

**UNIVERSITY OF RICHMOND AND ITS AFFILIATE**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2004**

**CASH FLOWS FROM OPERATING ACTIVITIES:**

Change in net assets	\$123,423,734
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	9,774,768
Increase in funds held in trust	(254,610)
Increase in receivables	(236,505)
Increase in pledges receivable	(7,160,936)
Increase in beneficial interest in trust	(1,307,251)
Increase in notes receivable	(137,746)
Increase in inventories, prepaid expenses and other	(2,437,585)
Increase in accounts payable and accrued liabilities	1,569,944
Increase in annuities payable	1,069,920
Increase in postretirement benefits	36,457
Increase in deferred income	2,742,544
Net unrealized and realized gains on investments and funds held in trust	(97,867,754)
Contributions restricted for endowment	(3,255,311)
<b>Net cash provided by operating activities</b>	<b><u>\$25,959,669</u></b>

**CASH FLOWS FROM INVESTING ACTIVITIES:**

Proceeds from sales of investments	324,146,044
Purchases of investments	(308,674,694)
Contributions restricted for purchase of property and equipment	(4,268,403)
Purchases of property, plant and equipment	(33,993,518)
<b>Net cash used in investing activities</b>	<b><u>(\$22,790,571)</u></b>

**CASH FLOWS FROM FINANCING ACTIVITIES:**

Contributions restricted for endowment	3,255,311
Contributions restricted for purchase of property and equipment	4,268,403
Increase in U.S. government grants refundable	172,823
Proceeds from bank loan	3,450,000
Payment of bank loan	(15,000,000)
<b>Net cash used in financing activities</b>	<b><u>(\$3,853,463)</u></b>

**Net decrease in cash and cash equivalents** (684,365)

**Cash and cash equivalents at beginning of year** 67,552,927

**Cash and cash equivalents at end of year** \$66,868,562

**Supplemental disclosure:**

**Cash paid for interest on notes payable** **\$3,106,850**

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