

Texas Lutheran University
STATEMENT OF FINANCIAL POSITION

May 31, 2004
(with comparative totals for 2003)

ASSETS	<u>2004</u>	<u>2003</u>
Cash and cash equivalents	\$ 408,163	\$ 442,614
Cash - restricted	4,315,638	-
Receivables		
Student accounts	706,625	715,457
Student loans	2,222,155	2,260,017
Contributions	2,480,204	12,865,569
Other	<u>308,360</u>	<u>172,315</u>
	5,717,344	16,013,358
Less allowance for doubtful accounts	<u>681,458</u>	<u>710,743</u>
	5,035,886	15,302,615
Inventories	262,752	366,230
Other assets	448,826	344,628
Deferred charges, net	330,038	-
Investments, at market value	46,861,266	25,046,807
Investments held in split-interest agreements, at market value	7,069,134	7,387,196
Property, plant and equipment, net	<u>31,308,465</u>	<u>27,963,759</u>
Total assets	<u>\$96,040,168</u>	<u>\$76,853,849</u>
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable	\$ 884,594	\$ 826,497
Payroll related liabilities	1,600,573	1,388,928
Deposits and other unearned revenue	1,035,092	664,953
Liability on annuity contracts and trusts	1,314,221	1,434,866
Other accrued liabilities	170,098	86,947
Advances from U.S. Government for student loans	2,391,711	2,352,714
Notes payable	<u>15,501,547</u>	<u>8,905,936</u>
Total liabilities	22,897,836	15,660,841
Net assets		
Unrestricted	38,924,338	29,603,659
Temporarily restricted	2,848,026	2,197,113
Permanently restricted	<u>31,369,968</u>	<u>29,392,236</u>
Total net assets	<u>73,142,332</u>	<u>61,193,008</u>
Total liabilities and net assets	<u>\$96,040,168</u>	<u>\$76,853,849</u>

The accompanying notes are an integral part of this statement.

Texas Lutheran University

STATEMENT OF ACTIVITIES

Year ended May 31, 2004
(with comparative totals for 2003)

	<u>Unrestricted</u>	<u>Temporarily restricted</u>	<u>Permanently restricted</u>	<u>2004 Total</u>	<u>2003 Total</u>
Revenues, gains and other support					
Student tuition and fees	\$ 21,064,434	\$ -	\$ -	\$ 21,064,434	\$18,938,343
Scholarship allowances	(10,257,367)	-	-	(10,257,367)	(9,559,477)
Net tuition	10,807,067	-	-	10,807,067	9,378,866
Investment return	9,959,182	-	-	9,959,182	(998,701)
Gifts and grants	4,890,962	886,076	1,684,782	7,461,820	21,521,774
U.S. Government grants	1,597,813	-	-	1,597,813	1,516,642
Change in value of split-interest agreements	91,641	-	92,436	184,077	428,105
Auxiliary enterprises	5,483,979	-	-	5,483,979	5,068,958
Other	710,888	-	-	710,888	723,605
Net assets released from restrictions and adjustments	<u>34,649</u>	<u>(235,163)</u>	<u>200,514</u>	<u>-</u>	<u>-</u>
	33,576,181	650,913	1,977,732	36,204,826	37,639,249
Expenses					
Instruction	6,402,635	-	-	6,402,635	6,071,220
Academic support	1,441,796	-	-	1,441,796	1,258,812
Public service	580,647	-	-	580,647	647,425
Research	39,892	-	-	39,892	96,119
Student services	3,813,817	-	-	3,813,817	3,551,547
Institutional support	5,194,719	-	-	5,194,719	5,297,382
Development and fund-raising	870,084	-	-	870,084	741,283
Auxiliary enterprises	<u>5,911,912</u>	<u>-</u>	<u>-</u>	<u>5,911,912</u>	<u>5,272,022</u>
	<u>24,255,502</u>	<u>-</u>	<u>-</u>	<u>24,255,502</u>	<u>22,935,810</u>
Change in net assets	9,320,679	650,913	1,977,732	11,949,324	14,703,439
Net assets at beginning of year	<u>29,603,659</u>	<u>2,197,113</u>	<u>29,392,236</u>	<u>61,193,008</u>	<u>46,489,569</u>
Net assets at end of year	<u>\$ 38,924,338</u>	<u>\$ 2,848,026</u>	<u>\$ 31,369,968</u>	<u>\$ 73,142,332</u>	<u>\$ 61,193,008</u>

The accompanying notes are an integral part of this statement.

Texas Lutheran University
STATEMENT OF CASH FLOWS

Year ended May 31, 2004
(with comparative totals for 2003)

	2004	2003
Cash flows from operating activities		
Change in net assets	\$ 11,949,324	\$ 14,703,439
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities		
Depreciation	1,813,854	1,882,806
Loss on disposal of property and equipment	2,994	-
(Gain) loss on investments	(8,442,596)	1,771,082
Restricted gifts and grants	(2,290,249)	(5,670,859)
Noncash contributions	(4,853,413)	(3,730,449)
Change in value of split-interest agreements	(184,077)	(428,105)
Changes in operating assets and liabilities		
Receivables	10,027,454	(11,087,007)
Inventories	103,478	(24,895)
Other assets	(52,830)	123,005
Accounts payable	58,097	502,195
Payroll related liabilities	211,645	(4,691)
Deposits and other unearned revenue	370,139	(29,756)
Liability on annuity contracts and trusts	(80,372)	31,753
Other accrued liabilities	53,416	(11,331)
Net cash provided by (used in) operating activities	8,686,864	(1,972,813)
Cash flows from investing activities		
Proceeds from sales and maturities of investments	6,471,186	5,758,075
Purchase of investments	(14,549,403)	(6,200,574)
Disbursement of student loans	(346,156)	(355,465)
Repayment of student loans	406,248	419,517
Purchases of property and equipment	(5,165,257)	(1,330,455)
Proceeds from sale of property and equipment	3,703	-
Net cash used in investing activities	(13,179,679)	(1,708,902)
Cash flows from financing activities		
Proceeds from indebtedness	22,200,000	6,350,000
Repayments of indebtedness	(15,604,389)	(7,689,594)
Restricted gifts and grants proceeds	2,469,432	5,081,789
Advances from U.S. Government	38,997	63,575
Bond issuance costs	(330,038)	-
Net cash provided by financing activities	8,774,002	3,805,770
Net increase in cash and cash equivalents	4,281,187	124,055
Cash and cash equivalents at beginning of year	442,614	318,559
Cash and cash equivalents at end of year	\$ 4,723,801	\$ 442,614
Cash paid during the year for:		
Interest	\$ 743,301	\$ 459,685

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