

THE CITADEL

The Military College of South Carolina

Statement of Cash Flows

For the year ended June 30, 2003

	The Citadel	The Citadel Trust	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Student tuition and fees	\$ 15,398,483	\$ -	\$ 15,398,483
Grants and contracts	3,819,243	-	3,819,243
Sales and services of educational and other activities	903,185	-	903,185
Sales and services of auxiliary enterprises	20,046,594	-	20,046,594
Other operating receipts	517,571	-	517,571
Payments to employees for salaries and benefits	(34,950,330)	(63,684)	(35,014,014)
Payments to suppliers	(23,969,317)	(44,483)	(24,013,800)
Payments for utilities	(2,469,145)	-	(2,469,145)
Payments to students for scholarships and fellowships	(2,227,363)	-	(2,227,363)
Loans issued to students	(105,557)	-	(105,557)
Collection of loans to students	128,741	-	128,741
Funds held for others	92,451	-	92,451
Student direct lending receipts	10,635,007	-	10,635,007
Student direct lending disbursements	(10,671,240)	-	(10,671,240)
Net cash provided (used) by operating activities	(22,851,677)	(108,167)	(22,959,844)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
State appropriations	15,754,606	-	15,754,606
Gifts and grants for other than capital purposes	6,278,467	3,934,254	10,212,721
Collections on note receivable	20,000	-	20,000
Other non-operating revenues/expenses	116,667	211,821	328,488
Transfers from component unit	3,204,796	(3,204,796)	-
Net cash provided (used) by noncapital financing activities	25,374,536	941,279	26,315,815
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Proceeds from capital debt	3,150,000	-	3,150,000
State capital improvement bond proceeds	232,789	-	232,789
Capital grants and gifts received	15,357,222	59,005	15,416,227
Proceeds from sale of capital assets	8,658	-	8,658
Purchases of capital assets	(9,863,512)	-	(9,863,512)
Principal paid on capital debt and leases	(4,371,096)	-	(4,371,096)
Interest paid on capital related debt	(1,342,551)	-	(1,342,551)
Net cash provided (used) by capital and related financing activities	3,171,510	59,005	3,230,515
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sales and maturities of investments	-	43,432,833	43,432,833
Interest on investments	799,452	976,190	1,775,642
Purchase of investments	-	(45,351,870)	(45,351,870)
Net cash provided (used) by investing activities	799,452	(942,847)	(143,395)
Net change in cash	6,493,821	(50,730)	6,443,091
Cash and cash equivalents - beginning of year	18,214,823	2,200,025	20,414,848
Cash and cash equivalents - end of year	<u>\$ 24,708,644</u>	<u>\$ 2,149,295</u>	<u>\$ 26,857,939</u>
Reconciliation of net operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ (26,788,850)	\$ 1,323,835	\$ (25,465,015)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities			
Depreciation expense	3,198,901	-	3,198,901
Interest and dividends on investments	-	(917,647)	(917,647)
Realized and unrealized gains and losses on investments	-	(514,355)	(514,355)
Gifts in kind	67,450	-	67,450
Funds held for others	56,218	-	56,218
Changes in assets and liabilities			
Accounts receivable, net	(310,179)	-	(310,179)
Inventories	159,334	-	159,334
Student loans receivable	27,172	-	27,172
Prepaid expenses	116,969	-	116,969
Accounts payable and accrued expenses	128,610	-	128,610
Accrued compensated absences and related liabilities	49,483	-	49,483
Deferred revenue	331,534	-	331,534
Student and other deposits	111,681	-	111,681
Net cash provided (used) by operating activities	\$ (22,851,677)	\$ (108,167)	\$ (22,959,844)
Non-cash transactions			
Increase in fair value of investments	\$ 511,819	\$ 2,719,098	\$ 3,230,917
Assignment of Perkins Loans	\$ 7,289	\$ -	\$ 7,289
Gifts in kind (equipment)	\$ 42,418	\$ -	\$ 42,418
Gifts in kind (supplies)	\$ 67,450	\$ 8,418	\$ 75,868