

UNIVERSITY OF ARKANSAS AT LITTLE ROCK

FINANCIAL STATEMENTS

JUNE 30, 2006

UNIVERSITY OF ARKANSAS AT LITTLE ROCK
STATEMENT OF NET ASSETS
AT JUNE 30, 2006

UNAUDITED

| | June 30, | |
|---|--------------------|--------------------|
| | 2006 | 2005 |
| ASSETS | | |
| Current: | | |
| Cash and Cash Equivalents | 18,854,413 | 10,956,873 |
| Accounts Receivable (net of allowances of \$929,576) | 9,938,784 | 11,379,567 |
| Notes Receivable (net of allowances of \$64,029) | 27,755 | 62,229 |
| Inventories | 111,682 | 126,548 |
| Deposits and Funds Held in Trust by Others | 7,021,033 | 1,588,533 |
| Prepaid Expenses | 585,065 | 480,828 |
| Total Current Assets | 36,538,732 | 24,594,578 |
| Non-Current: | | |
| Cash and Cash Equivalents | 5,515,372 | 14,571,765 |
| Investments | 19,655,763 | 18,744,374 |
| Notes Receivable | 200,000 | 240,000 |
| Deposits and Funds Held in Trust by Others | 8,381,377 | 31,290,963 |
| Capital Assets (net of accumulated depreciation of \$111,009,097) | 154,666,690 | 130,093,655 |
| Total Non-Current Assets | 188,419,202 | 194,940,757 |
| TOTAL ASSETS | 224,957,934 | 219,535,335 |
| LIABILITIES | | |
| Current: | | |
| Accounts Payable | 5,690,802 | 3,984,493 |
| Deferred Revenues and Deposits | 10,602,561 | 5,199,951 |
| Funds Held in Trust for Others | 559,283 | 152,782 |
| Compensated Absences Payable | 202,074 | 180,437 |
| Bonds, Notes and Capital Leases Payable | 4,045,151 | 4,061,456 |

| | | |
|---|---------------------------|---------------------------|
| Total Current Liabilities | 21,099,871 | 13,579,119 |
| Non-Current: | | |
| Deferred Revenues and Deposits | 75,936 | 55,103 |
| Compensated Absences Payable | 3,009,659 | 2,781,826 |
| Bonds, Notes and Capital Leases Payable | <u>52,583,186</u> | <u>56,649,698</u> |
| Total Non-Current Liabilities | <u>55,668,781</u> | <u>59,486,627</u> |
| TOTAL LIABILITIES | 76,768,652 | 73,065,746 |
| NET ASSETS | | |
| Invested in capital assets, net of debt | 102,994,713 | 96,145,135 |
| Restricted: | | |
| Non-Expendable | 8,475,376 | 7,941,918 |
| Expendable | 9,150,763 | 10,584,256 |
| Unrestricted | <u>27,568,430</u> | <u>31,798,280</u> |
| TOTAL NET ASSETS | <u><u>148,189,282</u></u> | <u><u>146,469,589</u></u> |

UNIVERSITY OF ARKANSAS AT LITTLE ROCK
STATEMENT OF REVENUES, EXPENSES & CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2006

UNAUDITED

| | Year ended June 30, | |
|--|---------------------|---------------------|
| | 2006 | 2005 |
| Operating Revenues: | | |
| Student tuition & fees (net of scholarship allowances of \$5,886,067) | 42,664,293 | 39,155,762 |
| Federal grants and contracts | 5,349,266 | 4,925,012 |
| State and local grants and contracts | 9,046,797 | 6,967,196 |
| Non-governmental grants and contracts | 2,546,102 | 2,943,741 |
| Sales & services of educational departments | 2,726,810 | 2,251,923 |
| Auxiliary Enterprises | | |
| Athletics (net of scholarship allowances of \$699,466) | 3,572,467 | 3,164,755 |
| Housing & Food Service (net of scholarship allowances of \$188,094) | 1,146,373 | 1,068,441 |
| Bookstore (net of scholarship allowances of \$70,636) | 368,353 | 382,401 |
| Student Union | 299,437 | 298,634 |
| Other Auxiliary Enterprises | 1,608,087 | 1,619,281 |
| Other Operating Revenues | 1,747,075 | 1,608,302 |
| Total Operating Revenues | 71,075,060 | 64,385,448 |
| Operating Expenses: | | |
| Compensation and Benefits | 92,266,202 | 88,268,848 |
| Supplies and Services | 29,487,838 | 25,635,152 |
| Scholarships and Fellowships | 14,842,962 | 14,240,381 |
| Depreciation | 8,314,093 | 7,609,244 |
| Total Operating Expenses | 144,911,095 | 135,753,625 |
| Operating Income (Loss) | (73,836,035) | (71,368,177) |
| Non-Operating Revenues (Expenses): | | |
| State Appropriations | 57,689,550 | 54,555,905 |
| Federal Grants | 11,523,939 | 11,959,373 |
| State Grants | 1,083,764 | 1,210,803 |
| Non-governmental Grants | 1,094,307 | 729,446 |
| Gifts | 1,408,569 | 1,840,035 |
| Investment Income (net) | 2,851,115 | 2,305,489 |
| Interest on Capital | (2,035,216) | (1,559,536) |
| Gain (Loss) on Disposal of Capital Assets (net of accumulated depreciation of \$2,797,986) | (83,502) | (47,603) |
| Other | (3,202) | (136,307) |
| Net Non-Operating Revenues | 73,529,324 | 70,857,605 |
| Income before other revenues & expenses | (306,711) | (510,572) |

| | | |
|---|--------------------------|--------------------------|
| Capital appropriations | - | 130,315 |
| Capital grants and gifts | 2,063,778 | 17,313,948 |
| Adjustments to prior year revenues & expenses | (37,374) | (465,063) |
| Other | - | (13,287) |
| | <hr/> | <hr/> |
| Increase (Decrease) in Net Assets | 1,719,693 | 16,455,341 |
| Net Assets - Beginning of Year | <hr/> 146,469,589 | <hr/> 130,014,248 |
| Net Assets - End of Year | <hr/> <u>148,189,282</u> | <hr/> <u>146,469,589</u> |

UNIVERSITY OF ARKANSAS AT LITTLE ROCK
STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2006 AND 2005

UNAUDITED

| | | Year Ended June 30, | |
|---|--|---------------------|---------------|
| | | 2006 | 2005 |
| CASH FLOW FROM OPERATING ACTIVITIES | | | |
| | Student tuition and fees (net of scholarships) | \$ 41,778,895 | \$ 38,641,957 |
| | Grants and contracts | 24,148,220 | 18,597,281 |
| | Auxiliary enterprises revenues | | |
| | Athletics | 3,635,772 | 2,990,297 |
| | Housing and food service | 1,146,373 | 1,004,621 |
| | Bookstore | 390,282 | 382,401 |
| | Student Union | 299,437 | 298,634 |
| | Other auxiliary enterprises | 1,026,724 | 1,323,004 |
| | Collection of principal and interest related to student loans | 34,474 | 11,410 |
| | Other receipts | 4,956,326 | 3,930,350 |
| | Payments to employees | (74,561,745) | (71,710,856) |
| | Payment of employee benefits | (17,702,775) | (16,083,872) |
| | Payment to suppliers | (27,056,031) | (24,672,519) |
| | Scholarships and fellowships | (14,842,962) | (14,240,381) |
| | Net cash used by operating activities | (56,747,010) | (59,527,673) |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES | | | |
| | State appropriations | 57,689,550 | 54,555,905 |
| | Gifts and grants | 1,408,569 | 1,840,035 |
| | Direct lending and plus loan receipts | 48,887,572 | 48,592,150 |
| | Direct lending and plus loan payments | (48,887,572) | (48,592,150) |
| | Other receipts | 13,695,334 | 13,908,181 |
| | Other agency funds - net | 406,501 | (32,530) |
| | Net cash provided by noncapital financing activities | 73,199,954 | 70,271,591 |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | | |
| | Proceeds from capital debt | 56,572 | 58,600,000 |
| | Capital appropriations | - | 130,315 |
| | Capital gifts and grants | | 38,245 |
| | Purchases of capital assets | (30,940,752) | (17,177,969) |
| | Principal paid on capital debt and leases | (4,078,028) | (20,901,690) |
| | Interest and fees paid on capital debt and leases | (2,045,040) | (1,582,552) |
| | Net cash provided (used) by capital and related financing activities | (37,007,248) | 19,106,349 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| | Withdrawal of funds held by others | 17,477,086 | 1,149,891 |
| | Deposit of funds held by others | 0 | (32,565,555) |
| | Proceeds from sales and maturities of investments | 278,534 | 310,597 |
| | Interest on investments (net of fees) | 3,061,424 | 2,021,802 |
| | Purchases of investments | (1,421,593) | (1,058,936) |
| | Net cash provided (used) by investing activities | 19,395,451 | (30,142,201) |

| | | | |
|--|--|---------------|---------------|
| | Net increase (decrease) in cash and cash equivalents | (1,158,853) | (291,934) |
| | | | |
| | Cash - Beginning of Year | 25,528,638 | 25,820,572 |
| | | | |
| | Cash - End of Year | \$ 24,369,785 | \$ 25,528,638 |
| | | | |