



Research Foundation
Financial Statements

For the six months ended December 31, 2021

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

	<u>2021</u>	<u>2020</u>
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 120,635,172	\$ 120,999,174
Notes and accounts receivable, net	37,326,519	31,317,870
Unrecognized charges - patents	2,654,208	1,999,743
Inventories and other assets	785,881	876,008
Total current assets	<u>161,401,780</u>	<u>155,192,795</u>
Noncurrent Assets		
Endowment investments	19,430,920	16,129,603
Other long term investments	8,474,539	8,018,229
Notes and accounts receivable, net	7,137	10,602
Capital assets, net	2,787,402	2,870,762
Total noncurrent assets	<u>30,699,998</u>	<u>27,029,196</u>
Total assets	<u>192,101,778</u>	<u>182,221,991</u>
 LIABILITIES		
Current Liabilities		
Accounts payable and accrued liabilities	3,037,463	3,083,815
Unearned grants and contracts revenue	37,598,914	40,523,471
Due to the University of Kentucky	283,582	18,927
Total liabilities	<u>40,919,959</u>	<u>43,626,213</u>
 NET POSITION		
Net investment in capital assets	<u>2,787,402</u>	<u>2,870,762</u>
Restricted		
Nonexpendable	855,513	855,513
Expendable	5,388,940	4,413,661
Total restricted	<u>6,244,453</u>	<u>5,269,174</u>
Unrestricted	<u>142,149,964</u>	<u>130,455,842</u>
Total net position	<u>\$ 151,181,819</u>	<u>\$ 138,595,778</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, 2021 AND 2020**

	<u>2021</u>	<u>2020</u>
OPERATING REVENUES		
Federal grants and contracts	\$ 133,967,449	\$ 103,978,557
State and local grants and contracts	9,879,255	9,240,557
Nongovernmental grants and contracts	12,479,802	11,254,631
Recoveries of facilities and administrative costs	42,250,277	34,135,925
Other operating revenues	3,101,005	54,408
Total operating revenues	<u>201,677,788</u>	<u>158,664,078</u>
OPERATING EXPENSES		
Educational and general:		
Instruction	6,099,338	5,530,847
Research	109,558,426	92,568,373
Public service	58,543,648	40,855,016
Libraries	59	172
Academic support	860,497	1,257,591
Institutional support	399,524	472,187
Operations and maintenance of plant	60,458	41,031
Student financial aid	1,151,205	1,039,153
Total operating expenses	<u>176,673,155</u>	<u>141,764,370</u>
Net income from operations	<u>25,004,633</u>	<u>16,899,708</u>
NONOPERATING REVENUES (EXPENSES)		
Gifts	81,770	214,595
Investment income	174,010	1,369,089
License income	999,083	1,020,493
Grants to the University of Kentucky for noncapital purposes	(10,701,995)	(7,743,254)
Other nonoperating revenues	598	170
Net nonoperating expenses	<u>(9,446,534)</u>	<u>(5,138,907)</u>
Net income before other revenues, expenses, gains, or losses	<u>15,558,099</u>	<u>11,760,801</u>
Capital grants and gifts	2,457,962	1,057,819
Grants to the University of Kentucky for capital purposes	(5,343,862)	(4,944,597)
Total other revenues (expenses)	<u>(2,885,900)</u>	<u>(3,886,778)</u>
Increase in net position	12,672,199	7,874,023
NET POSITION, July 1	<u>138,509,620</u>	<u>130,721,755</u>
NET POSITION, December 31	<u>\$ 151,181,819</u>	<u>\$ 138,595,778</u>

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

	2021			2020	
	Budget	Realized	%	Realized	%
REVENUES					
Recoveries of facilities and administration	\$ 62,000,000	\$ 42,250,277	68	\$ 34,135,925	58
Fixed price contracts	1,935,000	278,000	14	273,964	14
Investment income	-	77,337	-	34,327	-
Miscellaneous income	50,000	67,466	135	4,182	8
License income	1,800,000	999,083	56	1,020,493	57
Transfers from University of Kentucky for cost share	-	6,605,749	-	6,705,352	-
Total revenues	65,785,000	50,277,912	76	42,174,243	67
EXPENSES					
Operating	3,093,012	1,261,166	41	1,169,828	41
Patent costs	1,300,000	1,330	0	527,844	66
Royalty income sharing program	8,051,200	100,855	1	176,277	2
Research program	100,532,100	13,674,184	14	13,127,736	13
Cost share	-	6,874,765	-	7,018,577	-
Other	6,200,000	1,409,363	23	-	-
Grants to the University of Kentucky	29,612,800	14,116,971	48	13,468,214	48
Total expenses	148,789,112	37,438,634	25	35,488,476	24
Net income (loss)	(83,004,112)	12,839,278	-	6,685,767	-
NON-GASB ACTIVITY					
Appropriated fund balance	83,004,112	-	-	-	-
Total non-GASB current funds activity	83,004,112	-	-	-	-
NET INCREASE for the period	\$ -	12,839,278		6,685,767	
FUND BALANCE, July 1		115,588,868		112,261,742	
FUND BALANCE, December 31		\$ 128,428,146		\$ 118,947,509	