



Research Foundation
Financial Statements

For the nine months ended March 31, 2021

**UNIVERSITY OF KENTUCKY RESEARCH FOUNDATION
A COMPONENT UNIT OF THE UNIVERSITY OF KENTUCKY
STATEMENTS OF NET POSITION
MARCH 31, 2021 AND 2020**

	<u>2021</u>	<u>2020</u>
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 108,614,235	\$ 103,645,004
Notes and accounts receivable, net	35,699,897	31,929,466
Unrecognized charges - patents	2,206,173	1,782,676
Inventories and other assets	876,008	876,680
Total current assets	<u>147,396,313</u>	<u>138,233,826</u>
Noncurrent Assets		
Restricted cash and cash equivalents	-	222,206
Endowment investments	17,149,061	14,863,995
Other long term investments	8,018,229	7,642,615
Notes and accounts receivable, net	10,602	13,997
Capital assets, net	2,870,762	2,954,121
Total noncurrent assets	<u>28,048,654</u>	<u>25,696,934</u>
Total assets	<u>175,444,967</u>	<u>163,930,760</u>
LIABILITIES		
Current Liabilities		
Accounts payable and accrued liabilities	3,886,003	2,067,043
Unearned grants and contracts revenue	41,643,728	33,170,055
Due to the University of Kentucky	92,660	-
Total liabilities	<u>45,622,391</u>	<u>35,237,098</u>
NET POSITION		
Net investment in capital assets	<u>2,870,762</u>	<u>2,954,121</u>
Restricted		
Nonexpendable	855,513	855,513
Expendable	4,695,414	4,681,882
Total restricted	<u>5,550,927</u>	<u>5,537,395</u>
Unrestricted	<u>121,400,887</u>	<u>120,202,146</u>
Total net position	<u>\$ 129,822,576</u>	<u>\$ 128,693,662</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, 2021 AND 2020**

	<u>2021</u>	<u>2020</u>
OPERATING REVENUES		
Federal grants and contracts	\$ 165,390,635	\$ 155,835,885
State and local grants and contracts	13,979,955	14,476,788
Nongovernmental grants and contracts	17,608,882	21,415,661
Recoveries of facilities and administrative costs	52,789,173	49,917,753
Other operating revenues	68,470	278,766
Total operating revenues	<u>249,837,115</u>	<u>241,924,853</u>
OPERATING EXPENSES		
Educational and general:		
Instruction	9,030,869	9,007,772
Research	146,783,924	142,019,153
Public service	62,968,496	63,220,158
Libraries	241	-
Academic support	1,588,464	1,128,249
Student services	-	28,251
Institutional support	706,252	717,054
Operations and maintenance of plant	74,515	82,857
Student financial aid	1,601,404	1,571,439
Total operating expenses	<u>222,754,165</u>	<u>217,774,933</u>
Net income from operations	<u>27,082,950</u>	<u>24,149,920</u>
NONOPERATING REVENUES (EXPENSES)		
Gifts	258,037	264,299
Investment income	2,451,175	397,211
License income	2,270,897	2,910,948
Grants to the University of Kentucky for noncapital purposes	(11,702,029)	(8,363,957)
Other nonoperating revenues	302	389
Net nonoperating revenues (expenses)	<u>(6,721,618)</u>	<u>(4,791,110)</u>
Net income before other revenues, expenses, gains, or losses	<u>20,361,332</u>	<u>19,358,810</u>
Capital grants and gifts	1,537,322	3,848,707
Additions to permanent endowments	-	2,500
Grants to the University of Kentucky for capital purposes	(22,797,833)	(11,278,281)
Total other revenues (expenses)	<u>(21,260,511)</u>	<u>(7,427,074)</u>
Increase (decrease) in net position	<u>(899,179)</u>	<u>11,931,736</u>
NET POSITION, July 1	<u>130,721,755</u>	<u>116,761,926</u>
NET POSITION, March 31	<u>\$ 129,822,576</u>	<u>\$ 128,693,662</u>

**UNIVERSITY OF KENTUCKY
RESEARCH FOUNDATION
SCHEDULE OF UNRESTRICTED FUNDS REVENUES, APPROPRIATED FUND BALANCES AND EXPENSES
FOR THE NINE MONTHS ENDED MARCH 31, 2021
WITH COMPARATIVE FIGURES FROM MARCH 31, 2020**

	2021			2020	
	Budget	Realized	%	Realized	%
REVENUES					
Recoveries of facilities and administration	\$ 59,000,000	\$ 52,789,173	89	\$ 49,917,833	88
Fixed price contracts	1,935,000	1,046,840	54	798,343	41
Investment income	-	51,588	-	377,168	-
Miscellaneous income	50,000	33,963	68	432,731	865
License income	1,800,000	2,270,897	126	2,910,948	162
Transfers from University of Kentucky for cost share	-	10,509,910	-	13,602,846	-
Total revenues	62,785,000	66,702,371	106	68,039,869	112
EXPENSES					
Operating	2,832,850	1,770,504	62	1,456,046	58
Patent costs	800,000	527,844	66	401,307	50
Royalty income sharing program	7,755,300	217,603	3	569,540	7
Research program	102,344,600	35,577,621	35	19,696,013	28
Cost share	-	10,823,135	-	13,037,666	-
Other	5,900,000	-	-	-	-
Grants to the University of Kentucky	28,323,500	20,841,415	74	20,430,494	73
Total expenses	147,956,250	69,758,122	47	55,591,066	48
Net income (loss)	(85,171,250)	(3,055,751)	-	12,448,803	-
NON-GASB ACTIVITY					
Appropriated fund balance	85,171,250	-	-	-	-
Total non-GASB current funds activity	85,171,250	-	-	-	-
NET INCREASE (DECREASE) for the period	\$ -	(3,055,751)		12,448,803	
FUND BALANCE, July 1		112,261,742		97,646,680	
FUND BALANCE, March 31		\$ 109,205,991		\$ 110,095,483	