of public utility, and the two foundations which the Association has promoted (each named "Friends of the University of Navarra Foundation", but one constituted under Spanish law and jurisdiction, and the other under Navarran law and jurisdiction) are supported by thousands of Friends of the University. Thanks to the donations that the Association receives from individuals and businesses, it is responsible for—among other things—the construction and remodeling of campus buildings, to which it

allocates four million Euros each year, primarily via its participation in the University of Navarra Property Holding Corporation; it provides scholarships to young researchers, funded with two million Euros per year; and provides support for basic research undertaken on the campus of the University of Navarra. The generosity of the Friends aids in reducing the impact on student tuition of the University's investments in fixed assets; it has permitted a successful generational handover in the University via the development of new, highly qualified research and teaching personnel; and collaborates with other universities and research centers in Spain and abroad, where many of the over two thousand Friends Scholarship recipients work.

### *IESE Foundation*

The Foundation collaborates in an extensive array of cultural activities focused on the world of business management, solidarity and communication; for example, the scholarship program for MBA students, the job market introduction program, and the Nurisha Trust educational program, run in collaboration with the Vianda Foundation, which supports the development and welfare of women in Kenya.

### *Private Foundation for Catalan Culture*

In accordance with its founding purpose, the Foundation signed a collaboration agreement in 1999 in order to develop the buildings which would constitute the "North Campus of the IESE", which was inaugurated in 2007. The foundation has sought out the necessary resources in order to provide for its own financing.

### *University of Navarra Foundation*

The Foundation channels its resources, which derive from donations, inheritances and legacies and from the income from its own assets, which have a similar origin, in order to promote scientific research in accordance with its statutes and the decisions of its Governing Board. It seeks to ensure the freedom of research and the continuity of research programs underway at the University of Navarra.

In this context, it finances projects and research scholarships—totaling 5,500,000€—, the Alumni Scholarship Program—which disburses over 700,000€—, sponsors the work of the "University of Navarra Photographic Archives", the program "Kids Against Cancer" and projects such as the "Spanish Golden Age Research Group" and the "Recent Spanish History Research Line". In the future, it will also sponsor other initiatives of the University of Navarra, in the area of Humanities and Social Sciences.

Recently, the Foundation and the University of Navarra received the Huarte legacy, one of the most important collections of contemporary art in Spain; in 1998, Ms. Maria Josefa Huarte Beaumont signed an agreement, in her own name and that of the Beaumont Foundation, with the University of Navarra and the University of Navarra Foundation, in order to found the Felix Huarte Chair in Aesthetics and Contemporary Art.

*CEIT Research Center of Guipúzcoa*

Since 1982, the Center has collaborated closely with the School of Engineering of the University of Navarra in San Sebastián, such that scientific speculation is combined with service to industry, teaching and research faculty members are kept up to date with knowledge of the latest technologies and their application, and the quality of teaching is continually improved. The CEIT provides industrial innovation via the execution of strategic research projects contracted with businesses that need to develop new generations of products or services, and which are committed to scientific and technical excellence, on the basis of a dynamic framework of international cooperation with various universities, research centers and cutting-edge businesses.

This active involvement in applied research, in addition to strengthening the know-how of students and faculty, also favors the writing of doctoral dissertations within the framework of ongoing R&D projects, which in turn has an immediate repercussion on industrial innovation: numerous doctoral students, after their involvement with the CEIT, go on to join the business world, having acquired the capability necessary for leading the processes of change required by the market. The CEIT's scientific activity in 2008—more than 60% of the staff possess a doctoral degree: 103 PhD's—resulted in 67 articles published in scientific journals, 109 papers read at international congresses, and 19 dissertations defended. Furthermore, in recent years 12 spinoff companies have arisen from the CEIT's work, which together employ more than 240 persons. The budget of the CEIT is more than 14 million Euros. 46% of these funds derive from R&D contracts, 33% from competitive public grant programs, and 21% derives from non-competitive public grant programs.

*Foundation for Applied Medical Research*

The Foundation for Applied Medical Research has the purpose of enduring stable financing for the Center for Applied Medical Research (CIMA) of the University of Navarra. Its funds are dedicated to four areas of biomedical research: Gene Therapy and Hepatology, Cardiovascular Sciences, Neurosciences and Oncology. In the future it plans to support other projects as well. It aims to bring the results of basic research to clinical application, both in the area of diagnostics as well as the treatment of diseases related to the four areas mentioned above. It is financed via a research and technology transfer contract with 15 Spanish institutions and businesses. The CIMA participates in five projects of the group Centers for Networked Biomedical Research (CIBER), in addition to the Cancer and Cardiovascular Networks, the Oncosis Project (CENIT) and the European Cardiovascular Excellence Network. It collaborates with more than 40 research centers around the world, and administers seven European-level projects. It maintains a portfolio of 39 patents. More than 400 people work at the CIMA, between researchers—doctors, biologists, pharmaceutical biochemists and engineers—, in addition to specialized technicians and administrative and service personnel. An independent auditor of scientific quality analyzes the focus, means applied and results of its research. Its budget, in 2008-09, was over 21 million

Euros. 68% of its revenue derives from research contracts, and 32% comes from competitive granting programs and subsidies from public agencies.

*University of Navarra Business Foundation*

The Foundation was created in 1986 by the Navarra Chamber of Commerce, the Confederation of Business Owners of Navarra and the University of Navarra, with the mission of promoting projects, activities and meetings in order to strengthen dialogue, mutual collaboration and the search for solutions of common interest. The Foundation acts as an information and coordination center, and provides assistance to business owners, professors, students and researchers; it collaborates with regional, national and international administrations and institutions. In the period under consideration, it developed 15 multidisciplinary programs (with 7,404 hours of training and 1,106 attendees) and four discipline-specific programs: the Leonardo da Vinci program of international internships, which seeks to promote the mobility of young university students (with 82 scholarships provided), the Educational Cooperation Program, which provides the opportunity to combine theoretical knowledge with practical content (which managed 3,380 internships), the Initiation to the Business World program, which aided 223 new graduates to take their first steps in the working world, and a new Entrepreneur Program, whose goal is to promote the spirit of entrepreneurship among recent graduates (this program provided 187 hours of training to 2,857 participants).

# ACADEMIC ACTIVITY



## Teaching

### Degree Programs

During the 2007-08 academic year, the University of Navarra provided 25 long-cycle state-recognized degree programs (four years or longer), of which eight provided instruction in both English and Spanish, along with six double Licentiate programs; it also provided two shorter-term degree programs, four University-accredited degree programs, 24 Master's programs and 34 doctoral programs, which the National Agency for Quality Evaluation and Accreditation is in the process of evaluating.

### Teaching Faculty

Over the course of the academic year, 10 professors obtained state recognition as Chair Professors [*Catedráticos*] and 20 obtained recognition as Titular Professors.

Full and Chair Professors <sup>1</sup>	164
Associate and Titular Professors <sup>1</sup>	228
Associate Professors <sup>1</sup>	148
Senior Lecturers <sup>1</sup>	44
Other PhD Holders <sup>1</sup>	89
Lecturers <sup>2</sup>	22
Other teaching faculty <sup>2</sup>	133
Total teaching faculty	828
Adjunct Professors <sup>2 3</sup>	921
Total <sup>4</sup>	1,749

1 These professors have the title of Doctor, and participate simultaneously in teaching—which includes academic advising—and research. They proceed from more than 30 countries.

2 Not all of these faculty members necessarily possess the degree of Doctor, but many have either a PhD, a Master's degree, or an equivalent degree in their professional area, conceded by a University of note.

3 More than half are MD's from the University Hospital, or staff researchers at the CIMA or CEIT. Not included under this heading are the nearly 500 Clinical Associates of the School of Medicine and the School of Nursing who work in other medical centers; extraordinary, visiting and emeritus professors are also not included.

4 Doctoral students—and other researchers in their period of formation—are not considered as Professors and are not included in the above category.

## Management, administrative and service personnel

Without including the University Hospital, at the end of the academic year on the Pamplona Campus there were 653 persons working in management, administration and service positions; on the San Sebastián campus, 80; and on the Barcelona and Madrid campuses, 316. The total for this type of personnel is 1,049 employees.

## Students

### Registered students and graduating students

	Registered	Graduates
Undergraduate studies (*)	9,188	1,816
Master's programs	1,179	584
Doctorate	1,071	147
Other graduate programs (**)	2,052	-
Total	13,490	-

### Incoming students, according to type of program

Undergraduate studies	47.00%
Master's programs	18.00%
Other graduate programs	32.00%
Doctorate	2.00%
In percent	

\* 85% of undergraduate students are enrolled in long-term (more than four year) degree programs or upper-division-only programs; a relatively high proportion are enrolled in double-degree programs (six years) or five or six year undergraduate programs. In 2007-08, according to official data, 1,389,994 students were enrolled in undergraduate programs in Spain, a figure which reflects a 12% decline in comparison with a decade ago; the decline is 20% if only long-term degree or second-cycle programs are considered. The proportion of the population between 18 and 24 years of age also declined by 20% during this decade.

\*\* Specialization courses are not included.

## Undergraduate students

### *Socioeconomic origin*

In accordance with criteria defined by the National Statistical Institute of Spain for the period under consideration, 55% of undergraduates came from middle-income families, 31% from low-income families, and 13% from high-income families.

### *Mobility.*

Despite the increase in public scholarship programs in order to promote student mobility, 81% of undergraduate students in Spain remained in their Autonomous Communities of origin in order to attend university, while 10% decided to study in another area of Spain, and only 2.3% of undergraduates came from abroad (official sources do not account for the origins of more than 7% of undergraduate students). At the University of Navarra, a hundred different nationalities are represented.

	Undergrad.	Master's	Doctorate	Other
Total Navarra 27.00%	31.00%	7.00%	28.00%	20.00%
Basque Country 20.00%	26.00%	6.00%	17.00%	3.00%
Other Autonomous Communities 41.00%	36.00%	34.00%	28.00%	70.00%
Other countries 12.00%	7.00%	53.00%	27.00%	7.00%

In percent

### *Academic performance*

53% of graduates in the Spanish university system were 25 years of age or less at the moment of their graduation. At the University of Navarra, 68% of undergraduates finished their degree programs before age 25, despite the fact that many of our programs are of long duration.

In the following table, the first column gives the level of performance (credits passed / credits registered, in %) for the total of public non-distance universities, and the second column reflects the same figure for the University of Navarra, according to data for 2006 published by the CRUE in "*La Universidad española en cifras 2008*".

	Public Non- Distance Univ.	University of Navarra
Legal and Social Sciences	62.00%	83.00%
Technical	54.00%	81.00%
Humanities	65.00%	83.00%
Health Sciences	75.00%	90.00%
Experimental Sciences	60.00%	86.00%
Total	62.00%	85.00%

### *Cost per student of undergraduate studies*

The spending on public universities (data from *Datos Básicos del Sistema Universitario Español, Curso 2008-2009*) reached 8,603,850,000€, including exemptions. Of this total, the taxpaying public provided 8,124,630,000€; the remaining portion, somewhat less than 6%, was paid for from tuition, research agreements, etc.

The resulting per-student cost of undergraduate studies was 52,400€; of this amount, 49,200€ was paid for by taxpayers.

At the University of Navarra, following identical criteria, the cost of undergraduate studies was 37,900€ per student; of this amount, 34,500€ was paid for by the students themselves.

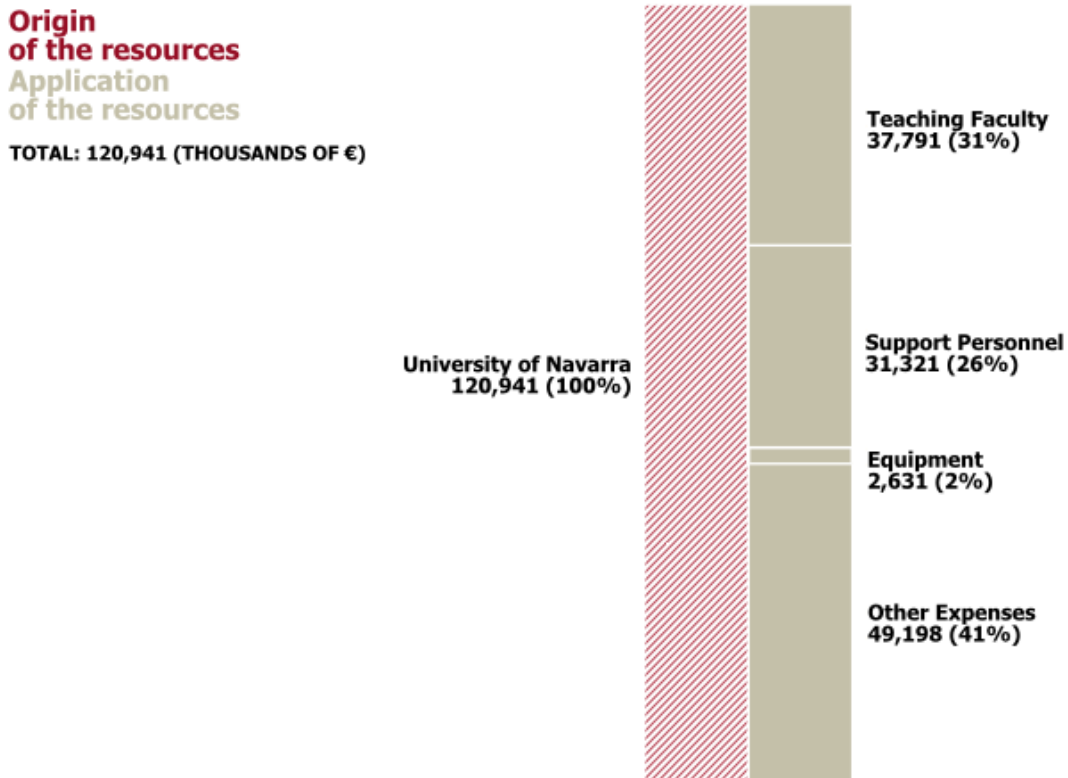
Additionally, the Spanish Government provided scholarships in the amount of 479,210,000€.

It is important to note that universities are complex entities. Therefore, all comparisons should be made with caution, even though they have become ever more necessary; not all universities are equal, nor should they be, and citizens have a right to truthful information that will enable them to make choices on the basis of solid criteria.

### *Margin of Contribution*

The margin of contribution of the various areas that make up undergraduate studies is a quotient: the numerator reflects the difference between the revenue of each of the Areas (the amount of student tuition and fees plus the various subsidies received) and their direct costs, and the denominator reflects total indirect costs; the result shows how much each area contributes to the indirect costs, including electricity, natural gas, gasoline, water, mail, security services, grounds, administrative offices, etc. If the result is negative, this indicates that the given Area did not cover its own direct costs.

Legal and Social Sciences	32.00%
Technical	32.00%
Humanities	-5.00%
Experimental and Health Sciences	41.00%



### *National End of Studies Awards, Honorable Mentions and other results*

The University of Navarra leads for the fifth consecutive year the ranking of Spanish universities with the highest number of Awards and Honorable Mentions in proportion to the number of students. The most recent data published are for academic year 2006-07; 17 U. of Navarra graduating students received either an End of Studies award or honorable mention (six first prizes; two third prizes, and nine honorable mentions): one prize or mention for every 103 graduates in this graduating class.

In the National Medical Board Exams (MIR), 10,620 recently graduated M.D.'s competed to obtain one of 6,338 medical residence offers. From the latest graduating class in Medicine, 166 students participated in the MIR, of which 160 passed the exam (96.38%); 54% obtained a ranking below 2,000 (which normally permits the testee to choose a medical specialty in accordance with his or her personal preferences); five were ranked among the top 50: 1st, 6th, 11th, 15th and 31st.

And in the National Biology Board Exams (BIR), four graduates of the School of Sciences obtained one of the 35 positions available: their positions were 2nd, 7th, 8th and 30th.

## Graduate Students

### *Doctoral Dissertations*

In 2007, according to official data, 7,150 doctoral dissertations were defended at public universities (one for every 179 students), and 198 were defended at private and Catholic universities (one for every 672 students), excluding Navarra. At the latter, 147 dissertations were defended: one for every 65 students.

### *Career Opportunities*

The Office of Career Opportunities on the Pamplona Campus—in collaboration with the University of Navarra Business Foundation—received 3,532 job offers, and managed 3,404 professional internships. The Office also responded to 5,404 information requests from students, graduates and professors. During the Job Fairs and Forums held on the Pamplona and San Sebastián campus, 3,500 studies and 130 companies participated. 267 graduates benefited from participation in the Program for Initiation to the Business World; 90% of these were offered a job contract upon completion of the Program. The ISSA (Institute for Secretarial and Management Assistant Studies) received 351 job offers directed to its 51 graduates.

The proportion of undergraduate students who perform professional internships during their undergraduate studies is 80%. The Office of Career Services follows up on the career progress of its students, noting their degree of satisfaction with the positions received and the fit between the education they received as undergraduates and the professional positions they hold, both one and three years after graduation.

## Other Academic Activities

The many other activities which take place on the campuses of the University of Navarra are explained in detail in the various Annual Reports and web pages of the Cultural Activities Service, Sports Service, Students for Service to Society, Residence Halls, etc.

## Alumni

There are more than 25,000 members of the Alumni Association of the University of Navarra. They come from over a hundred countries and work in a hundred others. They are organized into 78 Regional Chapters: 42 in Spain and 36 in other countries. They are the face of the University the world over. They aid in promoting the University among highly talented students, and provide the funds necessary to maintain and expand the Alumni Scholarship Program.

This program helps to ensure that no student with the requisite talent is denied the opportunity of studying at the University of Navarra due to a lack of funds. In 2006-07 the Program provided

94 scholarships, and in 2007-08 it provided 161. The objective is to achieve the funding necessary to provide 500 scholarships. The participation of the alumni in this program reinforces the academic level and diversity of incoming classes, and is a channel for demonstrating intergenerational solidarity.

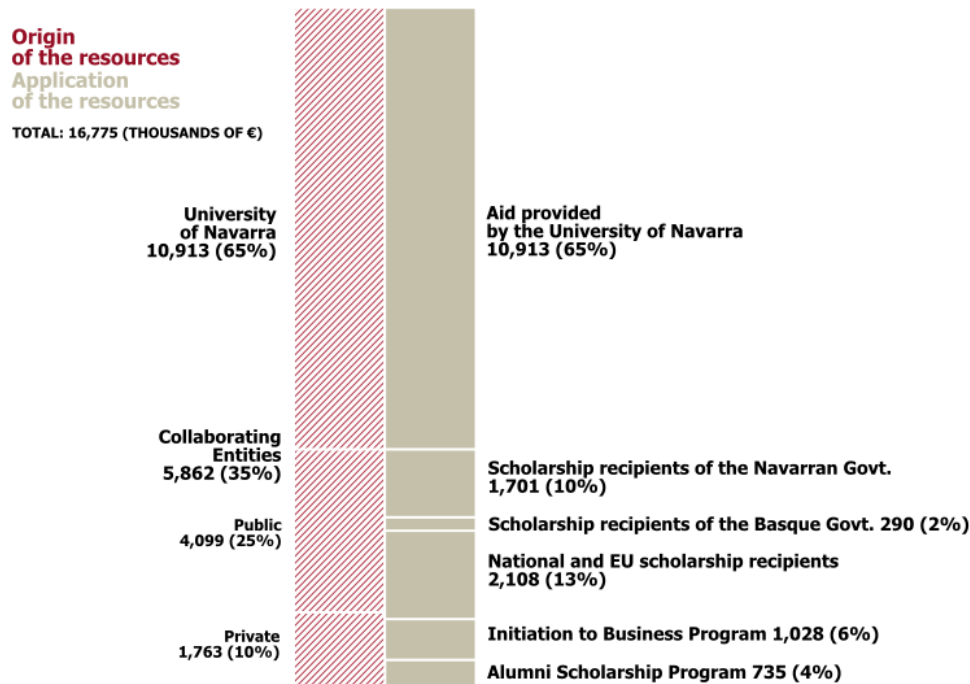
In order to maintain the alumni's contact with the University, the Alumni Association publishes the digital newsletter Alumninews, produces the weekly "despuesdelaorla" program on 98.3FM radio, prints yearbooks for first year and graduating students, and promotes programs that strengthen relations amongst the alumni themselves—such as the Alumni Directory of Experts—as well as programs to introduce new graduates to the alumni community—such as the Alumni Internship Program, which allows new graduates to participate in summer internships side by side with alumni members at their workplaces.

## Scholarships and Other Aid to Undergraduates

The Student Aid Office responded to more than 8,500 requests for information and produced 190 personalized financial aid studies in order to help students obtain particular scholarships.

In addition, the Student Aid Office handles the requests for aid that students must submit to public or private agencies, or provides advising when the students must handle the application process personally.

During the current academic year, new financial channels have been researched, so that the University may better respond to highly meritorious or economically disadvantaged students; some of these initiatives, which the University of Navarra promoted in pioneering fashion several decades ago, such as the educational loan, are being considered with renewed interest today. The University has signed agreements with eight financial services companies. Further information can be obtained on the web at <http://www.unav.es/admisión/becasyayudas/>.



The Ministry of Education and Science provided 640 scholarships. The Government of Navarra provided 478 subsidies to Navarran students. The Basque Government provided aid to 101 students. 23 Collaboration Scholarships were provided by the Ministry and the Basque Government. The Alumni Association provided 161 scholarships. The University of Navarra Business Foundation handled 82 scholarships. Furthermore, in addition to incentivizing merit

and offering discounts to members of families meeting the national Large Family criteria, the University also provided 88 partial scholarships to students with an excellent transcripts and demonstrated financial need.

The Student Aid Office on the Pamplona Campus also offered listings for off-campus jobs which were used by 451 students. Finally, 830 students benefited from work-study scholarships that involved working in a University department.

## Research

The University of Navarra Research Report explains the principal working areas of the teams made up of the Schools and Colleges<sup>1</sup> of the UN, including the research undertaken at the IESE concerning the most relevant problems facing the world of business; other important research centers include the University of Navarra Hospital, the Center for Research in Applied Pharmacobiology (CIFA), the Center for Applied Medical Research (CIMA) and the CEIT Research Center in Guipúzcoa (CEIT). The Report explains how the work of research, thanks to the broad support provided by society, covers with growing intensity the diverse areas of knowledge, in order to provide a multidisciplinary, complete and effective response to the challenges offered by the contemporary world.

Up-to-date information can be obtained at <http://www.unav.es/servicio/investigacion/>.

## Researchers

During the 2007-08 academic year, there were approximately 800 PhD's preferentially dedicated to research. They are the authentic protagonists of the research process.

## Research Projects

During the academic year in question, there were 690 research projects in progress, financed by the European Union, various Ministries of the Government of Spain, the Government of Navarra, the Basque Government, the Provincial Government of Guipúzcoa and diverse private foundations and agencies, in particular the University of Navarra Foundation. 164 new projects were put into progress on the Pamplona campus, which implies a dedicated investment of 14 million Euros; there were also 20 new projects begun on the San Sebastián campus, and 33 at the IESE.

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<sup>1</sup> Among others, the "Spanish Golden Age", "Recent History of Spain", the research undertaken at the Institute of Family Sciences, "Nutrition, Obesity and Health", "Classical Spanish Thought", "Optimal Monetary Policies in European Economies: Institutional Factors and Financial Variables", "Nanotechnologies", "Study of Integrated Monitoring of a Forested Valley in the Pyrenees", "Genetic Mechanisms for Activation of Proteins with Tyrosine Kinase Activity in Hematological Neoplasms. State of the Transduction Path of the JAK-STAT Signal. Clinical Implications". The activities of the Chair in Navarran Patrimony and Art—created in 2005 with the aid of the Government of Navarra—have acquired particular importance.

## Publications

In 2007, the Publications Office published the 40 scientific journals (comprising 76 issues) that constitute its primary publishing activity, and the University of Navarra Press (EUNSA) published 54 new books and 52 revised editions. The professors of the University of Navarra also published approximately 100 books with other publishing houses.

In addition, 10 issues of *Nuestro Tiempo* were published; the Family Studies Institute published three new books in its Collection, one volume in the DIF Collection, and 16 manuals and teaching guides for use in the Master's Program in Marriage and the Family.

The IESE published nine issues of the *Boletín de comentarios de coyuntura económica* [Bulletin of Commentaries on Economic Topics], which has been published for 21 years; in addition, the business school published three newsletters.

## Technology Transfer

The "Science and Technology Institute of Navarra, Inc.", which is the Technology Transfer Office (OTRI) <sup>1</sup> of the University, maintained contacts with 200 businesses and signed more than 100 contracts during the 2007-08 academic year. It has a staff of 140 persons. It managed 59 active inventions (including those developed at the CIMA), of which 16 were produced during the academic year in question.

In addition, the Office has aided researchers in the presentation of more than 200 grant applications to public and private agencies. 15 European-level projects were funded, with a total budget of over 3.4 million Euros, with special emphasis on those which were presented within the 7th European Framework Program. The Office also managed 7.6 million worth of research contracts, and received 1.4 million Euros in private grants. It dedicated 38% of this budget (9 million Euros) to personnel costs, 12% to exploitation costs, 28% to fungible material for use by the various research projects, and 21% to the acquisition of equipment.

In addition, "IESE Studies and Publications, Ltd.", which publishes the scientific documentation produced by the professors of the Business School, also undertook studies in order to

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<sup>1</sup> The creation of Technology Transfer Offices was promoted by the Spanish government beginning in 1988, although even beforehand there were units that fulfilled the same purpose: the Office of Technology Evaluation and Transfer of the CISC (1985), the Science and Technology Institute of the University of Navarra (1986) and the Technology Transfer Center of the Polytechnic University of Barcelona (1987).

understand economic and business reality on a national and international level. Its annual budget was 2.6 million Euros.

## Scientific Conferences

The University of Navarra organized six international and four national congresses; nine international and three national symposia, in addition to seminars, colloquia, conferences and other scientific meetings.

## Libraries.

At the end of 2007, the University Library collections included 1,025,857 volumes, including 83 incunabula, 18,362 works published between 1501 and 1800, and 35,342 published between 1801 and 1900. In addition, the Library possesses 46,015 books in electronic format, 19,470 scientific journals (15,471 in electronic format), 122,675 microforms, 6,930 CD-ROMs, 5,179 sound recordings and 8,810 works of diverse other types. The library has subscribed to 734 databases. It has more than 3,000 reading carrels and tables. The various library branches are open 326 days of the year, with an average availability of 82 hours weekly. 5,120 documents were loaned to other libraries, and 1,812 were received via interlibrary loan. More than 120,000 volumes were checked out by library users. The web page received more than 38 million visits, the number of catalogue consultations was over 26 million, 608,984 journal articles were downloaded and 289,206 consultations were made to the various databases. The Library also forms part of various international organizations. In 2007, 42,732 works were added to its collections, 15,641 were purchased and 27,091 were donated (during the last five years the Library has accepted 120,609 donations meeting the required scientific standards for inclusion in the Collections).

## Museums and Collections

### *Personal Archives*

The University of Navarra has one of the best documentary archives concerning Spanish history over the last 100 years: currently, 166 personal archives are stored, preserved and catalogued on the UN campus: this academic year 19 new archives have been incorporated.

### *The Zoology Museum*

The Zoology Museum was founded in 1980, on the basis of several donations. It is comprised of over two million specimens, with two hundred type series and more than 6,000 species. Its database, managed by a custom software application under development since 1981, includes nearly one million records. It is available for consultation to researchers from all over the world.

The Zoology Museum also maintains the Natural History Collections of the School of Sciences, which were also the result of donations. The Museum and the Collections mentioned form part of several international organizations. The Museum has published a Student's Guide, intended for use by primary school students, and also provides guided visits, if prior reservations are made.

### *The Photographic Archive*

The Photographic Archive of the UN was begun in the 90's, when the University received the "Ortiz Echagüe Legacy". The Archive was given the mission of preserving and publicizing the work of one of the most outstanding Spanish photographers of the 20th century. Since that time, the Photographic Archive has been an important resource for teaching, research and promotion of photography in Spain. It constitutes a reference center for the knowledge and study of the history of photography in Spain. It is open to the public.

The Archives have custody of:

- The Jose Ortiz Echagüe Collection. Made up of approximately 1,500 original positive copies, produced with the technique of carbon directly over Fresson paper; 28,421 negatives directly from the camera, in addition to interpositives and contratype, photographic cameras and technical apparatus, along with a specialized library.
- The Juan Dolcet Collection. Dolcet was a member of the so-called "School of Madrid". The collection is composed of 700 original positive copies, more than 90,000 negatives, a specialized library and a document archive.
- The Conde de la Ventosa Collection. The collection of José María Álvarez de Toledo, founder of the Royal Photographic Society of Madrid, is made up of 1,000 negatives and a number of original positive copies.
- The 19th Century Collections. The more than 4,000 photographs that make up these collections constitute a unique repertory in Spain. They bring together a wide variety of techniques—daguerreotypes, calotypes, salt paper exposures, albumins, carbons, cyanotypes, woodburytypes, gelatins—and representative sets from outstanding artists.
- The 20th Century Collection. Includes work from the artistic photography tradition of the early 1900's, vanguard photography from the 20's through the 40's, photos of the Spanish Civil War, and from relevant later photographers.
- 21st Century Collection The project "Building Bridges" covers the most recent era of photography. It is a proposal of contemporary authors in order to create a production in dialogue with the earlier photo collections.

### *Huarte Collection*

The Huarte Collection, which has been continually added to since 1956, is today composed of around 50 works of contemporary art, including paintings and sculptures by internationally renowned artists.

In November of 1997, on the initiative of Ms. María Josefa Huarte Beaumont, the Beaumont Foundation was created, with the objective—long thought out—of situating Navarra at the vanguard of contemporary art, in collaboration with other institutions.

In 1998, the Félix Huarte Chair in Aesthetics and Contemporary Art was created, via an agreement signed by the Beaumont Foundation, the University of Navarra and the University of Navarra Foundation. Since that time, it has undertaken a wide variety of educational and research activities.

During the 2007-08 academic year, Ms. María Josefa Huarte Beaumont deeded the Huarte Collection to the University via an agreement signed at the Pamplona Campus of the University of Navarra.

The newly donated Collection will permit the University of Navarra to strengthen artistic research and develop a program of cultural activities of interest to the broader public, in a center open to the public.

In addition, this center of contemporary art studies and research, on the University campus, will serve as a platform for strengthening knowledge of contemporary art and aesthetics among the scholars of this discipline; it will also host short-term exhibitions, conferences, courses and other educational activities. The Collection will also participate in the international museum circuit, and will be expanded gradually with new works of art.

The University is especially grateful for these donations, because of the trust, generosity and particular sensitivity show by those who made them, following the tradition of those who have given examples of magnanimity in the most advanced societies.

## **Center for Research in the Humanities and Social Sciences**

For some time, the University community has been aware of the strategic commitment of the University of Navarra to research in the humanities and social sciences, and its goal of creating a Research Center dedicated to these issues.

In June of 2008, after having studied the proposals of the various Centers and of the faculty members most directly involved, and having maintained numerous contacts and conversations, a call for "expressions of interest" was made on the Pamplona campus.

The call for proposals served to motivate research activity in accord with the indicated requirements: quality, interdisciplinarity, international reach, likely social impact and the ability to generate or attract resources.

In order to evaluate the 25 proposals with a possibility of fitting in one of the four overarching areas of the Center—development and poverty; family, education and society; globalization, human rights and interculturalism; and contemporary art—an external team of Spanish and international experts was consulted. Afterwards, a commission from the University itself studied the projects and their respective evaluations.

As a result, seven proposals passed to the second phase, after having incorporated the preliminary observations of the evaluators. These projects, along with the addition of an already existing project ("Natural Law and Practical Rationality"), will be externally evaluated for a second time.

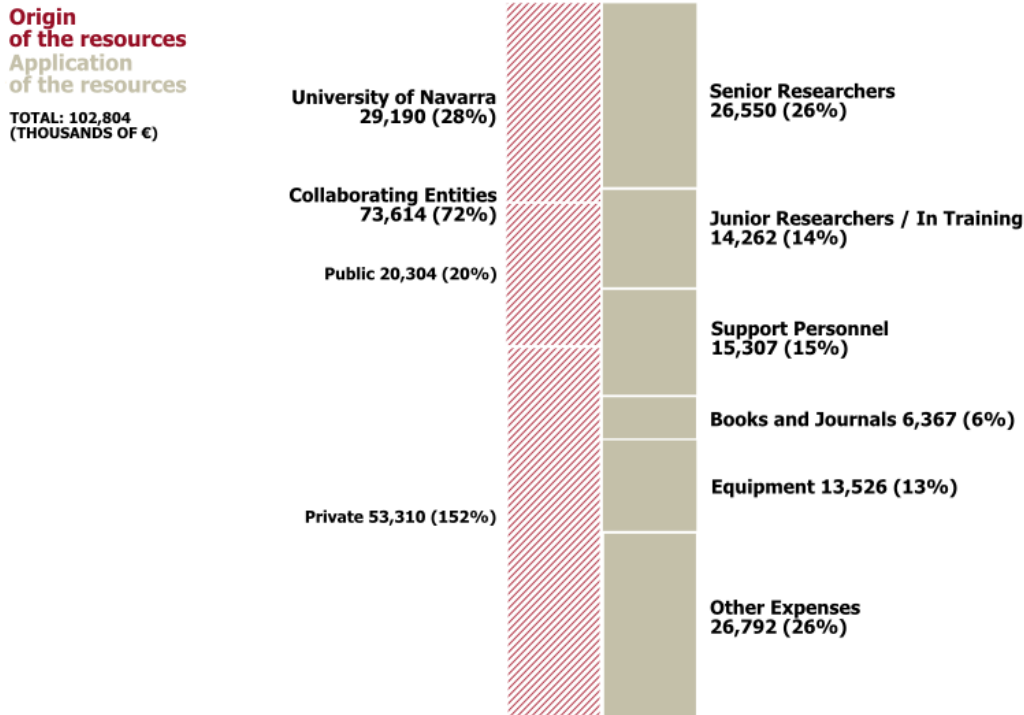
The new projects will commence at the beginning of the 2009-10 academic year. They will constitute the initial seeds for the activity of the new center and its future lines of research.

## Financial aid for young researchers

Among the scholarships and subsidies provided within the new legislative framework in order to promote the mobility, hiring and training of young researchers, scholarships (which are given first in the listing below) are distinguished from the contracts granted to those beginning their career in research: Association of Friends-University of Navarra Foundation (151; 62), University of Navarra Business Foundation (77; 0), Foundation for Applied Medical Research (73; 56), Ministry of Science and Innovation (22; 26), Health Research Fund (7; 1), Government of Navarra (49; 59), Basque Government (9; 7), other entities (25; 1): total (413 scholarships; 212 contracts). The University gave discounts to practically all the aid beneficiaries who were also studying some academic program.

## Financing

Of the 103 million Euros applied to research within the University of Navarra, 52% were financed by various private collaborating entities, 28% by drawing upon the ordinary income of the University, and 20% by various public agencies (this latter figure includes the public subsidies granted to the University as well as to the aforementioned private entities).



During the upcoming academic year, the Association of Friends will celebrate its first 50 years of providing aid to the University of Navarra, specifically its contributions to research. Its name speaks volumes: the mobilizing of funds in the ambit of the University has never been a question of fundraising, but rather of "friendraising".

While it will always be necessary to make known the quality of the work undertaken by those working within the University of Navarra, it is possibly even more necessary today to increase the material and intellectual resources which will permit undertaking research with calmness, effectiveness and a service-oriented mentality. It is quite possible that society, in order to reestablish its forward progress—if the predictions published since the 2004-05 academic year are fulfilled—will need to train and employ more researchers prepared to join in the important investigations underway.

In order to situate the research undertaken at the University of Navarra in a broader context, we provide some statistics from the annual report "The Top American Research Universities 2008", published by the Center for Measuring University Performance at Arizona State University, which measures the performance of U.S. universities according to nine aspects related to excellence in research. The three statistics expressed in dollars are: the quantity devoted to research, the amount of research aid received from the federal government, and the size of the endowment available to the university. Of the top 100 universities (52 public and 48 private), 14 dedicated between \$40M and \$100M to research in 2006; 25 between \$100M and \$250M; 40 between \$250M and \$500M, and 21 devoted more than \$500M. The federal aid covered, on average, 60% of these amounts.

The 54 top ranking universities (26 public and 28 private) dedicated a total of \$24,065M to research (\$13,661M at public and \$10,405M at private universities), and received federal aid totaling \$14,117M (\$7,326M by public universities, which was 54% of the total expenditure among public institutions; while private universities received \$6,791M in aid, which amounted to 65% of their total research expenditure). The universities finance the difference between total need and federal aid via donations from individuals, subsidies from the state in which they are located, and returns on the investments that these universities have spent the last 50 years in establishing, in order to provide stability to the research activity at their institutions: in 2007, the total amount of this funding at the 26 public universities reached the total of \$73,285M, and in the case of the 28 private universities, the total was \$170,215M.

The universities most involved in biomedicine received, proportionally, more federal aid. For example, Harvard—with a budget for 2007-08 of \$3,500M, and which ended its fiscal year with a surplus of \$17.4M—received \$535M from the federal government in order to finance the nearly \$600M that it dedicated to research, despite having an endowment on June 30, 2008 of \$26,926M (presumably the crisis will have reduced this amount by 25% or more), with interest income from its endowment of \$1,400M; Harvard also received donations of \$236.6M, primarily from alumni, in order to cover the ordinary operating expenses for the academic year; it also received \$510.9M from royalties from its publications, in particular from those of Harvard Business School and the College of Medicine. The income from students was \$682M (the number of students, which remains the same, was distributed in 2007 as follows: undergraduates: 6,648; professional schools of medicine, engineering and others: 3,682; graduate students: 9,625; total: 19,995; of this amount, 3,913 came from other countries: in first place was Asia, with 1,464 students, of which China provided 400; next was Europe with 1,080, of which Spain provided 52; etc.). During this academic year, the price of attending Harvard (including tuition and other costs) was \$36,173. 70% of students received some kind of aid. It is perhaps opportune to note that the amount that undergraduate student pay at the 50 best public universities in the U.S. oscillates between \$5,000 and \$15,000 for in-state residents, and between \$15,000 and \$35,000 for residents of other states and for foreigners.

IESE



## IESE:

### Values that make the difference

The prestige attained by the IESE is due to its capacity to generate new ideas, maintain a unique vision concerning business problems, develop a methodology of active learning, and defend a humanistic conception of organizations.

Other characteristic aspects of this Center of the University of Navarra include:

- Its international character, present since its founding, which combines a global vision with an understanding of the various cultural, institutional and social dimensions of business management.
- Its approach to problem solving from the perspective of the general executive in order to handle the problems, challenges and opportunities presented by business management.
- A culture of active learning that aids participants to ask questions about the what, how and why.
- Human and ethical values that are indispensable for personal growth and sustainable development of businesses.
- The conviction that business leaders can have a profound impact upon persons and society as a result of their professionalism, integrity and spirit of service, which are the foundations for an authentic attitude of social responsibility on the part of businesses.
- A personalized approach in the teaching that is imparted.
- Rigorous research about problems relevant to the business world.

## Alumni

The growth of the IESE has been possible thanks to its Alumni, who feel very satisfied with the education they have received. Proof of this is the high percentage of membership in the Alumni Association among the 32,000 graduates of the IESE, one of the highest levels of alumni affiliation in the world.

During the 2007-08 academic year, Alumni members attended the various activities organized by the Alumni Association over 27,300 times.

## Programs

The IESE offers specific programs of education for high-level executives, based on extensive research, as described in the sections on "Teaching" and "Research".

- Doctoral Program: PhD in Management International Faculty Development Program (IFDP).
- MBA Programs: MBA-Full Time, Executive MBA, Global Executive MBA.
- Executive Education<sup>1</sup>: Program for High-Level Executives (PADE), General Executive Program (PDG), Executive Development Program (PDD), Advanced Management Program (AMP), Program for Management Development (PMD), Global CEO Program for China, Global CEO Program Latin America, CEOs' Forum, Global CEOs' Forum, sector specific seminars and meetings, Focused Programs, Custom Programs.

## Financing of Academic Activity

Instructional programs and research projects <sup>2</sup>	
Income from ordinary academic programs	68,738
Income from research projects	2,520
Income from Alumni and Sponsoring Businesses	4,608
Direct costs of personnel and other instructional	34,628
Other direct costs of instructional programs and research	19,950

In thousands of Euros.

## The IESE in the News

More than 10,000 Alumni of the IESE participated in one or more of the 50 academic events held on the campus of the School, or in one of the more than 100 reunions held in 25 different countries, to celebrate the 50th anniversary of the IESE.

In addition, during 2008, the Harvard Business School and the IESE have jointly held various celebrations in order to commemorate the 100th anniversary of the Harvard Business School and the 50th anniversary of the IESE. For instance, in January, the two schools brought their

<sup>1</sup> Taught in Spanish in Barcelona, Madrid, Valencia, Pamplona, Palma de Mallorca, Santiago de Compostela and in English in Barcelona, Madrid, Miami, Munich, Sao Paulo and Warsaw.

<sup>2</sup> On page 6 a summary is included of the audited financial statement of the IESE. The result on the books was 1.3 million Euros.

MBA professors and students together to debate the challenges of the 21st century. Colloquium on the Globalization of Business Education, Barcelona, October 4, 5 and 6, 2007. Under the leadership of Prof. Pankaj Ghemawat, a group of professors, including Srikant Datar, Associate Dean of Harvard Business School, debated the impact of globalization on the profile, the curriculum and the programs of the modern business school, they studied the requirements of businesses in regards to the professional trajectories of their executives, the relations between teaching and research in the area of globalization, and the responses and innovations of businesses schools in this area. Academic Conference: 50 Years of the European Union, Barcelona, November 19 and 20, 2007. Prof. Xavier Vives organized the conference "50 Years of the Treaty: Assessment and Perspectives of Competition Policy in Europe", which featured the attendance of Neelie Kroes, Competition Commissioner of the EU; Lars-Hendrik Röller of Humboldt University, who is also President of the ESMT; Mario Monti, President of the Università Bocconi; Richard Gilbert, of the University of California, Berkeley; Karel van Miert, President of the Institute of Competition, Nyenrode Business Universiteit; William Kovacic, Commissioner of the US Federal Trade Commission; and Herbert Ungerer, EU General Director for Competition . The IESE Global Alumni Reunion, on the Annex of the Barcelona Campus, November 27-28, 2007. The Barcelona campus hosted more than 2,000 Alumni from around the world. The Prof. Jordi Canals, IESE General Director, remembered the team that began to work for the IESE in 1957, and commented on the four axes of the School's future: faculty, research, innovation and globalization of its activities. The general sessions featured speakers of the level of: Edmund S. Phelps, Nobel Prize in Economics 2006; Joaquín Almunia, EU Economic and Monetary Affairs Commissioner; Kenneth S. Rogoff (Harvard University); Robert P. George (Princeton University); Ermenegildo Zegna, Presidente of the Zegna Group; Roberto F. Ocampo (RFO), Domenico Siniscalco (Morgan Stanley International), etc. Chinese Business women in Leadership, Barcelona, February 25, 2008. Three of the most influential businesswomen in China met at the IESE in order to analyze the challenges of this new market. Yang Lan, co-founder and President of Sun Media Investment Holdings (SMIH), the top private media group in China; Shi Xiaoyan, founder of Ilinoi, which sets trends in furniture and interior design; and Zhou Xiaoguang, founder and President of Neoglory China Holding Company, world leader in the production of consumer jewelry. The three businesswomen recommended that businesses in China should attend to the needs and interests of women, since 80% of household budgeting in China is controlled by women.

### *The Future of Leadership and Business Schools*

Barcelona, April 17-18, 2008. Top executives, experts and deans of other business schools came to the IESE in order to analyze the future of leadership and how business schools should respond to the changes underway in the 21st century. Among the participants were the President of Insead, the President of Yale School of Management, the General Director of Harvard Business School and the General Director of Judge Business School of the University of Cambridge, as well as the Director General of the IESE, Jordi Canals, together with Luis Cantarell, the Executive Vice President of Nestlé; Alfredo Sáenz, General Director of the Santander Group; Toyoo Gyohten,

President of the Institute for International Monetary Affairs and the Bank of Tokyo, and Franklin P. Johnson, founding partner of the capital risk fund Asset Management Company. Other participants were: Ángel Cano, BBVA; Julie Fuller, PepsiCo; Alejandro Beltrán, McKinsey; Carlos Costa, The BCG; Hans Ulrich Maerki, IBM; David Moon, Merck; Marc Puig, Puig B&F; Anna Ruewell, BP; Nicholas Shreiber, Tetra Pak; Rafael del Pino, Ferrovial; Ermenegildo Zegna, Grupo Ermenegildo Zegna; Rolf-E. Breuer, Deutsche Bank.

*Academic Conference with MIT Sloan: Managing IT for Business Value*

Barcelona, April 28 and 29, 2008 The IESE hosted the Research Forum of MIT's Center for Information Systems Research; the Forum was designed for European CIOs, and presented concepts and interpretive frameworks for helping executives of cutting-edge, dynamic and global organizations to respond to the challenges of information technologies.

*The Chancellor of the University of Navarra inaugurated the International Symposium on Ethics, Barcelona, May 16-17, 2008.*

Msgr. Javier Echevarria, Chancellor of the University of Navarra and Prelate of Opus Dei, inaugurated the "International Symposium on Ethics, Business and Society". During his keynote, which focused on Christian humanism in the management of businesses, he asked that executives "organize their businesses so that they respect and favor the dignity of persons and human rights".

*4th International Family-Owned Business Conference*

Barcelona, June 6, 2008. Profs. Josep Tàpies and Pedro Nueno brought more than 300 persons together for the 4th International Conference of the Family Business Chair of the IESE, to discuss the topic "Family Values and the Creation of Value: the Development of Enduring Values in Family Businesses". Together with owners of family businesses from various countries, the conference featured presentations by Raffi Amit, of the Wharton School; Guido Corbetta, Dean of the Bocconi Graduate School; Sabine Klein, of the European Business School; and Nigel Nicholson, of the London Business School.

*HRH Princess Letizia inaugurated a congress on Human Ecology*

Madrid, June 12, 2008. The Princess of Asturias, Letizia Ortiz, inaugurated the 2nd International Conference of the Center for Work and Family, entitled "Building Sustainable Societies: Trends and Best Practices in Work-Family Balance". Coordinated by Profs. Nuria Chinchilla and Steven Poelmans, the conference also featured the presence of Stephen Bevan, Director of Research for the Work Foundation in the U.K; Lara Cathcart, Professor of the Tanaka Business School (Imperial College, London) and member of the Arab International Women's Forum; Ellen Galinsky, President and co-founder of the Families and Work Institute; and Marcie Pitt-Catsoupes, Co-director of the Center on Aging and Work at Boston College

# UNIVERSITY OF NAVARRA HOSPITAL



## Pillars and characteristics of a style

More than two thousand persons work at the University of Navarra Hospital, all of them dedicated exclusively to the University, in order to assure that each patient receives high quality medical care, personal attention and a profound respect for their dignity.

The advantages deriving from this exclusive dedication—along with teamwork, safety in all processes and its character as a university medical center—are the pillars and characteristics of the Hospital's professional style, which permit it to offer integral, cutting-edge and innovative medical services.

Research is undertaken by physicians, biologists and biochemists, pharmacists, physicists and engineers, nurses and other professionals at the Hospital itself, and in collaboration with the Schools and Research Centers of the University of Navarra, for example the Center for Research in Applied Pharmacobiology (CIFA) and the Center for Applied Medical Research (CIMA).

Research, together with the incorporation of the latest technological advances, permits rapid and effective diagnosis and treatment.

The Hospital is committed to teaching: from the teaching of undergraduates to its 32 programs in medical-surgical specialties, as well as symposia, congresses and annual seminars, etc.

The nursing team is a differential element in the model of care at the Hospital. It involves a high degree of professional preparation and human quality. The Hospital organizes, in collaboration with the School of Nursing of the University and other Centers, various Master's programs, courses and exchange programs; in addition, it collaborates in the development of various programs of research in nursing.

In regards to its character as a university hospital, it has collaborated in the education of more than seven thousand physicians, six thousand nurses and four thousand pharmacists. During the 2007-08 academic year, 637 students were in training. There were over 5,000 attendees at the medical Congresses organized on the Pamplona campus. And all of this has as its goal putting the latest scientific advances at the service of the sick.

The Christian vision of the person, a fundamental aspect of daily work at the University of Navarra, means that each sick person is to be treated with personal attention and an authentic sense of service, respecting the needs of his or her intimacy and providing human and spiritual support, while maintaining a profound respect for the freedom of each person.

Tens of thousands of patients from all over Spain and from many foreign countries come each year to the University of Navarra Hospital, one of the few European medical centers that has been accredited by the Joint Commission, which certifies adherence to internationally-accepted quality standards.

More information is available at <http://www.cun.es>

## Physicians, nurses, auxiliary nursing personnel and others

	Persons	(*)
<b>EXECUTIVE BOARD</b>	<b>6</b>	<b>6</b>
<b>PHYSICIANS</b>		
Consultants	162	162
Clinical Collaborators	166	156
Medical Resident Interns	165	165
<b>MEDICAL PERSONNEL</b>		
Nurses	724	620
Specialized Nurses	66	66
Specialized Technicians	96	84
Nursing Assistants	454	360
Other auxiliary personnel	167	133
Others	58	51
<b>NON-MEDICAL PERSONNEL</b>	<b>434</b>	<b>350</b>
<b>Total</b>	<b>2,498</b>	<b>2,153</b>

## Material Resources

<b>BEDS, SURGICAL THEATERS, OTHERS</b>	
Installed beds	330
Multidisciplinary surgical theaters	15
Laser ophthalmology theater	1
Delivery Rooms	2
Adult ICU Rooms	12
Intermediate ICU Rooms - Special Hospitalization Areas	12
Pediatric ICU Rooms	6
Urgent Care Rooms	6
Hemodialysis Units	15
<b>IMAGE DIAGNOSTICS</b>	
PET	2

\* Persons in terms of working-day equivalents

CAT	3
Dental CAT	1
MRI	3
Mammography	1
Echographs in Radiography	5
Echographs in other services	27
Conventional X-Ray Compartments	4
Remote X-Ray Compartments	2
Portable radiography units	11
Bod Pod	1
Respiratory Tract Exploration	1
Densitometer	1
<b>HIGH TECHNOLOGY</b>	
Linear Accelerator	3
Electrophysiology Room	1
Hemodynamics Room	1
Digital Angiograph	1
Cyclotron	1
ABBI	1
GMP Laboratories	3
Neuronavigator (Functional Surgery)	2
Radiosurgery	1
Brachiotherapy Unit	1

## Caregiving Activity

	2006/07	2007/08
<b>INPATIENT ACTIVITY</b>		
Total Releases	14,669	14,517
Average Stay	5.86	5.88
Average Weight	1.67	1.72
Percent Codified Releases	96.09%	99.68%
Urgent Intakes	3,578	3,529
Programmed Intakes	10,262	10,764
Percent Urgent Intakes	16.34%	15.92%
<b>DAY HOSPITAL</b>		
Onco-hematological Treatments	5,734	5,658
Psychiatric Treatments	274	263
Total Dialysis	7,197	8,669

<b>OBSTETRIC ACTIVITY</b>		
Births (live births)	356	400
Vaginal Deliveries	285	312
Caesarean Sections	65	88

## Surgical Activity

Patients/Surgeries	Ambulatory		Hospitalized		Total	
	06/07	07/08	06/07	07/08	06/07	07/08
Individuals	1,522	1,497	2,433	2,543	3,955	4,040
Private Entities	873	988	3,144	3,502	4,017	4,490
Public Health Service	532	690	1,821	2,215	2,353	2,905
<b>Total</b>	<b>2,927</b>	<b>3,175</b>	<b>7,398</b>	<b>8,260</b>	<b>10,325</b>	<b>11,435</b>

## Ambulatory Activity

	New	Revisions	Total	Revis./New
<b>MEDICAL SPECIALTIES</b>				
Allergology	695	882	1,577	1.3
Anesthesia	120	160	280	1.3
Infectious Diseases	150	143	293	1
Cellular Therapy	5	21	26	4.2
Cardiology	1,463	4,024	5,487	2.8
Gastroenterology	1,485	1,392	2,877	0.9
Endocrinology	1,118	3,174	4,292	2.8
Pharmacology	4	92	96	23
Hematology	523	1,235	1,758	2.4
Family Medicine	669	5,297	5,966	7.9
Occupational Health	545	1,230	1,775	2.3
Internal Medicine	2,875	3,151	6,026	1.1
Nuclear Medicine	60	5	65	0.1
Nephrology	495	3,058	3,553	6.2
Respiratory Medicine	905	958	1,863	1.1
Neurology	1,938	4,128	6,066	2.1
Psychiatry	965	5,098	6,063	5.3
Medical Oncology and Radiotherapy	2,098	9,932	12,030	4.7
Rehabilitation	176	130	306	0.7
Rheumatology	531	559	1,090	1.1
Hepatology Unit	480	2,182	2,662	4.5
<b>Total Medical Specialties</b>	<b>17,300</b>	<b>46,851</b>	<b>64,151</b>	<b>2.7</b>

<b>PEDIATRICS</b>	<b>1,781</b>	<b>10,009</b>	<b>11,790</b>	<b>4.5</b>
<b>URGENT CARE</b>	<b>4,576</b>	<b>6,474</b>	<b>11,050</b>	<b>1.4</b>
<b>SURGICAL SPECIALTIES</b>				
Breast Pathology	521	1,060	1,581	2
Cardiac Surgery	295	421	716	1.4
General Surgery	1,299	1,602	2,901	1.2
Oral and Maxillofacial Surgery	1,050	603	1,653	0.6
Orthopedic and Traumatological	4,364	5,391	9,755	1.2
Plastic Surgery	544	845	1,389	1.6
Thoracic Surgery	129	171	300	1.3
Vascular Surgery	745	77	822	0.1
Dermatology	2,677	4,049	6,726	1.5
Gynecology	1,772	6,114	7,886	3.5
Neurosurgery	811	655	1,466	0.8
Ophthalmology	2,860	7,432	10,292	2.6
Otolaryngology	2,620	3,910	6,530	1.5
Urology	1,986	2,710	4,696	1.4
<b>Total Surgical Specialties</b>	<b>21,673</b>	<b>35,040</b>	<b>56,713</b>	<b>1.6</b>
<b>Total</b>	<b>45,330</b>	<b>98,374</b>	<b>143,704</b>	<b>2.2</b>

<b>TECHNICAL</b>	<b>2006</b>	<b>2007</b>
Laboratory	920,674	924,388
Conventional Radiology	40,835	41,026
Echograms	25,009	26,204
Cytology	6,641	6,615
Endoscopies	7,041	7,300
Mammograms	5,893	5,137
CAT	20,248	20,600
MRI	8,498	8,761
Gammograms	2,114	2,080
Lithotripsy	165	165
Interventionist Radiology	2,049	1,877
Diagnostic Hemodynamics	468	660
Therapeutic Hemodynamics	708	697

<b>PROCEDURES</b>	<b>Total</b>
Intracranial Neurostimulant Implant	17
Radiosurgery	33
Lithotrities	176
Cochlear Implants	52
Permanent Pacemaker Insertions	136
Pacemaker Revisions with Generator Substitution	16
Pacemaker Revisions w/o Generator Substitution	3
Implantation/Substitution of Defibrillator	49
Patients in Radiotherapy Treatments	831
<b>EXTRACTIONS/TRANSPLANTS</b>	
Kidney Extraction (organs extracted)	4
Heart Extractions	8
Liver Extractions	9
Multi-organ Extractions	1
Multi-organ Extractions with Bone Tissue	1
Bone Tissue Extractions (live donors)	51
Bone Tissue Extractions (cadaver donors)	1/2/26=29
Heart Extractions for Valves and Vascular Segments	3
Kidney transplants	18
Heart Transplants	7
Liver Transplants ( * )	18
Cornea Transplants	10
Bone Marrow Transplants (***)	13 / 2 = 15

## Case Breakdown (1) (C.M.B.D.)

MOST COMMON MEDICAL DRG'S					
<b>DRG</b>	<b>Description</b>	<b># of cases</b>	<b>% Total</b>	<b>Average</b>	<b>Weight</b>
410	Chemotherapy	547	7.73%	2.84	1.09
629	Live births, weight at birth	443	6.26%	3.99	0.24
73	Other ear, nose, mouth and throat diagnoses, age	403	5.69%	1.64	0.75

(\*) Three from living donors

(\*\*) UN Hospital / Navarra Public Hospital / Extra-hospital area

(\*\*\*) Autologous/Related allogenic

1 APGRD v.2.3

373	Vaginal births without complications	261	3.69%	3.51	0.57
203	Malign neoplasm of the hepatobiliary or	255	3.60%	3.74	1.8
430	Psychosis	161	2.27%	22.72	1.59
541	Simple pneumonia and other respiratory	138	1.95%	13.21	2.41
12	Degenerative nervous system disorders	123	1.74%	6.8	1.51
301	Endocrine disorders	123	1.74%	3.36	0.76
557	Hepatobiliary and pancreatic disorders with major CC	113	1.60%	12.16	3.72

*MOST FREQUENT SURGICAL DRG'S*

<b>DRG</b>	<b>Description</b>	<b># of cases</b>	<b>% Total</b>	<b>Average</b>	<b>Weight</b>
55	Miscellaneous ear, nose, mouth and throat	196	2.66%	2.11	0.69
494	Laparoscopic cholecystectomy w/o CDE w/o CC	189	2.56%	2.93	0.88
112	Percutaneous cardiovascular proc w/o AMI heart failure or shock	181	2.45%	0.96	1.63
818	Hip replacement except for complications	169	2.29%	9.62	3.88
227	Procedures on soft tissues without CC	148	2.01%	2.87	0.94
222	Knee procedures	143	1.94%	2.55	1.1
225	Foot procedures	141	1.91%	2.66	1.14
359	Uterine & adnexa procedures for CA in situ & non-malignancy	137	1.86%	4.18	1.15
162	Inguinal & femoral hernia procedures age >17 w/o CC	134	1.82%	2.99	0.69
867	Local excis. and removal of internal fixed device exc. hip/femur w/o CC	133	1.80%	3.27	1.11

*DRG'S WITH HIGHEST RESOURCE CONSUMPTION*

<b>DRG</b>	<b>Description</b>	<b>Weight</b>	<b># of</b>	<b>% Total</b>
480	Liver and/or intestinal transplant	34.76	19	2.51%
818	Hip replacement except for complications	3.88	169	2.49%
410	Chemotherapy	1.09	547	2.26%
877	Tracheostomy with mechanical ventilation 96+	51.35	9	1.75%
203	Malignancy of hepatobiliary system or pancreas	1.8	255	1.74%
105	Cardiac valve & other major cardiothoracic proc.	5.99	75	1.70%
557	Hepatobiliary and pancreatic disorders with major CC	3.72	113	1.59%
209	Maj. joint & limb reattach	3.58	117	1.59%
2	Craniotomy for trauma age >17	3.1	116	1.37%
116	Permanent pacemaker	3.67	92	1.28%
851	Defibrillator implant w/o cardiac catheterism	10.18	33	1.28%
541	Simple pneumonia and other respiratory disorders, except bronchitis and asthma	2.41	138	1.26%
73	Other ear, nose, mouth and throat diagnoses, age > 17	0.75	403	1.15%
112	Percutaneous cardiovascular proc w/o AMI heart failure or shock	1.63	181	1.12%
878	Tracheostomy with mechanical ventilation 96+	31.73	9	1.08%
302	Kidney transplants	10.74	26	1.06%
103	Heart transplant or assisting system implant	34.08	8	1.03%
468	Extensive OR Procedure	4.13	66	1.03%
759	Multicanal cochlear implants	8.98	30	1.02%

104	Cardiac valve & other major cardiothoracic pr w/o cardiac catheterism	8.92	29	0.98%
430	Psychosis	1.59	161	0.97%
804	Autologous bone marrow transplants	15.66	16	0.95%
75	Major thoracic procedures	2.99	83	0.94%
533	Other nervous system	4.59	52	0.91%
550	Other vascular procedures	5.7	41	0.89%

## Medical activity acc. to patient payment type

### *Ambulatory Activity*

	New Cases		Revisions		Total Consultations	
	06/07	07/08	06/07	07/08	06/07	07/08
Individuals	31,139	26,127	48,383	38,253	79,522	64,380
Private insurance	13,044	11,907	25,506	24,867	38,550	36,774
Public health	7,348	7,296	33,814	35,254	41,162	42,550
<b>Total</b>	<b>51,531</b>	<b>45,330</b>	<b>107,703</b>	<b>98,374</b>	<b>159,234</b>	<b>143,704</b>

### *Hospitalization*

	Inpatients		Stays		Average Stay	
	06/07	07/08	06/07	07/08	06/07	07/08
Individuals	5,143	5,065	30,934	29,963	6	5.9
Private insurance	5,782	5,617	31,766	31,286	5.5	5.6
Public health	3,744	3,835	24,182	26,097	6.5	6.8
<b>Total</b>	<b>14,669</b>	<b>14,517</b>	<b>86,882</b>	<b>87,346</b>	<b>5.9</b>	<b>6</b>

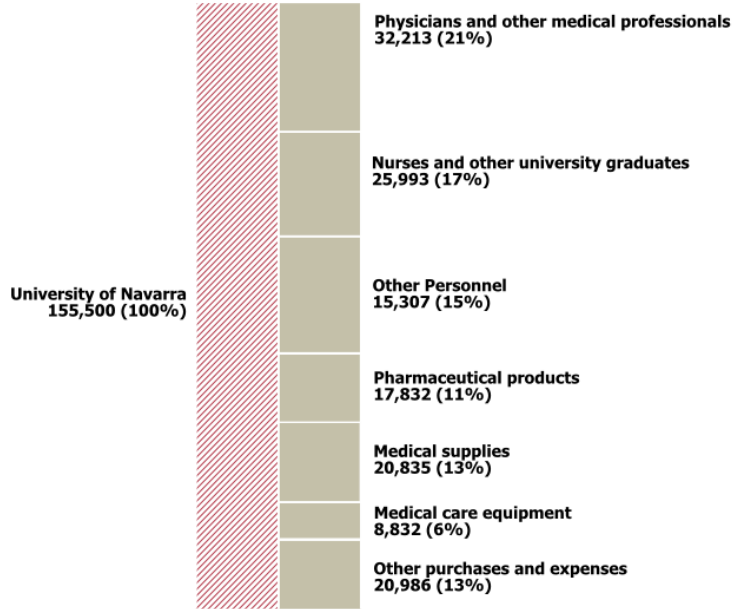
### *Intakes for medical care acc. to patient payment type*

	Ambulatory		Hospitalization		Total	
	06/07	07/08	06/07	07/08	06/07	07/08
Individuals	51,059	54,787	36,300	37,396	87,359	92,183
Private	15,554	19,146	26,044	27,531	41,598	46,676
Public	9,219	10,266	14,454	16,501	23,673	27,768
<b>Total</b>	<b>75,833</b>	<b>84,199</b>	<b>76,798</b>	<b>81,428</b>	<b>152,630</b>	<b>165,627</b>

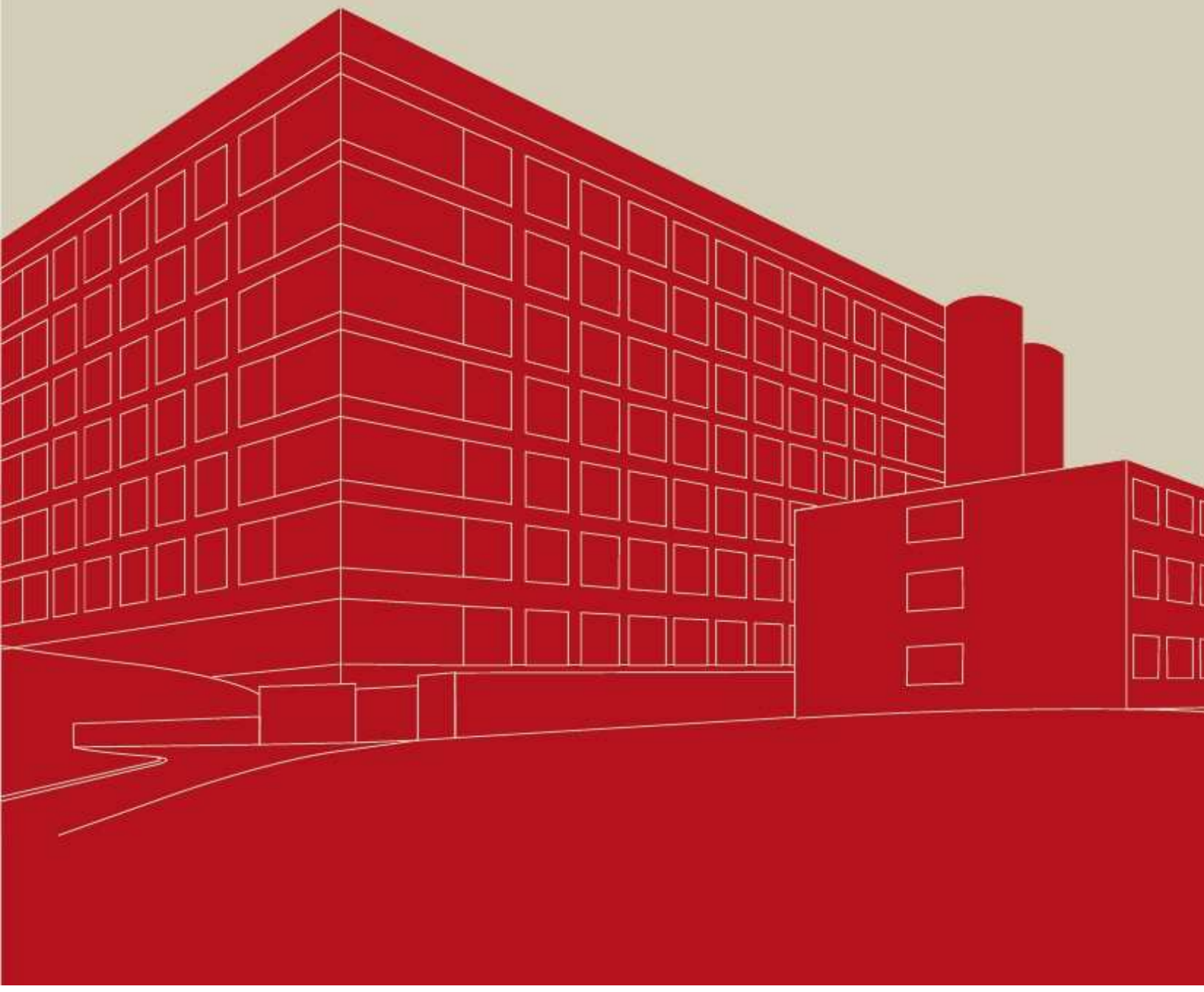
In thousands of Euros.

**Origin  
of the resources**  
Application  
of the resources

TOTAL: 155,500 (THOUSANDS OF €)



# CAMPUS



In Pamplona, work continues to improve broad areas of the campus and its academic facilities (classrooms, laboratories, sports complex, etc.), in addition to the remodeling underway at the University Hospital.

In addition, the initial stages of a project to construct a new building for Economics and Master's programs is underway: with a constructed surface area of 14,000 m<sup>2</sup>, distributed fundamentally over three floors, it will house the Office of the Dean, the Administrative Offices, professors' offices, classrooms for the School of Economics and classrooms and group working areas for the various Master's programs, in addition to the offices of the University of Navarra Foundation, Career Services and Educational Innovation.

These investments, which will involve tens of millions of Euros, are a necessary response to the introduction of the new Bologna-compatible curricula and the increase in research activity. At the University of Navarra, as is traditional, the necessity of investment will be weighed against the requirements of teaching and research, which cannot be improvised, and the capacities of those who are responsible for its financing.

It is as important to conserve as it is to construct. On the Pamplona campus, those who use the various facilities fill out more than 6,000 "repair orders", which the Maintenance Service receives and resolves.

To meet the requirements of all these plans may seem impossible, but the history of the University of Navarra has been written thanks to the audacity and the magnanimity of the Association of Friends and the IESE Alumni; today, the members of the UN Alumni Association also contribute to this important task.

**Origin  
of the resources**  
**Application  
of the resources**

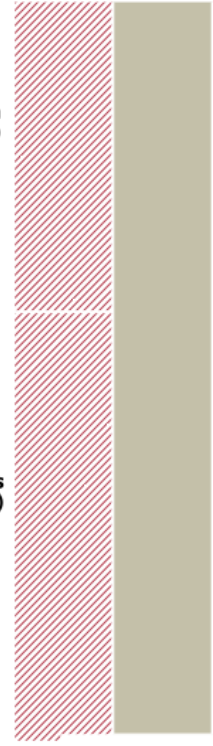
TOTAL: 14,186  
(THOUSANDS OF €)

**University of Navarra**  
**5,945 (42%)**

**Private entities**  
**8,241 (58%)**

**Pamplona and San Sebastián**  
**14,009 (99%)**

**Barcelona and Madrid**  
**177 (1%)**

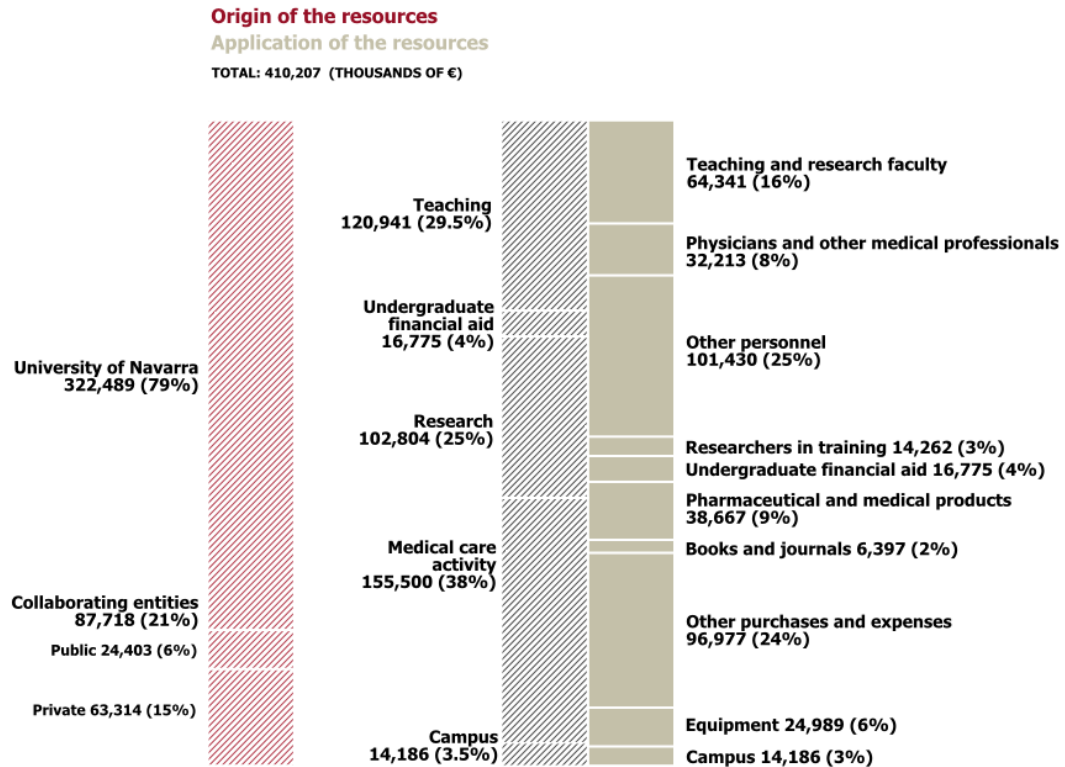


# GLOBAL FINANCING OF ACTIVITIES



## Summary

The figures that appear below—the sum of earlier sections—show the usage of the funds applied and the entities which provided them. They give a global view of the economic dimensions of the activities carried out during the 2007-08 academic year at the University of Navarra, and the degree to which they have been financed by the University itself or its collaborating entities.



## Annual Financial Statement of the University of Navarra



KPMG Auditores S.L.  
Edificio Iruña Park  
Arcadio M. Larraona, 1  
31008 Pamplona

### Annual Financial Statement Audit Report

To the Executive Board  
of the University of Navarra

1. We have audited the annual financial statement of the University of Navarra (henceforth the University), which are comprised of the balance sheet as of September 30, 2008, the income and expenditure account and the report corresponding to the fiscal year ending on said date (henceforth the 2008 fiscal year), the formulation of which is the responsibility of the General Administrator and the Bursar of the University. Our responsibility is to express an opinion concerning the said annual financial statement in its totality, based on work undertaken in accordance with generally accepted auditing norms, which require the examination, via the performance of selective tests, of the evidence which justifies the annual financial statement and the evaluation of its presentation, of the accounting principles applied and of the estimates given.
2. The Administrator General and the Bursar of the University present, for comparative purposes, alongside each of the categories of the balance sheet, of the income and expenditure account and of the table of financing, the corresponding figures for the prior fiscal year in addition to the figures for the 2008 fiscal year. Our opinion pertains exclusively to the financial statement for the 2008 fiscal year. On April 23 of 2008 we presented our auditing report concerning the annual financial statement for fiscal year 2007, in which we expressed our opinion, with a reservation concerning the same issues which we will discuss in the following paragraph.
3. As indicated in note 7(c) of the attached report, the University maintains a balance to be paid with the Ministry of Health and Consumer Affairs, in the amount of 17,542,544 Euros, corresponding to the fiscal years from 1999 through 2007, and for the period between October 1, 2007 and April 30, 2008, which has its origin in the provision of services undertaken by the University, due to being classified as a Social Security Collaborating Entity up to that date. As of September 30, 2008, the University has two claims pending with the Superior Justice Court of Madrid, demanding the payment of the debt corresponding to the years 1999 to 2002, in the amount of 6,464,500 Euros, and for the years 2003 to 2006, in the amount of 7,882,218 Euros, having also presented a new claim demanding, for the same reasons, the debt corresponding to 2007, in the amount of 2,330,637 Euros, on March 25 of 2009. With regard to the claim covering the 1999 to 2002 period, on February 27, 2008, the University presented a writ of error in the Chamber for Contentious Administrative Proceedings against the sentence of November 28, 2007, in which the University's claim was rejected. In addition, on April 1, 2009, the court found in favor of the University regarding the demand for payment of the debt corresponding to the

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KPMG International, sociedad suiza.

Inscrita en el Registro Oficial de Auditores de Cuentas con el n.º 50702,  
y en el Registro de Sociedades del Instituto de Censores Jurados de  
Cuentas con el n.º 10  
Reg. Merc. Madrid, T. 11.961, F. 80, Sec. 6, H. M-166 007, Inscrip. 9ª  
R.I.F. B-985010120

- 2 -

years 2003 to 2006, obligating the Ministry of Health and Consumer Affairs to return the amounts demanded, plus interest; at the moment, it is not known whether the said Ministry will present an appeal of some kind against this Sentence. As a consequence of these situations, it is not possible to objectively determine, as of the date of the present report, what the effect of the final resolution of these legal claims will be concerning the quantities demanded, and, as a consequence, concerning the rest of the amount pending payment for the same reasons.

4. In our opinion, except for the effect of any adjustment that may be necessary in the case of the final resolution of the uncertainty referred to in paragraph 3, the annual financial statement for fiscal year 2008 attached to this letter expresses, in all significant respects, the true and fair image of the assets and financial situation of the University of Navarra as of September 30, 2008, and of the results of its operations and the resources obtained and applied during the fiscal year ending on said date, and contain the necessary and sufficient information for their adequate interpretation and understanding, in conformity with generally accepted accounting principles and norms, which maintain uniformity with those applied in the prior fiscal year.

KPMG Auditores, S.L.



Gregorio Moreno  
Socio

1 de abril de 2009

INSTITUTO DE  
CENSORES JURADOS  
DE CUENTAS DE ESPAÑA

Miembro ajuntado:  
KPMG AUDITORES, S.L.

AÑO 2008 N.º 16/09/02487

IMPORTE COLEGIAL: 80,00 EUR

Este informe está sujeto a la tasa  
aplicable establecida en la  
Ley 44/2002 de 22 de noviembre.

**The original letter from KPMG is in Spanish; this translation was neither made by nor approved by KPMG.**

## University of Navarra Balance Sheet

As of September 30, 2007 and 2008

<b>ASSETS</b>	30/09/08	30/09/07
<b>Fixed Assets</b>		
Intangible Fixed Assets (note 5)	8,060,314	7,520,869
Tangible Fixed Assets (note 6)	84,597,130	83,606,373
Financial Assets (note 7)	35,936,348	30,889,497
	<b>128,593,792</b>	<b>122,016,739</b>
<b>Expenses to Distribute over Several Periods (note 8)</b>	<b>128</b>	<b>466</b>
<b>Current Assets</b>		
Stock on Hand (note 9)	2,428,915	2,393,851
Debtors (note 10)	41,485,431	43,552,173
Temporary Financial Investments (note 11)	46,017,822	48,296,784
Cash Bank	38,158,219	15,171,253
Prepayments and Accrued Income	1,120,164	774,046
	<b>129,210,551</b>	<b>110,188,107</b>
	<b>257,804,471</b>	<b>232,205,312</b>
In Euros		
<b>LIABILITIES</b>	30/09/08	30/09/07
<b>Equity (note 12)</b>		
Surplus from Previous Periods	118,463,091	103,278,696
Positive Operating Surplus	7,837,677	15,184,395
	<b>126,300,768</b>	<b>118,463,091</b>
<b>Revenues to be Distributed over Several Fiscal years</b>	<b>13,823,338</b>	<b>11,088,963</b>
<b>General Reserves for Risks and Costs (Note 14)</b>	<b>8,115,065</b>	<b>7,638,568</b>
<b>Long-Term Creditors</b>		
Credit Institutions (note 15)	27,177	1,567,886
Other Creditors (note 16)	5,825,189	2,839,563
	<b>5,852,366</b>	<b>4,407,449</b>
<b>Short-Term Creditors</b>		
Commercial Creditors (note 17)	25,474,292	16,937,360

Other Non-Commercial Debts (note	13,672,251	18,556,356
Trade Provisions	37,620	37,619
Prepayments and Accrued Income	64,528,771	55,075,906
	<b>103,712,934</b>	<b>90,607,241</b>
	<b>257,804,471</b>	<b>232,205,312</b>

In Euros

## Income and Expenditure Account of the University of Navarra

For the fiscal years ending on September 30, 2007 and 2008.

<b>EXPENSES</b>	30/09/08	30/09/07
<b>Operating Costs</b>		
Monetary and Other Aid (note 23)	3,771,557	4,687,461
Supplies (note 9)	51,285,667	46,362,761
Personnel Expenses	175,970,827	163,556,298
Allotments for Fixed Asset Amortization	16,957,579	15,860,176
Variation in Trade Provisions	2,192,988	2,063,798
Other Operating Costs (note 24)	67,626,259	59,196,072
	<b>317,804,877</b>	<b>291,726,566</b>
<b>Surpluses from Generated Funds</b>	<b>7,336,414</b>	<b>10,067,365</b>
<b>Financing Expenses</b>		
Financing and Assimilated Expenses	97,038	105,671
Variation in Financial Investment	2,423,741	966,232
Negative Exchange Difference	7,206	67,139
	<b>2,527,985</b>	<b>1,139,042</b>
<b>Gains on Investments</b>	<b>831,639</b>	<b>4,236,981</b>
<b>Surplus from Ordinary Activity</b>	<b>8,168,053</b>	<b>14,304,346</b>
<b>Extraordinary Losses and Expenses</b>		
Extraordinary Expenses	949,761	800,200
Expenses and Losses from Other	1,709,362	313,234
	<b>2,659,123</b>	<b>1,113,434</b>
<b>Extraordinary Gains</b>	-	<b>880,049</b>
<b>Pretax Gains</b>	<b>7,837,677</b>	<b>15,184,395</b>
<b>Corporate Tax (note 20)</b>	-	-
<b>Positive Operating Surplus</b>	<b>7,837,677</b>	<b>15,184,395</b>

<b>INCOME</b>	30/09/08	30/09/07
<b>Operating Income</b>		
Income from Generated Funds	322,288,133	298,334,120
Other Operating Income	2,853,158	3,459,811
	<b>325,141,291</b>	<b>301,793,931</b>
<b>Investment Income</b>		
Equity Income	75,631	180,926
Income from Marketable Securities and	1,261,525	1,538,969
Other Interest and Similar Income	2,019,177	3,655,160
Positive Exchange Difference	3,291	968
	<b>3,359,624</b>	<b>5,376,023</b>
<b>Extraordinary Profits and Income</b>		
Extraordinary Income	713,425	495,047
Income and Expenditures from Other Periods	1,615,322	1,498,436
	<b>2,328,747</b>	<b>1,993,483</b>
<b>Extraordinary Losses</b>	<b>330,376</b>	-
In Euros		

## Financing Tables

For the fiscal years ending on September 30, 2007 and 2008.

<b>APPLICATIONS</b>	30/09/08	30/09/07
<b>Acquisitions of Fixed Assets</b>		
Intangible Fixed Assets	1,689,423	2,476,447
Tangible Fixed Assets	16,798,358	23,527,077
Financial Assets	10,636,617	10,748,609
<b>General Reserves for Risks and Costs</b>	<b>975,557</b>	<b>904,683</b>
<b>Income to be Distributed over Several Periods</b>	-	<b>275,507</b>
<b>Cancellations and Transfer to Short Term of Long-Term Debts</b>	<b>1,540,709</b>	<b>2,161,540</b>
<b>Other Movements of Equity</b>	-	<b>2,441</b>
Increase in Working Capital	5,916,751	2,520,799
	<b>37,557,415</b>	<b>42,617,103</b>
In Euros		

<b>SOURCES</b>	30/09/08	30/09/07
<b>Resources Obtained from Operations</b>		
Operating Surplus	7,837,677	15,184,395
Fixed Asset Amortization	16,957,579	15,860,176
General Reserves for Risks and Costs	1,452,054	1,911,222
Variation in Financial Asset Provisions	2,141,450	1,485,150
Costs to Distribute over Multiple Fiscal	338	1,860
Capital Subsidies Transferred to Current	-6,502,231	-4,863,206
	<b>21,886,867</b>	<b>29,579,597</b>
<b>Transfer of Financial Assets to Working Capital</b>	<b>2,853,472</b>	<b>647,012</b>
<b>Disposal of Financial Assets</b>	<b>594,844</b>	<b>6,236,615</b>
<b>Income to be Distributed over Several Periods</b>	<b>9,236,606</b>	<b>4,613,170</b>
<b>Long-Term Creditors</b>	<b>2,985,626</b>	<b>1,540,709</b>
	<b>37,557,415</b>	<b>42,617,103</b>

In Euros

## Variations in Working Capital

	30/09/08		30/09/07	
	Increases	Decreases	Increases	Decreases
Stock on Hand	35,064	-	510,067	-
Debtors	-	2,066,742	9,669,306	-
Short-Term Investments	-	2,278,962	-	2,364,991
Short-Term Creditors	-	13,105,693	2,922,434	-
Cash Bank	22,986,966	-	-	8,347,190
Prepayments and Accrued	346,118	-	131,173	-
Income				
	<b>23,368,148</b>	<b>17,451,397</b>	<b>13,232,980</b>	<b>10,712,181</b>
Variation in Working Capital	-	5,916,751	-	2,520,799
	<b>23,368,148</b>	<b>23,368,148</b>	<b>13,232,980</b>	<b>13,232,980</b>

In Euros

## (1) Nature and Activities of the Entity

The University of Navarra (henceforth "the University") was founded by St. Josemaría Escrivá in 1952, and was given its university status by the Sacred Congregation for Seminaries and Universities via the Decree "Erudiendae", on August 6, 1960.

The Decree 2294/1962, of September 8, emitted by the Ministry of National Education, grants civil recognition to the education provided at the University of Navarra, in accordance with the Agreement signed by the Holy See and the Government of Spain on April 5, 1962. The Agreement on Education and Cultural Affairs, signed on January 3, 1979, by the Holy See and the Government of Spain, recognizes the legal existence of the Universities of the Church established in Spain.

The University of Navarra is entered in the Register of Religious Entities of the Ministry of Justice, with number 1781 in the Special Section, Group C.

Its statutes were approved by a Decree of the Sacred Congregation for Seminaries and Universities on June 29, 1964, and were modified by a Decree of the same Congregation on December 13, 1997.

The University, as a university of the Catholic Church, is dedicated to teaching and research in the various branches of knowledge, in accordance with the spirit of its founding and its own mission.

The Chancellor is the highest authority of the University, and exercises, in the name of the Holy See, all of the faculties and functions for the observance of canonical norms, good governance and the expression and conservation of its Catholic identity and its mission. The Vice Chancellor presides over the University Corporation in the absence of the Grand Chancellor, and exercises those functions which the latter has delegated to him.

The Governing Board of the University is made up of the President, who presides over the Board, the Vice Presidents, the Director or Vice President of Student Affairs, the Deans and Directors of the various Schools and Centers, the General Administrator, the Bursar, two student representatives, and the General Secretary, who functions as the Secretary for the Board.

The day-to-day governance of the University is carried out by the Executive Board, which approves budgets, and is made up of the President, the Vice Presidents, the Director or Vice President of Student Affairs, the General Administrator, the Bursar and the General Secretary, who functions as the Secretary for the Board.

The University of Navarra is a nonprofit organization, and its assets are held subject to the objectives of general interest established in its Statutes.

Its location, for legal and fiscal purposes, is at its headquarters in Pamplona.

## **(2) Basis of Presentation**

The General Administrator and the Bursar of the University have prepared this financial statement with the purpose of giving a true and fair view of the assets and financial situation of the University as of September 30, 2008, and of the results of its operations and of the resources

obtained and applied during the fiscal year ending on the stated date, as well as the proposed application of the operating surplus.

The aforementioned financial statement has been prepared on the basis of the University's auxiliary accounting ledgers, and is presented, insofar as is applicable, in accordance with the General Regulations for Non-Profit Entities and, generally, in accordance with the General Accounting Regulations in force in Spain.

### **(3) Positive Operating Surplus**

The proposed application of the positive operating surplus consists in the transfer in its entirety to the category of Prior Operating Surpluses. This surplus will be devoted to the fulfillment of the purposes of the University.

### **(4) Generally Accepted Accounting Principles and Valuation Rules Applied**

#### *(a) Intangible Fixed Assets*

Intangible fixed assets are valued at their acquisition cost, and are shown net of their corresponding accumulated amortization, in accordance with the following criteria.

- As a general criterion, costs of research and development are registered as expenses in the fiscal year during which they are incurred.
- Administrative concessions are amortized over their period of concession.
- Software applications are valued at the cost of their acquisition, and are amortized linearly over the period of four years during which it is supposed that they are to be in use. The maintenance costs for software applications are registered as expenses at the moment when they are incurred.
- The usage fees and purchase options derived from the use of tangible fixed assets contracted via a financial lease regimen are registered at the cash value of the asset at the moment of its acquisition. The amortization of these usage fees is performed linearly over the useful life of the leased or rented good. The total debt, as the sum of the periodic payments plus the purchase option cost, is registered as a liability. The initial difference between the total debt and the cash value of the asset, equivalent to the financial cost of the operation, is registered as an expense to be distributed over several fiscal years, and is booked to earnings over the duration of the contract using a single accounting standard. At the moment in which the purchase option is exercised, the cost

and accumulated amortization of these goods is transferred to the corresponding category of tangible fixed assets.

- Financial assets held in buildings rented or leased to third parties are capitalized using the same criteria as used for tangible fixed assets. Investments are amortized over the period of their useful life, or over the term of the rental or leasing contract, whichever is lesser.

### *(b) Tangible Fixed Assets*

Tangible Fixed Assets are valued at their cost of acquisition. The amortization of the elements of the tangible fixed asset is performed on the basis of cost values, following a linear model during its remaining estimated years of useful life:

The costs incurred for maintenance and repair of tangible fixed assets which neither improve their usability nor prolong their useful life, will be registered in the income and expenditure account at the moment in which they are incurred.

The category of "Other Tangible Fixed Asset" reflects an amount of 6.2 million Euros, equivalent to the value originally assigned to the totality of books, archives and other elements located in the libraries of the University. This amount is not amortized, since it is understood that the special characteristics of these assets implies that they do not suffer a reduction in their value over time. The posterior acquisition on a payment basis of books and journals is registered in the income and expenditure account at the moment in which they are incurred.

Refurbishments	25
Technical Facilities and Machinery	<del>06/06/07</del>
Other Facilities, Equipment and Furniture	<del>06/06/07</del>
Medical Instruments	3.3
Information Processing Equipment	4
Transportation Equipment	<del>05/06/06</del>
Other Tangible Fixed Assets	<del>06/06/10</del>

### *(c) Financial Assets*

The criteria followed in their valuation are:

- The participations in partnership capital are reflected at their acquisition price, or at the market price, if less. The market price is determined for each of the categories of financial assets according to the following criteria:

- Unlisted: The base value is taken as the theoretical book value listed in the most recent financial statement available, corrected by the amount of the tacit unrealized capital gains existing at the moment of acquisition, and which subsist on the date of the drawing up of the balance sheet. The reserve allowance is derived by attending to the evolution of the funds belonging to the partnership capital participated in.
- Listed: Valued at the lesser of the average listed price over the last trimester, and the latest listed price of the fiscal year.
- Participations in Financial Institution Money Market Funds (FIAMMs) are valued at their acquisition price. The net performance of the participations in FIAMMs, determined by the difference between the liquidating value on the fiscal year ending date and the accounting value of the same, is registered as financial income, increasing the accounting value of the participation. In the case where the net performance is negative, the loss is registered by decreasing the value of the participation. The income resulting from the earnings distribution of the FIAMM is registered by lowering the accounting value of the participation in the given fund.
- Fixed and variable-rate securities are registered with the value of their acquisition price, including the costs inherent in the acquisition, and, where applicable, the cost of any subscription fees.

*(d) Costs to distribute over multiple fiscal years*

The costs to distribute over multiple fiscal years include the deferred interest derived from leasing contracts, which are imputed to results by following a single accounting standards up to the date of its maturation.

*(e) Stock on hand*

Stock on hand, which corresponds fundamentally to the stock of the pharmacy of the University Hospital, is valued at its cost of acquisition (using the method of average weighted price) or at market value, whichever is less.

The University provides an allowance for depreciation of stock on hand when the market value of the stock in question is less than its cost of acquisition.

*(f) Short-Term financial investments*

Short-term financial investments are reflected at their price of acquisition, and are valued according to the same criteria as long-term financial assets.

*(g) Allowance for insolvencies*

The allowances for insolvencies are created in order to cover possible losses produced in the settlement of outstanding balances maintained in the accounts of debtors. The University follows the criterion of adding to this fund in accordance with the age of the given right to collection, or else when there exist circumstances that give reasonable indication that specific debts are unlikely to be paid.

*(h) Transactions and debts in currencies other than the Euro*

Transactions in currencies other than the Euro are registered according to their equivalent value in Euros, using the exchange rates prevailing on the dates of the transactions in question.

*(i) Subsidies*

Capital subsidies are posted when the official concessions are obtained, and the conditions have been complied with for their concession, or there do not exist any reasonable doubts concerning their future fulfillment and their corresponding payment. They are registered in the category of Revenues to be Distributed over Several Periods, and are posted to earnings in each period in the proportion of the amortization corresponding to the financial assets with the subsidies. They are posted in the category of Incoming Resources from Generated Funds, attending to the character of the conceded subsidies.

Operating subsidies are posted when the previously mentioned criteria are met, and are entered in the category Incoming Resources from Generated Funds, in the Income and Expenditure Account.

*(j) Longevity bonus pay and retirement bonuses*

In accordance with the National Agreement for University-Level Education and Research [*Convenio de Ámbito Estatal para los Centros de Educación Universitaria e Investigación*], all employees of the University, excepting those of the University Hospital, have the right to a longevity bonus upon completing 25 years of service. The University makes allotments for longevity bonus pay, based upon actuarial calculations, in order to cover the liabilities created by these commitments to its employees.

The Statute for non-medical staff of the University of Navarra Hospital establishes that these employees have the right to a retirement bonus, which will be applied at the moment of their retirement, provided that the staff member in question has been an employee for at least 15 years.

In accordance with the norms in force which make it obligatory to externalize these commitments, the University maintains a corresponding insurance policy.

*(k) General reserves for risks and costs*

The University follows the criterion of allotting provisions for risks and costs for the amounts estimated to be necessary for meeting probable or certain responsibilities or losses, deriving from lawsuits in progress and for indemnizations or obligations and pending debts of indeterminate amounts, bank guarantees and other similar guarantees. The allotment is made at the moment of the creation of the legal responsibility or obligation which determines the indemnization or payment in accordance with the best possible estimates in the circumstances of the moment.

*(l) Termination indemnities*

Except in cases of justified termination, the University is obligated to indemnify its employees when it terminates their employment. Involuntary indemnizations are charged as costs at the moment when the decision is taken to terminate an employee. Nevertheless, indemnizations for incentivized resignations or early retirements offered on a voluntary basis to employees are charged to costs when the employee accepts the offer.

*(m) Classification of balances owed and due*

The balances owed and due are presented in the balance sheet classified as short term if they will come due in 12 months or less, and as long term if their term is longer than 12 months.

*(n) Corporate tax*

In 1998, the Technical Secretary of the Spanish Department of Economics and Revenue dictated an Agreement according to which the University is conceded the right to make use of the tax regime applied to foundations and sponsorship activity referred to in the fifth additional disposition of Navarran Law 10/1996, of July 2.

Therefore, in virtue of the Navarran Law cited above, the University is exempt from corporate tax on income derived from the activities constituting its corporate purpose or specific finality, or when they derive from acquisitions or transmissions for gainful purpose, provided that these are obtained or realized in furtherance of its corporate purpose or specific finality.

*(o) Income and expenditures*

Income and expenditures are imputed following the criterion of accrual, i.e. in function of the real flow of goods and services that they represent, and independently of the moment in which the monetary or financial flow derived from them is produced.

Nevertheless, following the principle of prudence, the University only posts the benefits obtained up to the end date of the fiscal year, while foreseeable risks and possible losses with an origin in the current period or the preceding one are posted as soon as they are known.

*(p) Environment*

The University undertakes operations whose principal purpose is to prevent, reduce or repair the damage to the environment caused by its activities.

**(5) Intangible Fixed Assets (\*)**

	Balance on 30/09/07	Increases	Decreases	Transfers	Balance on 30/09/08
<b>EXPENSE</b>					
Expense	14,217,204	1,689,423	169,037	16,075,664	
Accumulated Amortization	-6,696,335	-1,319,015	-	-8,015,350	
	7,520,869	370,408	169,037	8,060,314	

**(6) Tangible Fixed Assets**

	Balance on 30/09/07	Increases	Decreases	Transfers	Balance on 30/09/08
<b>ACCUMULATED AMORTIZATION</b>					
Expense	220,626,512	16,798,358	-9,760	-169,037	237,246,073
Accumulated Amortization	-137,020,139	-15,638,564	9,760	-	-152,648,943
	83,606,373	1,159,794	-	-169,037	84,597,130

The cost of those tangible fixed assets which are totally amortized and which are still in use as of September 30, 2007, is 92,294,762€.

A significant part of the buildings where the University carries out its activities are ceded to the latter via rental contracts, or in some cases, Collaboration Agreements.

## (7) Financial Assets

	Balance on 30/09/07	Increases	Decreases	Transfers Short-Term	Balance on 30/09/08
Investment Portfolio	12,495,519	8,914,505	-559,000	-2,252,460	18,598,564
Other Credits	3,606,072	-	-	-601,012	3,005,060
Deposits and Sureties	210,309	302,296	-35,844	-	476,761
Long-Term Liabilities of Public Administrations	16,122,728	1,419,816	-	-	17,542,544
	<b>32,434,628</b>	<b>10,636,617</b>	<b>-594,844</b>	<b>-2,853,472</b>	<b>39,622,929</b>
Less Provisions	-1,545,131	-2,141,450	-	-	-3,686,581
	<b>30,889,497</b>	<b>8,495,167</b>	<b>-594,844</b>	<b>-2,853,472</b>	<b>35,936,348</b>

The transfers of the fiscal year correspond to those entered under the category of Temporary Financial Investments, taking into account their maturation dates.

### (a) Investment portfolio

The detail and movements of the investment portfolio is as follows:

	Balance on 30/09/07	Increases	Decreases	Transfers Short-Term	Balance on 30/09/08
Stocks without Official Listing	344,044	4,110	-	-	348,154
Officially Listed Stocks	5,175,017	-	-	-	5,175,017
Other Long-Term Securities	6,976,458	8,910,395	-559,000	-2,252,460	13,075,393
	<b>12,495,519</b>	<b>8,914,505</b>	<b>-559,000</b>	<b>-2,252,460</b>	<b>18,598,564</b>

### (b) Other credits

This section of the balance sheet as of September 30, 2008, fundamentally includes the long term portion of a loan provided by the University to the CEIT Research Center of Guipúzcoa in August of 2002, with a maturation date of 2012, in the total amount of 4,507,590€. The short term part of this loan is in the amount of 601,012€, and is entered under the category of Temporary Financial Investments.

### (c) Long-Term Liabilities of Public Administrations

The category of Long-Term Liabilities of Public Administrations includes the amount which remains owed by the Ministry of Health and Consumer Affairs for services performed by the University between the fiscal years of 1999 and 2007 inclusive, as well as the period between

October 1, 2007 and April 30, 2008, due to the University being classified as a Collaborating Entity of the Social Security Administration.

On February 22, 2008, the University and the Department of Health of the Government of Navarra signed an agreement concerning the provision of health services for common health problems and non-occupational accidents to the employees of the University. This agreement entered into effect on May 1, 2008. On April 30 of 2008, by a Resolution of the Ministry of Labor and Immigration dated April 17, 2008, the University of Navarra ceased to be classified as a Collaborating Entity for common illnesses and non-occupational accidents.

## (8) Costs to distribute over multiple fiscal years

128 Euros

## (9) Stock on Hand

2,428,915 Euros

(Corresponds primarily to the stock of the Pharmacy Service of the University Hospital)

## (10) Debtors

The detail of debtors to the University as of September 30, 2007, is as follows:

Debtors for Provision of Services	38,157,915
Misc. Debtors	1,764,482
Personnel	859,020
Public Administrations	4,619,431
	<b>45,400,848</b>
Less Provisions	-3,915,417
	<b>41,485,431</b>

Debtors due to provision of services include those amounts pending payment as of September 30, 2007, on the part of students in general, due to unpaid tuition (pending calculation: graduate courses) and on the part of patients of the University Hospital. The balances maintained with Public Administrations are as follows:

<b>Income Tax Receivable</b>	
For subsidies	4,610,579
For retentions and interim payments	8,852
	<b>4,619,431</b>

In Euros

The movements of provisions for insolvencies have been the following:

Balance as of September 30, 2007	3,057,707
Allotments for Period	2,703,389
Recuperations for Period	-201,989
Applications for Period	-1,643,690
Balance as of September 30, 2008	3,915,417

## (11) Temporary Financial Investments

Investment Portfolio	45,446,130
Other Credits	809,568
Deposits and Sureties	44,415
Provisions	-282,291
	<b>46,017,822</b>

*(a) Short term investment portfolio*

Stocks without Official Listing	172,826
Other Short-Term Sureties	
Variable-Rate Investment Funds	11,064,861
Fixed-Rate Investment Funds	29,591,244
Public Debt	389,000
Deposits	4,198,148
Fixed-Term Deposits	30,051
	<b>45,446,130</b>

## (12) Equity

	Surplus from prior fiscal years	Surplus for the fiscal year	Total
Balance as of September 30, 2007	103,278,696	15,184,395	118,463,091
Application of the surplus from 2007 fiscal year	15,184,395	-15,184,395	-
2008 Surplus	-	7,837,677	7,837,677
Balances as of September 30, 2008	118,463,091	7,837,677	126,300,768

### (13) Income to be Distributed over Various Fiscal Years

Balance as of September 30, 2007	11,088,963
Additions for Fiscal Year	9,236,606
Transfers to Fiscal Year Results (note 21(b))	-6,502,231
Balance as of September 30, 2008	13,823,338

The movements correspond to capital subsidies conceded in order to finance research projects and professorial chairs.

### (14) General Reserves for Risks and Costs

	Balance on 30/09/07	Donations	Payments	Balance on 30/09/08
Longevity Bonuses	6,743,407	919,447	-975,557	6,687,297
Other Provisions	895,161	532,607	-	1,427,768
	<b>7,638,568</b>	<b>1,452,054</b>	<b>-975,557</b>	<b>8,115,065</b>

The allotment for longevity bonus pay has been made according to the specification given in note (4j). The allotment for the fiscal year is entered as personnel costs.

### (15) Long Term Credit Entities

27,177 Euros

## (16) Other Long Term Creditors

Reimbursable Advances	1,517,319
Other Creditors	4,307,870
	<b>5,825,189</b>

Reimbursable Advances include those conceded by the Ministry of Education and Science and the Innovation Park of Navarra for financing a scientific-technological infrastructure project and for research and development projects, respectively. The category of Other Creditors includes the quantities provided by the Navarran Health Service of the Government of Navarra, in relation to the collaboration which the University provided up until April 30, 2008, in the management of healthcare, voluntarily and on its own behalf, deriving from common illnesses and non-occupational accidents, to its employees and covered family members. This amount implies an aid for the economic and financial expenses which the University supported as a consequence of the provision of the aforementioned healthcare services. If the University receives the amounts owed by the Public Administration of Spain, this amount must be reintegrated (see note 7(c)).

## (17) Short Term Commercial Creditors

The detail of short term commercial creditors is as follows:

Debts for purchases or provision of services	19,248,762
Debts represented by bills payable	4,893,943
Creditors	1,321,587
	<b>25,474,292</b>

## (18) Other Non-Commercial Short-Term Debts

Public Administrations	5,736,942
Asset Providers	943,450
Compensation Pending Payment	6,967,129
Other Debts	24,730
	<b>13,672,251</b>

The balances maintained with Public Administrations are as follows:

Income Tax Receivable	2,624,090
National Health Service as Creditor	3,112,852
	<b>5,736,942</b>

## (19) Adjustments for Fiscal years

This balance sheet category includes, fundamentally, the amount charged by the University up through September 30, 2008, in the form of tuition charged to students, and which corresponds to the 2008-09 academic year.

## (20) Tax Situation

Harmonization between the bookkeeping results for the 2008 fiscal year and the taxable income that the University foresees declaring following the approval of the Annual Financial Statement.

	Exempt Revenue	Non- exempt Revenue	Total
Period Revenue	8,624,915	-787,238	7,837,677

## (21) Income from Generated Funds

### *(a) Services provided*

Instruction	141,275,195
Health Care	163,298,083
	<b>304,573,278</b>

### *(b) Subsidies, donations and legacies*

The breakdown is as follows:

Business Collaborations	5,234,168
Foundations	2,938,024
Individual Donations	595,554
Official Agencies	6,146,392
Others	2,800,717
	<b>17,714,855</b>

Of the income recorded in this section, 6,502,231€ derives from the transfer of capital subsidies (see note 13).

## (22) Personnel Expenses

Wages and Salaries	139,777,252
Indemnizations	231,000
Social Security	35,962,575
	<b>175,970,827</b>

## (23) Monetary and Other Aid

Monetary and Other Aid includes, among other categories, the amount of the scholarships and monetary prizes awarded by the University to its students.

## (24) Other Operating Costs

External Services	
Leases	3,388,135
Repairs and Conversation	7,472,014
Independent Professional Services	9,499,124
Transportation	17,153
Insurance Premiums	1,362,968
Banking Services	285,593
Advertising and Public Relations	6,348,295
Suppliers	4,382,670
Other Services	14,723,214
Library Collections	4,978,847
Other Teaching-Related Expenses	14,951,952
	<b>67,409,965</b>
Taxes	216,294
	<b>67,626,259</b>

## (25) Information Relating to the Governing Board

The members of the Governing Board of the University do not receive any type of remuneration for holding these administrative posts.

The total amount received by the members of the Governing Board during the 2008 fiscal year due to their condition as employees is 539,355€ all told.

As of September 30, 2008, the members of the Governing Board do not maintain balances with the University.

## **(26) Honoraries for Account Auditors**

The firm charged with auditing the Annual Financial Statement of the University Corporation and those other corporations with which the University maintains one or more of the relationships enumerated in the 14th Additional Dispensation of the Law on Means of Reforming the Financial System, has invoiced the University 97,100€ for net honoraries and professional auditing service costs, as of the ending of the fiscal year on September 30, 2008.

The amount indicated includes the totality of honoraria and costs relating to the 2008 fiscal year, independently of the moment of billing.

## **(27) Environment**

Taking into account the activity undertaken by the University, during the current fiscal year ending on September 30, 2008, no significant costs have been incurred by environmentally-related operations.

The General Administrator and the Bursar of the University consider that it is not necessary to establish additional provisions in order to cover possible expenses or risks corresponding to environmentally-related operations.

## **(28) Aspects Derived from the Transition to the new General Accounting Regulations Approved by Royal Decree 1514/2007**

On November 20, 2007 Royal Decree 1514/2007 was published, which approved the new General Accounting Regulations (GAR), which entered into effect on January 1, 2008, and which apply mandatorily to fiscal years beginning on or after that date.

The aforementioned Royal Decree establishes that the first Annual Financial Statement that is produced according to the criteria of the new General Accounting Regulations will be considered an initial statement, and therefore will not include comparisons with the prior fiscal year(s), although it is permitted to include comparative information from earlier periods provided that those periods were accounted according to the GAR. Addition, this Royal Decree contains several

transitory dispositions which permit distinct options of application of the new accounting standards, along with the voluntary adoption of certain exceptions when the new GAR are first applied.

The University is carrying out a transition plan in order to adapt its accounting practices to the new GAR; this plan includes the analysis of the differences in accounting criteria and norms, the determination of the date of the opening balance, the selection of the criteria and norms to be applied during the transition, and the evaluation of the necessary modifications to the University's procedures and information systems. Nevertheless, on the date of formulation of the current Annual Financial Statement, the University does not have sufficient information in order to establish conclusions on the result of this analysis.

## **(29) Financing Tables**

The Financing Tables for the 2008 and 2007 fiscal years are presented above (cf. pp. 54ff).