

UNIVERSITY OF RICHMOND AND ITS AFFILIATE
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2003

CASH FLOWS FROM OPERATING ACTIVITIES:

Change in net assets	\$23,265,101
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	9,034,360
Decrease in funds held in trust	144,729
Decrease in receivables	16,613
Decrease in pledges receivable	440,790
Decrease in notes receivable	370,385
Decrease in inventories, prepaid expenses & other	618,425
Increase in accounts payable & accrued liabilities	174,718
Increase in annuities payable	22,225
Increase in postretirement benefits	29,612
Decrease in deferred income	(2,939,030)
Net unrealized and realized gains on investments and funds held in trust	(1,968,148)
Contributions restricted for endowment	(6,126,825)
Net cash provided by operating activities	<u>\$23,082,955</u>

CASH FLOWS FROM INVESTING ACTIVITIES:

Sales of investments	311,917,080
Purchases of investments	(324,086,509)
Purchases of property, plant and equipment	(23,124,244)
Net cash used in investing activities	<u>(\$35,293,673)</u>

CASH FLOWS FROM FINANCING ACTIVITIES:

Contributions restricted for endowment	6,126,825
Increase in U.S. government grants refundable	54,702
Proceeds from bank loan	3,550,000
Proceeds from notes issued	7,445,000
Refunding of notes payable	(7,355,000)
Net cash provided by financing activities	<u>\$9,821,527</u>

Net decrease in cash and cash equivalents (2,389,191)

Cash and cash equivalents at beginning of year 70,489,325

Cash and cash equivalents at end of year \$68,100,134

Supplemental disclosure:

Cash paid for interest on notes payable **\$2,848,251**

The Notes to Consolidated Financial Statements are an integral part of this statement.