



Research Foundation
Financial Statements

For the nine months ended March 31, 2023

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

	<u>2023</u>	<u>2022</u>
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 137,627,043	\$ 125,716,032
Notes and accounts receivable, net	47,770,815	39,878,498
Unrecognized charges - patents	3,011,959	2,742,725
Inventories and other assets	125,051	786,634
Total current assets	<u>188,534,868</u>	<u>169,123,889</u>
Noncurrent Assets		
Endowment investments	18,457,173	19,223,303
Other long term investments	8,566,596	8,474,539
Notes and accounts receivable, net	4,326	7,137
Capital assets, net	2,704,042	2,787,402
Lease assets, net	2,110,570	-
Total noncurrent assets	<u>31,842,707</u>	<u>30,492,381</u>
Total assets	<u>220,377,575</u>	<u>199,616,270</u>
LIABILITIES		
Current Liabilities		
Accounts payable and accrued liabilities	3,962,779	3,634,938
Unearned grants and contracts revenue	45,836,193	42,903,438
Lease liabilities - current	747,057	-
Due to the University of Kentucky	475,881	306,474
Total current liabilities	<u>51,021,910</u>	<u>46,844,850</u>
Noncurrent Liabilities		
Lease liabilities	1,397,407	-
Total noncurrent liabilities	<u>1,397,407</u>	<u>-</u>
Total liabilities	<u>52,419,317</u>	<u>46,844,850</u>
NET POSITION		
Net investment in capital assets	<u>2,704,042</u>	<u>2,787,402</u>
Restricted		
Nonexpendable	855,513	855,513
Expendable	4,920,697	5,271,546
Total restricted	<u>5,776,210</u>	<u>6,127,059</u>
Unrestricted		
Total net position	<u>\$ 167,958,258</u>	<u>\$ 152,771,420</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, 2023 AND 2022**

	<u>2023</u>	<u>2022</u>
OPERATING REVENUES		
Federal grants and contracts	\$ 201,580,030	\$ 199,292,745
State and local grants and contracts	19,658,245	15,952,722
Nongovernmental grants and contracts	19,664,350	19,926,206
Recoveries of facilities and administrative costs	67,879,996	65,041,341
Other operating revenues	9,981,153	7,956,559
Total operating revenues	<u>318,763,774</u>	<u>308,169,573</u>
OPERATING EXPENSES		
Educational and general:		
Instruction	10,079,466	9,574,790
Research	182,030,004	170,555,999
Public service	87,256,543	85,858,188
Libraries	10	99
Academic support	1,884,540	1,420,062
Student services	2,526	243,397
Institutional support	721,661	659,055
Operations and maintenance of plant	225,058	106,383
Student financial aid	7,781,790	1,820,160
Total operating expenses	<u>289,981,598</u>	<u>270,238,133</u>
Net income from operations	<u>28,782,176</u>	<u>37,931,440</u>
NONOPERATING REVENUES (EXPENSES)		
Gifts	42,485	74,070
Investment income	2,521,625	70,426
License income	593,333	1,203,872
Grants to the University of Kentucky for noncapital purposes	(10,751,015)	(14,152,492)
Other nonoperating revenues	918	783
Net nonoperating expenses	<u>(7,592,654)</u>	<u>(12,803,341)</u>
Net income before other revenues, expenses, gains, or losses	<u>21,189,522</u>	<u>25,128,099</u>
Capital grants and gifts	4,593,924	6,826,654
Grants to the University of Kentucky for capital purposes	<u>(15,602,832)</u>	<u>(17,692,953)</u>
Total other revenues (expenses)	<u>(11,008,908)</u>	<u>(10,866,299)</u>
Increase in net position	10,180,614	14,261,800
NET POSITION, July 1	<u>157,777,644</u>	<u>138,509,620</u>
NET POSITION, March 31	<u>\$ 167,958,258</u>	<u>\$ 152,771,420</u>

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

	2023			2022	
	Budget	Realized	%	Realized	%
REVENUES					
Recoveries of facilities and administration	\$ 68,000,000	\$ 67,879,995	100	\$ 65,037,458	105
Fixed price contracts	1,935,000	937,286	48	545,248	28
Investment income	-	1,873,299	-	79,857	-
Miscellaneous income	50,000	641,185	1,282	106,866	214
License income	1,000,000	593,333	59	1,203,872	67
Transfers from University of Kentucky for cost share	-	10,567,329	-	10,807,811	-
Total revenues	70,985,000	82,492,427	116	77,781,112	118
EXPENSES					
Operating	2,957,600	2,249,454	76	1,940,841	63
Patent costs	1,000,000	105,702	11	143,036	-
Royalty income sharing program	9,011,000	1,142,879	13	235,044	3
Research program	121,419,900	36,986,389	30	27,086,800	27
Cost share	-	11,547,250	-	11,026,245	-
Other	6,800,000	63,114	-	1,343,297	22
Grants to the University of Kentucky	27,775,700	20,317,811	73	21,303,598	72
Total expenses	168,964,200	72,412,599	43	63,078,861	42
Net income (loss)	(97,979,200)	10,079,828	-	14,702,251	-
NON-GASB ACTIVITY					
Appropriated fund balance	97,979,200	-	-	-	-
Total non-GASB current funds activity	97,979,200	-	-	-	-
NET INCREASE for the period	<u>\$ -</u>	10,079,828		14,702,251	
FUND BALANCE, July 1		<u>136,433,411</u>		<u>115,588,868</u>	
FUND BALANCE, March 31		<u>\$ 146,513,239</u>		<u>\$ 130,291,119</u>	