



Research Foundation
Financial Statements

For the nine months ended March 31, 2026

**UNIVERSITY OF KENTUCKY RESEARCH FOUNDATION
A COMPONENT UNIT OF THE UNIVERSITY OF KENTUCKY
STATEMENTS OF NET POSITION
MARCH 31, 2026 AND 2025**

	<u>2026</u>	<u>2025</u>
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 183,578,042	\$ 168,381,982
Notes and accounts receivable, net	51,969,812	58,889,615
Unrecognized charges - patents	3,191,132	3,106,741
Inventories and other assets	-	1,731,020
Total current assets	<u>238,738,986</u>	<u>232,109,358</u>
Noncurrent Assets		
Endowment investments	24,108,144	21,307,390
Other long term investments	7,659,950	7,282,146
Capital assets, net	2,468,788	2,537,323
Lease assets, net	-	13,408
Subscription assets, net	-	89,223
Total noncurrent assets	<u>34,236,882</u>	<u>31,229,490</u>
Total assets	<u>272,975,868</u>	<u>263,338,848</u>
LIABILITIES		
Current Liabilities		
Accounts payable and accrued liabilities	2,643,504	4,032,251
Unearned grants and contracts revenue	39,757,346	49,445,486
Lease liabilities - current	-	14,091
Due to the University of Kentucky	1,220,234	903,817
Total current liabilities	<u>43,621,084</u>	<u>54,395,645</u>
Total liabilities	<u>43,621,084</u>	<u>54,395,645</u>
NET POSITION		
Net investment in capital assets	<u>2,468,788</u>	<u>2,621,018</u>
Restricted		
Nonexpendable	826,128	826,128
Expendable	6,301,607	5,543,178
Total restricted	<u>7,127,735</u>	<u>6,369,306</u>
Unrestricted	<u>219,758,261</u>	<u>199,952,879</u>
Total net position	<u>\$ 229,354,784</u>	<u>\$ 208,943,203</u>

**UNIVERSITY OF KENTUCKY RESEARCH FOUNDATION
A COMPONENT UNIT OF THE UNIVERSITY OF KENTUCKY
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE NINE MONTHS ENDED MARCH 31, 2026 AND 2025**

	2026	2025
OPERATING REVENUES		
Federal grants and contracts	\$ 206,254,765	\$ 211,013,715
State and local grants and contracts	25,660,571	25,331,095
Nongovernmental grants and contracts	22,670,305	25,272,419
Recoveries of facilities and administrative costs	69,625,455	71,112,097
Other operating revenues	11,904,090	7,400,169
Total operating revenues	<u>336,115,186</u>	<u>340,129,495</u>
OPERATING EXPENSES		
Educational and general:		
Instruction	7,879,088	9,452,471
Research	194,049,939	195,812,884
Public service	96,008,341	99,461,972
Libraries	113	57
Academic support	1,982,421	2,493,853
Student services	-	5,485
Institutional support	613,105	634,319
Operations and maintenance of plant	90,945	73,664
Student financial aid	8,212,031	7,991,297
Depreciation and amortization	59,267	130,090
Total operating expenses	<u>308,895,250</u>	<u>316,056,092</u>
Net income from operations	<u>27,219,936</u>	<u>24,073,403</u>
NONOPERATING REVENUES (EXPENSES)		
Gifts	20,099	128,220
Investment income	7,402,164	6,952,542
License income	1,686,297	1,904,963
Grants to the University of Kentucky for noncapital purposes	(20,408,643)	(17,949,612)
Interest on capital asset, lease and SBITA-related debt	-	(2,197)
Other nonoperating revenues	776	245
Net nonoperating expenses	<u>(11,299,307)</u>	<u>(8,965,839)</u>
Net income before other revenues, expenses, gains, or losses	<u>15,920,629</u>	<u>15,107,564</u>
Capital grants and gifts	5,154,192	3,033,445
Grants to the University of Kentucky for capital purposes	(6,625,172)	(9,829,779)
Other, net	4,744	(4)
Total other expenses	<u>(1,466,236)</u>	<u>(6,796,338)</u>
Increase in net position	<u>14,454,393</u>	<u>8,311,226</u>
NET POSITION, July 1	<u>214,900,391</u>	<u>200,631,977</u>
NET POSITION, March 31	<u>\$ 229,354,784</u>	<u>\$ 208,943,203</u>

UNIVERSITY OF KENTUCKY
RESEARCH FOUNDATION
SCHEDULE OF UNRESTRICTED FUNDS REVENUES, APPROPRIATED FUND BALANCES AND EXPENSES
FOR THE NINE MONTHS ENDED MARCH 31, 2026
WITH COMPARATIVE FIGURES FROM MARCH 31, 2025

	2026			2025	
	Budget	Realized	%	Realized	%
REVENUES					
Recoveries of facilities and administration	\$ 48,910,000	\$ 69,625,455	142	\$ 71,112,097	97
Fixed price contracts	2,335,000	3,364,809	144	3,207,658	166
Investment income	-	5,130,100	-	5,792,489	-
Miscellaneous income	284,000	404,043	142	247,768	248
License income	800,000	1,686,297	211	1,904,963	136
Transfers from University of Kentucky for cost share	-	10,735,165	-	12,349,490	-
Total revenues	<u>52,329,000</u>	<u>90,945,869</u>	<u>174</u>	<u>94,614,465</u>	<u>124</u>
EXPENSES					
Operating	3,324,500	2,307,077	69	2,431,883	85
Patent costs	1,900,000	172,040	9	230,981	17
Royalty income sharing program	7,963,000	1,039,009	13	2,445,054	29
Research program	107,937,956	33,496,789	31	41,128,383	34
Cost share	-	11,595,938	-	12,990,101	-
Other	5,155,000	77,434	2	183,949	2
Grants to the University of Kentucky	37,564,800	29,632,844	79	27,602,874	80
Total expenses	<u>163,845,256</u>	<u>78,321,131</u>	<u>48</u>	<u>87,013,225</u>	<u>50</u>
Net income (loss)	<u>(111,516,256)</u>	<u>12,624,738</u>	<u>-</u>	<u>7,601,240</u>	<u>-</u>
NON-GASB ACTIVITY					
Appropriated fund balance	111,516,256	-	-	-	-
Total non-GASB current funds activity	<u>111,516,256</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET INCREASE for the period	<u>\$ -</u>	<u>12,624,738</u>		<u>7,601,240</u>	
FUND BALANCE, July 1		<u>190,312,501</u>		<u>177,395,582</u>	
FUND BALANCE, March 31		<u>\$ 202,937,239</u>		<u>\$ 184,996,822</u>	