



The Colleges of the Seneca

**Financial Statements
May 31, 2005 and 2004**

Report of Independent Auditors

To the Board of Trustees
The Colleges of the Seneca

In our opinion, the accompanying statements of financial position and the related statements of activities and of cash flows present fairly, in all material respects, the financial position of The Colleges of the Seneca (the "Colleges") at May 31, 2005 and 2004, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Colleges' management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.



July 29, 2005

The Colleges of the Seneca
Statements of Financial Position
May 31, 2005 and 2004

	2005	2004
Assets		
Cash and cash equivalents	\$ 17,863,217	\$ 13,354,340
Short-term investments	4,367,637	4,246,470
Deposits with trustee of debt obligations	6,089,230	16,961,435
Accounts receivable, net of allowance of \$311,000 and \$332,000 in 2005 and 2004, respectively	1,580,282	2,768,822
Notes receivable, net of allowance of \$128,000 in 2005 and 2004	1,894,986	2,014,939
Inventories	472,152	528,687
Contributions receivable	8,381,065	10,490,081
Long-term investments	146,093,532	137,659,860
Land, buildings and equipment, net	97,486,536	86,042,515
Other assets	1,871,843	1,982,100
	<u>\$ 286,100,480</u>	<u>\$ 276,049,249</u>
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued liabilities	\$ 6,371,163	\$ 5,409,538
Deferred revenue and deposits	2,765,724	2,222,443
Deferred giving liabilities	2,040,955	2,007,574
Refundable advances from government loan programs	2,225,106	2,202,658
Borrowings	39,786,709	42,026,363
	<u>53,189,657</u>	<u>53,868,576</u>
Net assets		
Unrestricted	128,889,074	125,541,957
Temporarily restricted	24,666,587	20,108,928
Permanently restricted	79,355,162	76,529,788
	<u>232,910,823</u>	<u>222,180,673</u>
Total liabilities and net assets	<u>\$ 286,100,480</u>	<u>\$ 276,049,249</u>

The accompanying notes are an integral part of the financial statements.

The Colleges of the Seneca
Statements of Activities
Year Ended May 31, 2005
(with comparative totals for 2004)

	2005			Total	2004 Total
	Unrestricted	Temporarily Restricted	Permanently Restricted		
Operating Revenues					
Tuition and fees,					
net of scholarships	\$ 33,878,734			\$ 33,878,734	\$ 32,125,728
Sales and services of auxiliaries	14,069,347			14,069,347	14,310,956
Government grants and contracts	2,065,477			2,065,477	1,681,099
Private gifts and grants	3,773,525	422,364		4,195,889	3,679,314
Endowment spending	6,172,137	102,301		6,274,438	6,669,540
Other investment income	1,132,874	5,421		1,138,295	1,324,308
Other	180,432	598		181,030	248,655
Net assets released from restrictions	324,533	(324,533)		-	-
Total operating revenues	<u>61,597,059</u>	<u>206,151</u>	<u>-</u>	<u>61,803,210</u>	<u>60,039,600</u>
Operating Expenses					
Instruction	21,971,174			21,971,174	20,661,208
Academic support	7,256,783			7,256,783	6,715,096
Student services	13,450,316			13,450,316	12,601,067
Institutional support	9,690,961			9,690,961	9,101,650
Auxiliaries operations	10,507,542			10,507,542	10,450,311
Total operating expenses	<u>62,876,776</u>	<u>-</u>	<u>-</u>	<u>62,876,776</u>	<u>59,529,332</u>
Change in net assets					
from operating activities	<u>(1,279,717)</u>	<u>206,151</u>	<u>-</u>	<u>(1,073,566)</u>	<u>510,268</u>
Nonoperating Revenues (Expenses)					
Investment return	5,094,361	1,248,959	51,660	6,394,980	7,095,253
Capital gifts	108,556	3,514,071	2,713,050	6,335,677	5,908,240
Capital campaign expense	(609,797)			(609,797)	(766,094)
Other revenue (expense), net	(154,419)			(154,419)	117,779
Change in value of deferred					
giving arrangements	7,436	(230,825)	60,664	(162,725)	(67,131)
Net assets released from restrictions	180,697	(180,697)		-	-
Change in net assets					
from nonoperating activities	<u>4,626,834</u>	<u>4,351,508</u>	<u>2,825,374</u>	<u>11,803,716</u>	<u>12,288,047</u>
Net increase					
in net assets	3,347,117	4,557,659	2,825,374	10,730,150	12,798,315
Net assets, beginning of year	<u>125,541,957</u>	<u>20,108,928</u>	<u>76,529,788</u>	<u>222,180,673</u>	<u>209,382,358</u>
Net assets, end of year	<u>\$ 128,889,074</u>	<u>\$ 24,666,587</u>	<u>\$ 79,355,162</u>	<u>\$ 232,910,823</u>	<u>\$ 222,180,673</u>

The accompanying notes are an integral part of the financial statements.

The Colleges of the Seneca
Statement of Activities
Year Ended May 31, 2004

	2004			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Operating Revenues				
Tuition and fees, net of scholarships	\$ 32,125,728	\$ -	\$ -	\$ 32,125,728
Sales and services of auxiliaries	14,310,956	-	-	14,310,956
Government grants and contracts	1,681,099	-	-	1,681,099
Private gifts and grants	3,628,838	50,476	-	3,679,314
Endowment spending	6,299,504	370,036	-	6,669,540
Other investment income	1,319,648	4,660	-	1,324,308
Other	241,300	7,355	-	248,655
Net assets released from restrictions	283,314	(283,314)	-	-
Total operating revenues	<u>59,890,387</u>	<u>149,213</u>	<u>-</u>	<u>60,039,600</u>
Operating Expenses				
Instruction	20,661,208	-	-	20,661,208
Academic support	6,715,096	-	-	6,715,096
Student services	12,601,067	-	-	12,601,067
Institutional support	9,101,650	-	-	9,101,650
Auxiliaries operations	10,450,311	-	-	10,450,311
Total operating expenses	<u>59,529,332</u>	<u>-</u>	<u>-</u>	<u>59,529,332</u>
Change in net assets from operating activities	<u>361,055</u>	<u>149,213</u>	<u>-</u>	<u>510,268</u>
Nonoperating Revenues (Expenses)				
Investment return	6,154,584	684,939	255,730	7,095,253
Capital gifts	91,852	1,069,069	4,747,319	5,908,240
Capital campaign expense	(766,094)	-	-	(766,094)
Other revenue (expense), net	714,639	99,663	(696,523)	117,779
Change in value of deferred giving arrangements	28,703	(248,421)	152,587	(67,131)
Net assets released from restrictions	2,048,600	(2,048,600)	-	-
Change in net assets from nonoperating activities	<u>8,272,284</u>	<u>(443,350)</u>	<u>4,459,113</u>	<u>12,288,047</u>
Net increase (decrease) in net assets	8,633,339	(294,137)	4,459,113	12,798,315
Net assets, beginning of year	<u>116,908,618</u>	<u>20,403,065</u>	<u>72,070,675</u>	<u>209,382,358</u>
Net assets, end of year	<u>\$ 125,541,957</u>	<u>\$ 20,108,928</u>	<u>\$ 76,529,788</u>	<u>\$ 222,180,673</u>

The accompanying notes are an integral part of the financial statements.

The Colleges of the Seneca
Statements of Cash Flows
Years Ended May 31, 2005 and 2004
Increase (Decrease) in Cash and Cash Equivalents

	2005	2004
Cash flows from operating activities		
Change in net assets	\$ 10,730,150	\$ 12,798,315
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	4,537,252	4,099,823
Provision for uncollectible contributions receivable	79,628	300,412
Loss on disposal of land, buildings and equipment	119,876	111,583
Change in value of deferred giving arrangements	33,381	56,028
Contributions restricted for long-term investment	(8,416,648)	(13,010,541)
Interest and dividends restricted for long-term investment	(59,947)	(235,537)
Net realized and unrealized gains on investments	(10,146,145)	(12,001,148)
Change in assets and liabilities:		
Accounts receivable	1,188,540	(1,148,112)
Inventories	56,535	94,633
Contributions receivable	2,029,388	7,440,626
Other assets	14,341	(362,298)
Accounts payable and accrued liabilities	(392,252)	(1,049,165)
Deferred revenues and deposits	543,281	(174,478)
Net cash provided by (used in) operating activities	<u>317,380</u>	<u>(3,079,859)</u>
Cash flows from investing activities		
Acquisition of land, buildings and equipment, net	(14,670,010)	(11,066,237)
Decrease in deposits with trustee of debt obligation	10,872,205	5,276,824
Notes issued	(328,557)	(375,600)
Proceeds from note collections	448,510	343,525
Proceeds from sale of investments	60,147,895	108,100,800
Purchase of investments	<u>(58,556,589)</u>	<u>(106,506,170)</u>
Net cash used in investing activities	<u>(2,086,546)</u>	<u>(4,226,858)</u>
Cash flows from financing activities		
Proceeds from contributions for		
Investment in endowment	4,047,380	5,576,431
Investment in plant	4,267,666	7,311,653
Investment subject to deferred giving arrangements	101,602	122,457
Interest and dividends restricted for reinvestment	59,947	235,537
Increase in refundable advances from government loan programs	22,448	81,034
Capital lease buyout	-	(1,002,969)
Payment of long-term debt	<u>(2,221,000)</u>	<u>(2,136,000)</u>
Net cash provided by financing activities	<u>6,278,043</u>	<u>10,188,143</u>
Net increase in cash and cash equivalents	4,508,877	2,881,426
Cash and cash equivalents		
Beginning of year	<u>13,354,340</u>	<u>10,472,914</u>
End of year	<u>\$ 17,863,217</u>	<u>\$ 13,354,340</u>
Supplemental data		
Interest paid including capitalized interest of \$250,000 and \$651,000	\$ 2,288,824	\$ 1,981,835
Non-cash financing activities		
Construction related payables	1,353,877	891,805

The accompanying notes are an integral part of the financial statements.

The Colleges of the Seneca

Notes to Financial Statements

May 31, 2005 and 2004

1. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting.

Net Asset Classes

The accompanying financial statements present information regarding the Colleges' financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted. The three classes are differentiated by the presence or absence of donor restrictions.

Unrestricted net assets may be designated for specific purposes by the Colleges or may be limited by contractual agreements with outside parties. Unrestricted net assets include operating, plant, and internally designated plant and funds functioning as endowment funds.

Temporarily restricted net assets are subject to donor stipulations that expire by the passage of time or can be fulfilled or removed by actions pursuant to the stipulations. Temporarily restricted net assets consist principally of gifts restricted by donors for capital projects and other operating purposes, deferred giving arrangements and unconditional pledges receivable that are not permanently restricted.

Permanently restricted net assets are subject to donor stipulations requiring that they be maintained permanently, thereby restricting the use of principal. Usually, donor stipulations allow part or all of the income earned to be used currently for a restricted purpose such as scholarships or professorships. Permanently restricted net assets consist principally of permanent endowment principal balances, including unconditional pledges restricted for true endowment.

Expenses are generally reported as decreases in unrestricted net assets. Expirations of donor-imposed stipulations that simultaneously increase one class of net assets and decrease another are reported as reclassifications between the applicable classes of net assets as "net assets released from restrictions". Temporarily restricted contributions received and expended for the restricted purpose in the same fiscal year are recorded as unrestricted net assets.

Nonoperating activities reflect transactions of a capital nature, that is, contributions to be used for facilities and equipment or to be invested by the Colleges to generate a return that will support operations.

Contributions

Contributions, including unconditional pledges, are recognized as revenues when donors' commitments are received. Conditional pledges are recognized as revenues when the conditions are substantially met. Unconditional pledges are recognized at the estimated net present value, net of an allowance for uncollectible amounts, and are classified as either permanently restricted or temporarily restricted. Contributions specified for the acquisition or construction of long-lived assets are reported as unrestricted net assets when the assets are placed in service.

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Notes to Financial Statements

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Costs incurred by the Colleges in obtaining donor contributions were approximately \$2,415,000 and \$2,587,000 in 2005 and 2004, respectively. Approximately \$610,000 and \$766,000 for 2005 and 2004, respectively, of those costs were associated with the activities of the current capital campaign.

Investments and Investment Income

Investments are recorded at fair value. Fair value is determined principally on the basis of quoted market prices. The majority of limited partnership investments are recorded at estimated fair value (for which the underlying investments are principally valued at market) using information obtained from the general partner or investment manager for the respective funds as of May 31, 2005 and 2004. The Colleges believe that the recorded amount of these limited partnership investments is a reasonable estimate of fair value.

Realized gains and losses on the sale of investments are determined using the specific identification method. Investment return is reported in the statement of activities and the notes to the financial statements, net of management and custodial fees of approximately \$1,318,000 and \$1,225,000 for 2005 and 2004, respectively and performance fees of approximately, \$614,000 and \$586,000, for 2005 and 2004, respectively.

Total Return Spending Policy

The Colleges employ a total return spending policy which recognizes for spending purposes income equal to a percentage of a multi-year moving average of the unit value of pooled investments. The percentage was 5.3% and 5.4% in 2005 and 2004, respectively. In any given year, the amount availed from the pooled investments may, therefore, be greater or less than the dividend or interest yield for that year. Investment returns earned in excess of the spending policy are classified as nonoperating revenue; any shortfall is made up from historically earned capital appreciation.

Deferred Giving Arrangements

The Colleges' deferred giving arrangements consist primarily of gift annuities, pooled life income funds and charitable remainder trusts. Deferred giving assets are included in long-term investments at their fair value. Contribution revenues are recognized at the date the arrangements are established after recording liabilities for the present value of the estimated future payments to be made to the donors and/or beneficiaries. The liabilities are adjusted during the term of the arrangements for changes in the value of the assets and changes in the estimated present value of future cash outflows and other changes in the estimates of future benefits. The deferred giving liabilities represent the net present value of future cash outflows over the beneficiary's life expectancy as required by the deferred gift agreements.

Funds Held in Trust by Others

Contributions receivable includes funds held in trust by others which represent resources neither in the possession nor under the control of the Colleges, but paid and administered by outside trustees, with the Colleges deriving income or a residual interest from the assets of such funds. Funds held in trust by others are recognized at the estimated fair value of the assets which approximates the net present value of the future cash flows when the irrevocable trust is established or the Colleges are notified of its existence and are subsequently adjusted for changes in the fair value annually.

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Notes to Financial Statements

May 31, 2005 and 2004

Land, Buildings and Equipment

Grounds, site improvements, buildings, equipment and library books are recorded at cost at the date of acquisition or their fair market value at the date of donation, less accumulated depreciation, computed on a straight-line basis over the estimated useful lives of the site improvements (20 years), buildings (15-45 years), equipment (5-20 years) and library books (20 years).

Inventories

Inventories are stated at the lower of cost (first-in, first-out) or market.

Cash and Cash Equivalents

Cash investments with a maturity of three months or less when purchased are reported as cash equivalents, unless they are part of long-term investment pools.

Income Taxes

The financial statements do not provide for income taxes as the Colleges are tax-exempt under Section 501(c)(3) of the Internal Revenue Code.

Allocation of Certain Expenses

The statements of activities present expenses by functional classification. Operation and maintenance of plant, depreciation and interest expense are allocated based on square footage.

Deposits with Trustee of Debt Obligations

Deposits with trustee of debt obligations represent debt service and certain reserve funds required by the trustee. Included in deposits with trustee is \$5,877,277 and \$16,532,284 of unexpended bond proceeds at May 31, 2005 and 2004, respectively.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amount of revenues and expenses during the reporting period. Significant estimates made in the preparation of these financial statements include, but are not limited to, valuation of investments at fair value, useful lives and estimated net realizable value of accounts and contributions receivable. Actual results could differ from these estimates.

Risks and Uncertainties

Investment securities are exposed to various risks, such as interest rate, market and credit. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in risk in the near term could materially affect the amounts reported in the statement of financial position and the statement of activities.

The Colleges of the Seneca
Notes to Financial Statements
May 31, 2005 and 2004

2. Contributions Receivable

Unconditional contributions receivable at May 31, 2005 and 2004 are restricted by donors predominantly for scholarships and capital projects. They are expected to be realized in the following periods:

	2005	2004
Less than one year	\$ 4,050,892	\$ 4,746,808
One year to five years	4,765,557	5,811,702
Over five years	-	350,000
	<u>8,816,449</u>	<u>10,908,510</u>
Less allowance for uncollectibility of approximately \$861,000 and \$1,024,000 and present value discount of approximately \$323,000 and \$385,000	<u>(1,184,444)</u>	<u>(1,408,661)</u>
	<u>7,632,005</u>	<u>9,499,849</u>
Charitable remainder and perpetual trusts	<u>749,060</u>	<u>990,232</u>
	<u>\$ 8,381,065</u>	<u>\$ 10,490,081</u>

3. Investments

Investments are summarized as follows:

	2005		2004	
	Cost	Fair Value	Cost	Fair Value
Cash and cash equivalents	\$ 2,113,497	\$ 2,113,497	\$ 2,309,836	\$ 2,309,836
Fixed income	10,766,433	13,795,197	10,262,099	14,538,006
Common stock	58,931,772	63,902,343	58,415,885	63,094,485
Limited partnerships	48,370,111	70,650,132	45,521,290	61,964,003
	<u>\$ 120,181,813</u>	<u>\$ 150,461,169</u>	<u>\$ 116,509,110</u>	<u>\$ 141,906,330</u>

Cash and cash equivalents consist primarily of interest bearing money market accounts. Certain assets are pooled on a fair value basis; purchases or dispositions are at fair value per unit at the time in which the transaction takes place. The following table summarizes information on the pooled investments.

	2005	2004
Pooled investments		
Fair value	\$ 132,608,993	\$ 123,235,929
Cost	\$ 105,857,823	\$ 102,550,281
Fair value per unit	\$3.29	\$3.14
Spending rate per unit	0.16	0.17

The Colleges of the Seneca
Notes to Financial Statements
May 31, 2005 and 2004

In accordance with its spending policy on endowment and other investments the Colleges' return on investments was as follows:

	2005	2004
Dividends and interest income	\$ 3,661,568	\$ 3,087,953
Net realized and unrealized gains	10,146,145	12,001,148
Total return on investments	<u>13,807,713</u>	<u>15,089,101</u>
Investment return designated for current operations	<u>7,412,733</u>	<u>7,993,848</u>
Investment return greater than amounts designated for current operations	<u>\$ 6,394,980</u>	<u>\$ 7,095,253</u>

4. Endowment Funds

Endowment funds generally represent donor restricted gifts and matured bequests, to provide a permanent endowment, including a permanent income stream. The portion of permanent endowments that may not be expended are classified as permanently restricted net assets. Board designated endowments (i.e. funds functioning as endowments) are internally designated funds that are invested to provide income for a long but unspecified period. Board designated endowments are not donor restricted and are classified as unrestricted net assets.

Endowment funds consist of:

	2005	2004
Funds functioning as endowment	\$ 59,821,524	\$ 56,238,533
Term endowment - temporarily restricted net assets	3,485,395	2,814,457
Permanent endowment - permanently restricted net assets	78,658,321	76,047,666
	<u>\$ 141,965,240</u>	<u>\$ 135,100,656</u>

These endowment funds include \$3,416,048 and \$4,721,174 in amounts pledged and not received in 2005 and 2004, respectively. Funds functioning as endowment are comprised of quasi endowment funds totaling \$18,931,051 and \$20,393,455 at May 31, 2005 and 2004, respectively, and cumulative appreciation of permanent endowment funds totaling \$40,890,473 and \$35,845,078 at May 31, 2005 and 2004, respectively.

The Colleges of the Seneca
Notes to Financial Statements
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5. Land, Buildings and Equipment

The components of land, buildings and equipment, including leased assets, as of May 31, 2005 and 2004 were as follows:

	2005	2004
Grounds	\$ 3,263,457	\$ 3,209,954
Site improvements	7,696,633	6,280,452
Buildings	102,069,762	88,515,316
Equipment	21,285,906	19,332,428
Library books	12,703,444	11,901,528
Construction in progress	4,244,556	6,192,176
	<u>151,263,758</u>	<u>135,431,854</u>
Accumulated depreciation	(53,777,222)	(49,389,339)
	<u>\$ 97,486,536</u>	<u>\$ 86,042,515</u>

Depreciation expense amounted to \$4,459,990 and \$4,022,561 in 2005 and 2004, respectively.

Estimated costs to complete construction in progress at May 31, 2005 are \$6,172,000.

6. Borrowings

Borrowings consist of the following at May 31:

	Maturity Date	Interest Rate	Original Issue	2005	2004
City of Geneva Industrial Development Agency Revenue Bonds (a):					
Series 1997	2007	4.0 - 5.0%	\$ 18,065,000	\$ 4,190,000	\$ 6,135,000
Series 2001	2031	4.0 - 5.2%	10,120,000	9,600,000	9,780,000
Series 2003A	2033	3.0 - 5.0%	20,000,000	20,000,000	20,000,000
Series 2003B	2023	4.8%	2,115,000	2,115,000	2,115,000
Net bond premium				653,709	672,363
				<u>\$ 36,558,709</u>	<u>\$ 38,702,363</u>
Manufacturers and Traders Trust Company					
Term Note (b)	2023	6.98%	3,420,000	3,228,000	3,324,000
				<u>\$ 39,786,709</u>	<u>\$ 42,026,363</u>

(a) The bonds are collateralized by the related property and equipment. In addition, the agreements require the establishment of sinking funds which are included in deposits with trustee of debt obligations.

(b) Interest on the note is fixed at 6.98% through 2013, at which time the rate becomes variable at LIBOR plus 2% until maturity in 2023.

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The following represents payments on bonds payable and term note:

2006	\$ 2,326,000
2007	2,451,000
2008	681,000
2009	742,000
2010	767,000
Thereafter	<u>32,166,000</u>
	39,133,000
Net bond premium	<u>653,709</u>
	<u>\$ 39,786,709</u>

Lines of Credit

The Colleges maintain a line of credit for \$1,000,000, which was unused during 2005 and 2004.

7. Net Tuition and Fees

Tuition and fees revenues and scholarship expenditures are summarized in the following table:

	2005	2004
Tuition and fees	\$ 55,794,141	\$ 53,665,525
Institutionally funded scholarships	(21,457,246)	(21,071,930)
Government funded grants	<u>(458,161)</u>	<u>(467,867)</u>
Net tuition and fees	<u>\$ 33,878,734</u>	<u>\$ 32,125,728</u>

8. Retirement Plan

The Colleges participate in contributory retirement plans administered by the Teachers Insurance Annuity Association of America (TIAA) and College Retirement Equities Fund (CREF) for full-time employees. The Colleges' policy is to accrue the costs of these defined contribution plans currently. Total expense charged to operations relating to these plans was approximately \$2,150,000 and \$1,981,000 for 2005 and 2004, respectively.

The Colleges implemented a phased retirement plan and a retirement plan with postretirement healthcare benefits for faculty. Eligible faculty who elect retirement under the plan with postretirement healthcare benefits and are between the ages of 60 and 65 receive healthcare coverage through the Colleges until they are Medicare eligible. Beginning June 1, 2002 eligible faculty may elect retirement under the plan by June 30 to commence June 30 of the following year (i.e. one year notice).

9. Fair Value of Financial Instruments

Cash

The carrying amount of cash approximates fair value.

The Colleges of the Seneca
Notes to Financial Statements
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Bonds Payable

The following represents estimated fair value of the Colleges' bonds payable at May 31, 2005:

	Carrying Value	Fair Value
Series 1997	\$ 4,190,000	\$ 4,299,125
Series 2001	9,600,000	10,130,694
Series 2003A	20,000,000	21,305,409
Series 2003B	2,115,000	2,190,442
	<u>\$ 35,905,000</u>	<u>\$ 37,925,670</u>

Notes Receivable

Notes receivable are principally amounts due from students under federally sponsored loan programs which are subject to significant restrictions. Accordingly, it is not practicable to determine the fair value of such amounts.