

**UNIVERSITY OF ARKANSAS
AT LITTLE ROCK**

FINANCIAL STATEMENTS

JUNE 30, 2005

UNIVERSITY OF ARKANSAS AT LITTLE ROCK
STATEMENT OF NET ASSETS
AT JUNE 30, 2005

Unaudited

	June 30,	
	2005	2004
ASSETS		
Current:		
Cash and Cash Equivalents	10,956,873	10,185,491
Investments		
Accounts Receivable (net of allowances of \$912,743)	12,397,835	14,196,636
Notes Receivable (net of allowances of \$64,029)	62,229	67,703
Accrued Interest Receivable	0	0
Inventories	126,548	144,770
Deposits and Funds Held in Trust by Others	1,588,533	74,539
Prepaid Expenses	480,828	562,553
Total Current Assets	25,612,846	25,231,692
Non-Current:		
Cash and Cash Equivalents	14,571,765	15,635,081
Investments	18,744,374	17,713,284
Notes Receivable	240,000	280,000
Deposits and Funds Held in Trust by Others	31,290,963	1,389,293
Other Non-Capital Assets	1,329,401	-
Capital Assets (net of accumulated depreciation of \$105,459,090)	130,093,655	103,783,739
Total Non-Current Assets	196,270,158	138,801,397
TOTAL ASSETS	221,883,004	164,033,089
LIABILITIES		
Current:		
Accounts Payable	5,002,761	3,181,601
Deferred Revenues and Deposits	5,199,951	4,738,228
Funds Held in Trust for Others	152,782	185,312
Compensated Absences Payable	180,437	187,244
Bonds, Notes and Capital Leases Payable	4,061,456	2,961,690
Total Current Liabilities	14,597,387	11,254,075
Non-Current:		
Deferred Revenues and Deposits	1,454,958	118,923
Compensated Absences Payable	2,781,826	2,630,143
Bonds, Notes and Capital Leases Payable	56,579,244	20,015,700
Total Non-Current Liabilities	60,816,028	22,764,766
TOTAL LIABILITIES	75,413,415	34,018,841
NET ASSETS		
Invested in capital assets, net of debt	96,145,135	80,379,790
Restricted:		
Non-Expendable	7,941,918	7,421,342
Expendable	10,584,256	14,916,304
Unrestricted	31,798,280	27,296,812
TOTAL NET ASSETS	146,469,589	130,014,248

UNIVERSITY OF ARKANSAS AT LITTLE ROCK
STATEMENT OF REVENUES, EXPENSES & CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2005

Unaudited

	Year ended June 30,	
	2005	2004
Operating Revenues:		
Student tuition & fees (net of scholarship allowances of \$6,056,243)	39,155,762	36,321,732
Federal grants and contracts	4,925,012	8,164,993
State and local grants and contracts	6,967,196	10,825,011
Non-governmental grants and contracts	2,943,741	2,716,535
Sales & services of educational departments	2,251,923	2,187,213
Auxiliary Enterprises		
Athletics (net of scholarship allowances of \$694,731)	3,164,755	2,705,346
Housing & Food Service (net of scholarship allowances of \$211,350)	1,068,441	977,130
Bookstore (net of scholarship allowances of \$79,819)	382,401	295,491
Student Union	298,634	326,127
Other Auxiliary Enterprises	1,619,281	1,599,577
Other Operating Revenues	1,608,302	1,173,261
Total Operating Revenues	64,385,448	67,292,416
Operating Expenses:		
Compensation and Benefits	88,268,848	82,339,506
Supplies and Services	25,635,152	25,043,325
Scholarships and Fellowships	14,240,381	13,574,518
Depreciation	7,609,244	7,272,689
Total Operating Expenses	135,753,625	128,230,038
Operating Income (Loss)	(71,368,177)	(60,937,622)
Non-Operating Revenues (Expenses):		
State Appropriations	54,555,905	51,609,754
Federal Grants	11,959,373	12,273,592
State Grants	1,210,803	1,344,852
Non-governmental Grants	729,446	590,697
Gifts	1,840,035	2,002,207
Investment Income (net)	2,305,489	1,144,885
Interest on Capital	(1,559,536)	(1,087,051)
Gain (Loss) on Disposal of Capital Assets (net of accumulated depreciation of \$669,478)	(47,603)	(50,675)
Other	(136,307)	(37,924)
Net Non-Operating Revenues	70,857,605	67,790,337
Income before other revenues & expenses	(510,572)	6,852,715
Capital appropriations	130,315	154,345
Capital grants and gifts	17,313,948	5,027,145
Additions to endowments		
Adjustments to prior year revenues & expenses	(465,063)	(353,451)
Other	(13,287)	(58,094)
Increase (Decrease) in Net Assets	16,455,341	11,622,660
Net Assets - Beginning of Year	130,014,248	118,391,588
Net Assets - End of Year	146,469,589	130,014,248

UNIVERSITY OF ARKANSAS AT LITTLE ROCK
STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2005 AND 2004

Unaudited

	Year Ended June 30,	
	2005	2004
CASH FLOW FROM OPERATING ACTIVITIES		
Student tuition and fees (net of scholarships)	\$ 38,641,957	\$ 35,235,489
Grants and contracts	18,597,281	19,322,026
Auxiliary enterprises revenues		
Athletics	2,990,297	2,751,286
Housing and food service	1,004,621	1,002,634
Bookstore	382,401	295,491
Student Union	298,634	326,127
Other auxiliary enterprises	1,323,004	1,100,309
Collection of principal and interest related to student loans	11,410	67,509
Other receipts	3,930,350	2,725,243
Payments to employees	(71,710,856)	(67,498,709)
Payment of employee benefits	(16,083,872)	(14,578,071)
Payment to suppliers	(24,672,519)	(23,156,412)
Scholarships and fellowships	(14,240,381)	(13,574,518)
Net cash used by operating activities	(59,527,673)	(55,981,596)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
State appropriations	54,555,905	51,609,754
Gifts and grants	1,840,035	2,002,207
Direct lending and plus loan receipts	48,592,150	44,411,804
Direct lending and plus loan payments	(48,592,150)	(44,411,804)
Other receipts	13,908,181	13,731,355
Other agency funds - net	(32,530)	51,014
Net cash provided by noncapital financing activities	70,271,591	67,394,330
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Proceeds from capital debt	58,600,000	280,875
Capital appropriations	130,315	154,345
Capital gifts and grants	38,245	-
Purchases of capital assets	(17,177,969)	(9,224,927)
Principal paid on capital debt and leases	(20,901,690)	(3,498,943)
Interest and fees paid on capital debt and leases	(1,582,552)	(1,117,618)
Net cash provided (used) by capital and related financing activities	19,106,349	(13,406,268)
CASH FLOWS FROM INVESTING ACTIVITIES		
Withdrawal of funds held by others	1,149,891	1,268,755
Deposit of funds held by others	(32,565,555)	
Proceeds from sales and maturities of investments	310,597	978,152
Interest on investments (net of fees)	2,021,802	732,298
Purchases of investments	(1,058,936)	(1,052,397)
Net cash provided (used) by investing activities	(30,142,201)	1,926,808
Net increase (decrease) in cash and cash equivalents	(291,934)	(66,726)
Cash - Beginning of Year	25,820,572	25,887,298
Cash - End of Year	\$ 25,528,638	\$ 25,820,572

UNIVERSITY OF ARKANSAS AT LITTLE ROCK
STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2005 AND 2004

Unaudited

	Year Ended June 30,	
	2005	2004
Reconciliation of net operating revenues(expenses) to net cash provided (used) by operating activities		
Operating income (loss)	\$ (71,368,177)	\$ (60,937,622)
Adjustments to reconcile net income (loss) to net cash provided (used) by operating activities		
Depreciation expense	7,609,244	7,272,690
Change in assets and liabilities:		
Receivables, net	1,798,801	(4,259,354)
Inventories	18,222	(4,415)
Prepaid expenses	81,725	56,066
Other assets	11,410	71,194
Accounts payable	1,778,323	1,109,692
Deferred revenue	461,723	530,480
Compensated absences	144,876	147,452
Other liabilities	(63,820)	32,221
Net cash used by operating activities	\$ (59,527,673)	\$ (55,981,596)
NONCASH TRANSACTIONS		
Capital gifts	\$ 17,313,948	\$ 5,027,145
Change in fair value of investments	\$ 282,751	\$ (17,061)