

UNAUDITED

THE UNIVERSITY OF TEXAS M.D. ANDERSON CANCER CENTER
 EXHIBIT A - BALANCE SHEET
 As of August 31, 2004

		Reporting Entity
ASSETS		
Current Assets:		
Cash & Cash Equivalents	\$	245,441,961
Restricted Cash & Cash Equivalents		179,869,263
Balance in State Appropriations		2,504,519
Funds Held by System Administration - Current		0
Securities Lending Collateral		0
Accounts Receivable, Net:		
Federal Receivables (net of allowances of \$0)		12,875,358
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)		263,492,576
Interest and Dividends		0
Contributions Receivable (net of allowances of \$554,274)		12,527,172
Other Receivables (net of allowances of \$16,686)		21,376,066
Due From Other Funds		0
Due From System Administration		31,149,203
Due From Other Components		721,168
Due From Other Agencies		2,031,283
Inventories		11,450,390
Loans and Contracts (net of allowances of \$0)		0
Other Current Assets		20,341,045
Total Current Assets		803,780,004
Non-Current Assets:		
Restricted:		
Cash & Cash Equivalents		0
Investments		315,414,224
Loans, Contracts and Other (net of allowances of \$0)		0
Funds Held by System Administration		260,744,747
Funds Held by System - Permanent Health Fund		99,320,000
Funds Held by Sealy & Smith Foundation		
Contributions Receivable (net of allowances of \$887,257)		19,958,534
Investments		195,400,596
Other Non-Current Assets		830,149
Capital Assets		2,095,374,885
Less Accumulated Depreciation		(475,269,010)
Total Non-Current Assets		2,511,774,125
TOTAL ASSETS	\$	3,315,554,129
LIABILITIES		
Current Liabilities:		
Accounts Payable and Accrued Liabilities	\$	136,905,891

UNAUDITED

Federal Payables	61,393,216
Other Intergovernmental Payables	11,720
Self-Insurance Claims IBNR	0
Securities Lending Obligations	0
Due to Other Funds	0
Due to System Administration	7,914,613
Due to Other Components	0
Due to Other Agencies	0
Deferred Revenue	61,322,144
Employees' Compensable Leave-Current Portion	2,366,166
Notes, Loans and Leases Payable-Current Portion	0
Payable From Restricted Assets-Current Portion	6,348,421
Revenue Bonds Payable-Current Portion	0
HEAF Bonds Payable-Current Portion	0
Funds Held for Others	0
Other Current Liabilities	31,608,161
Total Current Liabilities	<u>307,870,332</u>
Non-Current Liabilities:	
Employees' Compensable Leave	93,136,136
Assets Held for Others	296,868,170
Notes, Loans and Leases Payable	0
Payable From Restricted Assets	2,997
Revenue Bonds Payable	0
HEAF Bonds Payable	0
Other Non-Current Liabilities	0
Total Non-Current Liabilities	<u>390,007,303</u>
TOTAL LIABILITIES	<u>697,877,635</u>
NET ASSETS	
Invested in Capital Assets, Net of Related Debt	1,620,105,875
Restricted for:	
Nonexpendable	
Permanent University Fund Endowment	0
True and Term Endowments, and Annuities	200,176,335
True and Term Endowments Held for Components	0
Expendable	
Capital Projects	77,323,862
Debt Service	0
Funds Functioning as Endowment - Restricted	20,802,451
Funds Funct. as Endow - Restr. Held for Components	0
Other Expendable	146,945,188
Unrestricted	552,322,783
TOTAL NET ASSETS	<u>2,617,676,494</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 3,315,554,129</u>

UNAUDITED

THE UNIVERSITY OF TEXAS M.D. ANDERSON CANCER CENTER
 EXHIBIT B - STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
 For the Year Ended August 31, 2004

	Primary University
OPERATING REVENUES:	
Student Tuition and Fees	\$ 233,421
Discounts and Allowances	0
Federal Sponsored Programs	152,785,012
Federal Sponsored Programs Pass-Through from Other St. Agencies	4,115,921
State Sponsored Programs	0
State Sponsored Programs Pass-Through from Other St. Agencies	339,218
Local Sponsored Programs	0
Private Sponsored Programs	54,201,851
Sales and Services of Educational Activities	1,989,696
Discounts and Allowances	0
Sales and Services of Hospitals	2,017,416,902
Discounts and Allowances	(880,356,751)
Professional Fees	569,948,191
Discounts and Allowances	(356,129,176)
Auxiliary Enterprises	15,936,074
Discounts and Allowances	0
Other Operating Revenues	<u>12,937,563</u>
Total Operating Revenues	<u>1,593,417,922</u>
OPERATING EXPENSES:	
Instruction	63,214,309
Research	257,627,595
Public Service	4,669,171
Hospitals and Clinics	1,034,302,015
Academic Support	0
Student Services	0
Institutional Support	150,186,779
Operations and Maintenance of Plant	114,679,794
Scholarships and Fellowships	144,505
Auxiliary Enterprises	11,791,064
Depreciation and Amortization	<u>105,714,441</u>
Total Operating Expenses	<u>1,742,329,673</u>
Operating Income (Loss)	<u>(148,911,751)</u>
NONOPERATING REVENUES (EXPENSES):	
State Appropriations	147,941,738
Gift Contributions for Operations	32,854,186
Net Investment Income	51,820,525
Net Increase (Decrease) in Fair Value of Investments	30,037,582
Interest Expense on Capital Asset Financings	(72,922)
Gain/(Loss) on Sale of Capital Assets	(8,840,339)
Other Nonoperating Revenues	26,691,899
Other Nonoperating (Expenses)	<u>(833,259)</u>
Net Nonoperating Revenues (Expenses)	<u>279,599,410</u>
Income/(Loss) Before Other Rev., Exp., Gains/(Losses) & Transfers:	130,687,659
Gifts and Sponsored Programs for Capital Acquisitions	7,198,250
Additions to Permanent Endowments	32,482,652
Reclass from / (to) Other Components	72,060,222
Transfers Between Components & System, Debt Service - Mandatory	(41,400,394)
Transfers Between Components & System Admin. - Non mandatory	67,449,677
Transfers From Other State Agencies*	139,865,202
Transfers to Other State Agencies*	<u>(139,869,153)</u>
Change in Net Assets	<u>268,474,115</u>
Beginning Net Assets - As Previously Reported	<u>2,346,757,438</u>
Restatements	<u>2,444,941</u>
Beginning Net Assets - As Restated	<u>2,349,202,379</u>
Ending Net Assets	\$ <u>2,617,676,494</u>