

Texas Lutheran University
STATEMENT OF FINANCIAL POSITION

May 31, 2005
(with comparative totals for 2004)

ASSETS	<u>2005</u>	<u>2004</u>
Cash and cash equivalents	\$ 1,489,328	\$ 408,163
Cash - restricted	1,186,541	4,315,638
Receivables		
Student accounts	748,229	727,144
Student loans	2,324,786	2,222,155
Contributions, net	1,164,900	2,480,204
Other	<u>155,934</u>	<u>287,841</u>
	4,393,849	5,717,344
Less allowance for doubtful accounts	<u>(681,458)</u>	<u>(681,458)</u>
	3,712,391	5,035,886
Inventories	196,098	262,752
Other assets	669,709	448,826
Deferred charges, net	318,976	330,038
Investments	46,825,735	42,615,267
Mineral rights and royalties, net	4,061,500	4,245,999
Funds administered by third parties		
Endowment funds	1,529,863	1,452,567
Beneficial interests in trusts	5,453,355	5,616,567
Property, plant and equipment, net	<u>35,995,179</u>	<u>31,308,465</u>
Total assets	<u>\$101,438,675</u>	<u>\$96,040,168</u>
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable	\$ 1,019,764	\$ 884,594
Payroll related liabilities	1,621,456	1,600,573
Deposits and other unearned revenue	887,384	1,035,092
Liability related to split-interest agreements	1,512,517	1,314,221
Other accrued liabilities	214,527	170,098
Advances from U.S. Government for student loans	2,425,755	2,391,711
Bonds and notes payable, net of discount	<u>14,086,893</u>	<u>15,501,547</u>
Total liabilities	21,768,296	22,897,836
Commitments and contingencies		
Net assets		
Unrestricted	46,690,368	38,924,338
Temporarily restricted	138,208	2,848,026
Permanently restricted	<u>32,841,803</u>	<u>31,369,968</u>
Total net assets	<u>79,670,379</u>	<u>73,142,332</u>
Total liabilities and net assets	<u>\$101,438,675</u>	<u>\$96,040,168</u>

The accompanying notes are an integral part of this statement.

Texas Lutheran University

STATEMENT OF ACTIVITIES

Year ended May 31, 2005
(with comparative totals for 2004)

	<u>Unrestricted</u>	<u>Temporarily restricted</u>	<u>Permanently restricted</u>	<u>2005 Total</u>	<u>2004 Total</u>
Revenues, gains and other support					
Tuition and fees	\$22,769,420	\$ -	\$ -	\$22,769,420	\$21,121,057
Less scholarship allowances	<u>(9,757,018)</u>	<u>-</u>	<u>-</u>	<u>(9,757,018)</u>	<u>(9,179,036)</u>
Net tuition and fees	13,012,402	-	-	13,012,402	11,942,021
Investment return	5,983,135	-	-	5,983,135	9,959,182
Contributions	1,969,128	763,145	1,313,106	4,045,379	5,113,637
Government grants	2,997,426	-	-	2,997,426	2,867,665
Change in value of split-interest agreements	(180,593)	-	158,729	(21,864)	184,077
Auxiliary enterprises	5,629,990	-	-	5,629,990	5,477,691
Other	931,896	-	-	931,896	736,495
Net assets released from restrictions	<u>3,472,963</u>	<u>(3,472,963)</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>33,816,347</u>	<u>(2,709,818)</u>	<u>1,471,835</u>	<u>32,578,364</u>	<u>36,280,768</u>
Expenses					
Instruction	6,331,667	-	-	6,331,667	6,316,649
Academic support	1,530,794	-	-	1,530,794	1,424,030
Public service	588,316	-	-	588,316	562,796
Research	48,345	-	-	48,345	39,892
Student services	5,039,288	-	-	5,039,288	4,490,931
Institutional support	6,667,877	-	-	6,667,877	5,479,343
Development and fund-raising	870,394	-	-	870,394	870,084
Auxiliary enterprises	<u>4,973,636</u>	<u>-</u>	<u>-</u>	<u>4,973,636</u>	<u>5,147,719</u>
	<u>26,050,317</u>	<u>-</u>	<u>-</u>	<u>26,050,317</u>	<u>24,331,444</u>
Change in net assets	7,766,030	(2,709,818)	1,471,835	6,528,047	11,949,324
Net assets at beginning 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>
Net assets at end of year	<u>\$46,690,368</u>	<u>\$ 138,208</u>	<u>\$32,841,803</u>	<u>\$79,670,379</u>	<u>\$73,142,332</u>

The accompanying notes are an integral part of this statement.

Texas Lutheran University
STATEMENT OF CASH FLOWS

Year ended May 31, 2005
(with comparative totals for 2004)

	2005	2004
Cash flows from operating activities		
Change in net assets	\$ 6,528,047	\$ 11,949,324
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation and amortization	2,285,020	1,815,698
Depletion of mineral rights	184,499	25,516
Loss on disposal of property and equipment	-	2,994
Net realized and unrealized gains on investments	(3,846,160)	(8,468,758)
Gifts and grants restricted for long-term purposes	(2,137,695)	(2,290,249)
Noncash contributions	(319,146)	(4,853,413)
Change in value of split-interest agreements	21,864	(184,077)
Changes in operating assets and liabilities		
Receivables	688,272	10,049,684
Inventories	66,654	103,478
Other assets	(154,210)	(52,830)
Accounts payable	135,170	58,097
Payroll related liabilities	20,883	211,645
Deposits and other unearned revenue	(147,708)	370,139
Liability related to split-interest agreements	(61,933)	(80,372)
Other accrued liabilities	44,429	83,151
Net cash provided by operating activities	3,307,986	8,740,027
Cash flows from investing activities		
Proceeds from sales and maturities of investments	7,104,951	6,471,186
Purchase of investments	(6,892,505)	(14,578,492)
Disbursement of student loans	(533,379)	(346,156)
Proceeds from repayment of student loans	430,748	384,018
Purchases of property and equipment	(6,954,656)	(5,165,257)
Proceeds from sale of property and equipment	-	3,703
Change in cash - restricted	3,129,097	(4,315,638)
Net cash used in investing activities	(3,715,744)	(17,546,636)
Cash flows from financing activities		
Proceeds from indebtedness	3,445,314	22,200,000
Repayments of indebtedness	(4,865,984)	(15,604,389)
Restricted gifts and grants proceeds	2,875,549	2,469,432
Advances from U.S. Government	34,044	38,997
Bond issuance costs	-	(331,882)
Net cash provided by financing activities	1,488,923	8,772,158
Net increase (decrease) in cash and cash equivalents	1,081,165	(34,451)
Cash and cash equivalents at beginning of year	408,163	442,614
Cash and cash equivalents at end of year	\$ 1,489,328	\$ 408,163
Cash paid during the year for:		
Interest	\$ 699,643	\$ 743,301

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