

UNAUDITED

THE UNIVERSITY OF TEXAS M.D. ANDERSON CANCER CENTER
 EXHIBIT A - BALANCE SHEET
 As of August 31, 2003

	Reporting Entity
ASSETS	
Current Assets:	
Cash & Cash Equivalents	\$ 109,527,331
Restricted Cash & Cash Equivalents	25,206,484
Balance in State Appropriations	2,801,911
Funds Held by System Administration - Current	0
Securities Lending Collateral	0
Accounts Receivable, Net:	0
Federal Receivables (net of allowances of \$0)	8,200,998
Other Intergovernmental Rec. (net of allowances of \$0)	0
Student Receivables (net of allowances of \$0)	0
Patient Receivables (net of allowances of \$284,956,199)	219,674,455
Interest and Dividends	778,895
Contributions Receivable (net of allowances of \$554,274)	13,204,559
Other Receivables (net of allowances of \$16,686)	48,170,565
Due From Other Funds	40,327,342
Due From System Administration	121,695,077
Due From Other Components	0
Due From Other Agencies	0
Inventories	8,313,562
Loans and Contracts (net of allowances of \$0)	0
Other Current Assets	3,607,323
Total Current Assets	601,508,502
Non-Current Assets:	
Restricted:	
Cash & Cash Equivalents	0
Investments	418,433,363
Loans, Contracts and Other (net of allowances of \$0)	0
Funds Held by System Administration	207,120,284
Funds Held by System - Permanent Health Fund	90,848,900
Funds Held by Sealy & Smith Foundation	0
Contributions Receivable (net of allowances of \$887,257)	42,375,107
Investments	389,318,445
Other Non-Current Assets	601,833
Capital Assets	1,709,452,700
Less Accumulated Depreciation	(388,986,173)
Total Non-Current Assets	2,469,164,459
TOTAL ASSETS	3,070,672,961
LIABILITIES	
Current Liabilities:	
Accounts Payable and Accrued Liabilities	142,974,121
Federal Payables	57,130,197

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Other Intergovernmental Payables	37,074
Self-Insurance Claims IBNR	0
Securities Lending Obligations	0
Due to Other Funds	40,327,342
Due to System Administration	7,391,580
Due to Other Components	0
Due to Other Agencies	0
Deferred Revenue	50,029,772
Employees' Compensable Leave-Current Portion	2,548,768
Notes, Loans and Leases Payable-Current Portion	0
Payable From Restricted Assets-Current Portion	7,940,588
Revenue Bonds Payable-Current Portion	0
HEAF Bonds Payable-Current Portion	0
Funds Held for Others	0
Other Current Liabilities	60,847,494
Total Current Liabilities	<u>369,226,936</u>
Non-Current Liabilities:	
Employees' Compensable Leave	69,583,604
Assets Held for Others	278,394,695
Notes, Loans and Leases Payable	0
Payable From Restricted Assets	0
Revenue Bonds Payable	0
HEAF Bonds Payable	0
Other Non-Current Liabilities	187,842
Total Non-Current Liabilities	<u>348,166,141</u>
TOTAL LIABILITIES	<u>717,393,077</u>
NET ASSETS	
Invested in Capital Assets, Net of Related Debt	1,320,466,528
Restricted for:	
Nonexpendable	
Permanent University Fund Endowment	0
True and Term Endowments, and Annuities	141,629,223
True and Term Endowments Held for Components	0
Expendable	
Capital Projects	122,515,776
Debt Service	0
Funds Functioning as Endowment - Restricted	64,110,338
Funds Funct. as Endow - Restr. Held for Components	0
Other Expendable	169,459,411
Unrestricted	535,098,608
TOTAL NET ASSETS	<u>2,353,279,884</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 3,070,672,961</u>

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THE UNIVERSITY OF TEXAS M.D. ANDERSON CANCER CENTER
 EXHIBIT B - COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
 For the Year Ended August 31, 2003

	Reporting Entity
Operating Revenues:	
Student Tuition and Fees	\$ 138,553
Discounts and Allowances	(80,407)
Federal Sponsored Programs	126,665,951
Federal Sponsored Programs Pass-Through from Other St. Agencies	2,881,748
State Sponsored Programs	0
State Sponsored Programs Pass-Through from Other St. Agencies	(118,928)
Local Sponsored Programs	0
Private Sponsored Programs	52,197,453
Sales and Services of Educational Activities	4,050,095
Discounts and Allowances (none)	0
Sales and Services of Hospitals	1,675,474,400
Discounts and Allowances	(737,190,790)
Professional Fees	521,100,687
Discounts and Allowances	(327,215,457)
Auxiliary Enterprises - Pledged	21,072,981
Discounts and Allowances (none)	0
Other Operating Revenues	6,144,607
Total Operating Revenues	1,345,120,893
Operating Expenses:	
Instruction	77,119,683
Research	233,414,434
Public Service	1,209,125
Hospitals and Clinics	880,039,023
Academic Support	0
Student Services	0
Institutional Support	132,828,514
Operations and Maintenance of Plant	91,000,092
Scholarships and Fellowships	33,674
Auxiliary Enterprises	17,890,030
Depreciation and Amortization	78,670,495
Total Operating Expenses	1,512,205,070
Operating Loss	(167,084,177)
Nonoperating Revenues (Expenses):	
State Appropriations	148,758,986
HEAF Appropriations	0
Gift Contributions for Operations	44,101,110
Net Investment Income	34,183,696
Net Increase (Decrease) in Fair Value of Investments	18,037,643
Interest Expense on Capital Asset Financings	0
Gain/(Loss) on Sale of Capital Assets	(894,904)
Other Nonoperating Revenues	27,699,629
Other Nonoperating Expenses	(10,328,302)
Net Nonoperating Revenues (Expenses)	261,557,858
Income/(Loss) Before Other Rev., Exp., Gains/(Losses) & Transfers	94,473,681
Capital Appropriations	0
Gifts and Sponsored Programs for Capital Acquisitions	19,064,032
Additions to Permanent Endowments	8,652,259
Extraordinary Items	0
Reclass from / (to) Other Components	167,495,205
Capital Asset Purchases	0
Balance Sheet Transactions Between Funds	0
Proceeds of Bonds Payable Invested in Plant of Components	0
Transfers Between Components & System-Debt Service-Mandatory	(25,694,051)
Transfers Between Components & System Admin. - Non mandatory	78,922,414
Transfers to/from Other State Agencies	0
Legislative Appropriations Lapsed	0
Transfers Between Funds	0
Change in Net Assets	342,913,540
Beginning Net Assets - As Previously Reported	2,013,445,744
Restatements	(3,079,400)
Beginning Net Assets - As Restated	2,010,366,344
Ending Net Assets	\$ 2,353,279,884