

PENNINGTON BIOMEDICAL RESEARCH CENTER

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2006**

Cash flows from operating activities

Student tuition and fees	\$	-
Federal appropriations		-
Grants and contracts		28,477,104
Sales and services of educational departments		29,042
Hospital income		-
Auxiliary enterprise receipts		-
Payments for employee compensation		(20,653,305)
Payments for benefits		(5,084,718)
Payments for utilities		(2,130,616)
Payments for supplies and services		(10,363,514)
Payments for scholarships and fellowships		-
Loans to students		-
Collection of loans to students		-
Other receipts		103,332
Net cash used by operating activities		<u>(9,622,675)</u>

Cash flows from non-capital financing activities

State appropriations		10,630,968
Gifts and grants for other than capital purposes		3,248,045
Private gifts for endowment purposes		(546,765)
TOPS receipts		-
TOPS disbursements		-
Federal Family Education Loan Program receipts		-
Federal Family Education Loan Program disbursements		-
Other receipts		-
Net cash provided by noncapital financing sources		<u>13,332,248</u>

Cash flows from capital financing activities

Proceeds from capital debt		-
Capital appropriations received		58,771
Capital grants and gifts received		1,105,005
Proceeds from sale of capital assets		-
Purchase of capital assets		(4,574,232)
Principal paid on capital debt and leases		-
Interest paid on capital debt and leases		-
Deposit with trustees		-
Other sources		(75,000)
Net cash used by capital financing activities		<u>(3,485,456)</u>

Cash flows from investing activities

Proceeds from sales and maturities of investments		-
Interest received on investments		546,767
Purchase of investments		-
Net cash provided by investing activities		<u>546,767</u>

Net increase in cash and cash equivalents		<u>770,884</u>
Cash and cash equivalents at beginning of the year		<u>5,903,189</u>
Cash and cash equivalents at the end of the year	\$	<u><u>6,674,073</u></u>

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**Reconciliation of net operating revenues (expenses) to
net cash used by operating activities**

Operating loss	\$	(11,809,295)
Adjustments to reconcile net loss to net cash used by operating activities:		
Depreciation expense		2,969,569
Changes in assets and liabilities		
Decrease in accounts receivable, net		675,908
Increase in inventories		(8,254)
Decrease in deferred charges & prepaid expenses		5,719
Increase in notes receivable		-
Decrease in other assets		-
Decrease in accounts payable & accrued liabilities		(104,833)
Decrease in deferred revenues		(1,481,416)
Decrease in amounts held in custody for others		(1,879)
Increase in compensated absences		131,806
Decrease in other liabilities		-
Net cash used by operating activities:		<u>(9,622,675)</u>

**Noncash investing, noncapital financing, and capital &
related financing transactions**

Reconciliation of cash & cash equivalents to the SNA

Cash and cash equivalents classified as current assets	6,670,917
Cash and cash equivalents classified as noncurrent assets	3,156
	<u>\$ 6,674,073</u>