

# UNIVERSITY OF THE SCIENCES IN PHILADELPHIA

## STATEMENTS OF CASH FLOWS YEARS ENDED JUNE 30, 2004 AND 2003

	2004	2003
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Increase in net assets	\$ 8,971,169	\$ 3,635,443
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	3,362,198	2,844,230
Impairment of capitalized assets		555,053
Contributions restricted for long-term investments	(750,176)	(2,889,973)
Net return on long-term investments	(8,200,586)	(117,683)
Cancellations and allowance for student loans	56,355	41,212
Changes in operating assets and liabilities:		
(Increase) in student accounts receivable	(5,105,157)	(1,267,098)
(Increase)/decrease in government receivables	82,984	(126,550)
(Increase) in contributions receivable	(137,500)	(1,007,038)
(Increase)/decrease in other receivables	(230,056)	316,180
(Increase)/decrease in prepaid expenses and other current assets	74,395	(17,191)
Increase/(decrease) in accounts payable and accrued liabilities	(1,554,397)	1,254,333
Increase/(decrease) in refundable government grants and loans	(15,941)	18,173
Increase in tuition deposits and deferred revenue	6,284,610	1,807,693
Increase/(decrease) in annuity liabilities	(12,190)	70,125
Increase/(decrease) in other liabilities	(21,103)	5,683
Net cash provided by operating activities	<u>2,804,605</u>	<u>5,122,592</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Proceeds from sale of investments	28,225,592	19,796,606
Purchase of investments	(34,634,257)	(19,453,982)
Decrease in deposits with trustees	8,614,319	18,185,213
Purchase of property and equipment	<u>(6,390,854)</u>	<u>(22,436,735)</u>
Net cash used in investing activities	<u>(4,185,200)</u>	<u>(3,908,898)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Contributions restricted for long-term investment	750,176	2,889,973
Disbursements for loans to students	(1,339,133)	(1,314,069)
Repayment of loans by students	914,366	1,131,460
Repayment of bonds and term loan	<u>(1,745,000)</u>	<u>(1,670,000)</u>
Net cash provided/(used) by financing activities	<u>(1,419,591)</u>	<u>1,037,364</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(2,800,186)	2,251,058
CASH AND CASH EQUIVALENTS—Beginning of year	<u>27,255,273</u>	<u>25,004,215</u>
CASH AND CASH EQUIVALENTS—End of year	<u>\$ 24,455,087</u>	<u>\$ 27,255,273</u>

See notes to financial statements.