



Research Foundation
Financial Statements

For the six months ended December 31, 2023

**UNIVERSITY OF KENTUCKY RESEARCH FOUNDATION
A COMPONENT UNIT OF THE UNIVERSITY OF KENTUCKY
STATEMENTS OF NET POSITION
DECEMBER 31, 2023 AND 2022**

	<u>2023</u>	<u>2022</u>
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 161,279,144	\$ 127,742,587
Notes and accounts receivable, net	50,729,667	48,668,297
Unrecognized charges - patents	2,562,240	2,676,638
Inventories and other assets	1,733,448	135,552
Total current assets	<u>216,304,499</u>	<u>179,223,074</u>
Noncurrent Assets		
Endowment investments	19,203,881	18,532,824
Other long term investments	7,609,082	8,566,596
Notes and accounts receivable, net	-	4,325
Capital assets, net	2,620,683	2,704,042
Lease assets, net	131,463	2,110,570
Subscription assets, net	320,117	-
Total noncurrent assets	<u>29,885,226</u>	<u>31,918,357</u>
Total assets	<u>246,189,725</u>	<u>211,141,431</u>
LIABILITIES		
Current Liabilities		
Accounts payable and accrued liabilities	2,903,657	4,027,794
Unearned grants and contracts revenue	52,384,221	43,739,586
Lease liabilities - current	107,348	747,057
Subscription liabilities - current	119,792	-
Due to the University of Kentucky	600,306	522,280
Total current liabilities	<u>56,115,324</u>	<u>49,036,717</u>
Noncurrent Liabilities		
Unearned revenue	19,182	-
Lease liabilities	28,048	1,397,407
Total noncurrent liabilities	<u>47,230</u>	<u>1,397,407</u>
Total liabilities	<u>56,162,554</u>	<u>50,434,124</u>
NET POSITION		
Net investment in capital assets	<u>2,811,314</u>	<u>2,704,042</u>
Restricted		
Nonexpendable	826,128	855,513
Expendable	5,095,960	5,105,748
Total restricted	<u>5,922,088</u>	<u>5,961,261</u>
Unrestricted	<u>181,293,769</u>	<u>152,042,004</u>
Total net position	<u>\$ 190,027,171</u>	<u>\$ 160,707,307</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 SIX MONTHS ENDED DECEMBER 31, 2023 AND 2022**

	2023	2022
OPERATING REVENUES		
Federal grants and contracts	\$ 136,532,967	\$ 131,056,707
State and local grants and contracts	14,432,054	12,655,646
Nongovernmental grants and contracts	11,957,930	12,722,289
Recoveries of facilities and administrative costs	47,226,267	44,120,658
Other operating revenues	7,451,636	6,266,480
Total operating revenues	<u>217,600,854</u>	<u>206,821,780</u>
OPERATING EXPENSES		
Educational and general:		
Instruction	6,399,763	6,508,470
Research	126,769,485	117,735,381
Public service	59,163,179	57,380,670
Libraries	14	10
Academic support	1,041,509	1,339,923
Student services	7,016	-
Institutional support	266,481	512,062
Operations and maintenance of plant	126,508	180,604
Student financial aid	4,178,323	4,413,904
Depreciation and amortization	288,529	-
Total operating expenses	<u>198,240,807</u>	<u>188,071,024</u>
Net income from operations	<u>19,360,047</u>	<u>18,750,756</u>
NONOPERATING REVENUES (EXPENSES)		
Gifts	25,350	41,310
Investment income	3,795,712	1,117,555
License income	3,827,100	489,634
Grants to the University of Kentucky for noncapital purposes	(8,966,406)	(7,428,128)
Interest on capital asset, lease and SBITA-related debt	(6,521)	-
Other nonoperating revenues	326	917
Net nonoperating expenses	<u>(1,324,439)</u>	<u>(5,778,712)</u>
Net income before other revenues, expenses, gains, or losses	<u>18,035,608</u>	<u>12,972,044</u>
Capital grants and gifts	3,497,275	2,577,349
Grants to the University of Kentucky for capital purposes	(5,313,412)	(12,619,730)
Total other revenues (expenses)	<u>(1,816,137)</u>	<u>(10,042,381)</u>
Increase in net position	16,219,471	2,929,663
NET POSITION, July 1	<u>173,807,700</u>	<u>157,777,644</u>
NET POSITION, December 31	<u>\$ 190,027,171</u>	<u>\$ 160,707,307</u>

UNIVERSITY OF KENTUCKY
RESEARCH FOUNDATION
SCHEDULE OF UNRESTRICTED FUNDS REVENUES, APPROPRIATED FUND BALANCES AND EXPENSES
FOR THE SIX MONTHS ENDED DECEMBER 31, 2023
WITH COMPARATIVE FIGURES FROM DECEMBER 31, 2022

	2023			2022	
	Budget	Realized	%	Realized	%
REVENUES					
Recoveries of facilities and administration	\$ 70,000,000	\$ 47,226,267	67	\$ 44,120,658	65
Fixed price contracts	1,935,000	1,205,533	62	457,247	24
Investment income	-	3,416,297	-	511,207	-
Miscellaneous income	100,000	358,453	358	530,797	1,062
License income	1,000,000	3,827,100	383	489,634	49
Transfers from University of Kentucky for cost share	-	7,530,896	-	6,587,984	-
Total revenues	<u>73,035,000</u>	<u>63,564,546</u>	<u>87</u>	<u>52,697,527</u>	<u>74</u>
EXPENSES					
Operating	2,721,400	1,398,708	51	1,657,504	56
Patent costs	1,000,000	-	-	-	-
Royalty income sharing program	8,441,600	638,970	8	714,435	8
Research program	107,799,800	21,747,944	20	26,825,344	22
Cost share	-	8,553,950	-	7,520,149	-
Other	7,080,000	290,636	4	6,400	-
Grants to the University of Kentucky	<u>29,265,200</u>	<u>14,870,633</u>	<u>51</u>	<u>13,377,597</u>	<u>48</u>
Total expenses	<u>156,308,000</u>	<u>47,500,841</u>	<u>30</u>	<u>50,101,429</u>	<u>30</u>
Net income (loss)	<u>(83,273,000)</u>	<u>16,063,705</u>	<u>-</u>	<u>2,596,098</u>	<u>-</u>
NON-GASB ACTIVITY					
Appropriated fund balance	<u>83,273,000</u>	-	-	-	-
Total non-GASB current funds activity	<u>83,273,000</u>	-	-	-	-
NET INCREASE for the period	<u>\$ -</u>	<u>16,063,705</u>		<u>2,596,098</u>	
FUND BALANCE, July 1		<u>151,653,035</u>		<u>136,433,411</u>	
FUND BALANCE, December 31		<u>\$ 167,716,740</u>		<u>\$ 139,029,509</u>	