



## **COLD SPRING HARBOR LABORATORY**

### **Consolidated Financial Statements and Schedule**

**December 31, 1996**

**(With Independent Auditors' Report Thereon)**

# COLD SPRING HARBOR LABORATORY

## Consolidated Statements of Financial Position

December 31, 1996

with comparative amounts as of December 31, 1995

Assets:	<u>1996</u>	<u>1995</u>
Cash and cash equivalents	\$ 12,959,798	13,459,548
Investments (Note 2)	123,682,720	94,979,330
Accounts receivable:		
Publications	489,932	601,297
Other	191,162	358,430
Grants receivable	2,251,645	3,028,747
Contributions receivable (Note 4)	3,518,165	500,000
Publications inventory	1,426,118	1,394,720
Prepaid expenses and other assets	1,308,461	2,078,234
Investment in employee residences (Note 5)	2,370,943	1,825,641
Land, buildings and equipment:		
Land and improvements	9,037,008	7,588,532
Buildings	60,467,671	59,706,386
Furniture, fixtures and equipment	4,310,386	4,239,740
Laboratory equipment	11,721,056	10,554,994
Library books and periodicals	365,630	365,630
Construction in progress	1,103,850	190,382
	<u>87,005,601</u>	<u>82,645,664</u>
Less accumulated depreciation and amortization	<u>(27,354,072)</u>	<u>(24,634,265)</u>
Land, buildings and equipment, net	<u>59,651,529</u>	<u>58,011,399</u>
Total assets	<u>\$ 207,850,473</u>	<u>176,237,346</u>

**COLD SPRING HARBOR LABORATORY**

Consolidated Statements of Activities

Year Ended December 31, 1996

with comparative totals for the year ended December 31, 1995

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>1996 Total</u>	<u>1995 Total</u>
Revenue and other support:					
Public support - contributions and nongovernment grant awards	\$ 9,639,448	1,179,123	3,537,198	14,355,769	11,191,359
Government grant awards	13,756,042	-	-	13,756,042	12,105,851
Indirect cost allowances (Note 10)	9,817,300	-	-	9,817,300	9,007,870
Other revenue:					
Program fees	1,948,793	-	-	1,948,793	1,773,800
Rental income	443,934	-	-	443,934	435,555
Publications sales	4,804,744	-	-	4,804,744	5,119,484
Dining services	2,080,803	-	-	2,080,803	1,983,219
Rooms and apartments	1,639,324	-	-	1,639,324	1,664,609
Royalty and licensing fees	464,652	-	-	464,652	1,222,390
Gain on sale of investments, net	5,911,392	-	8,771,350	14,682,742	4,410,605
Net decrease in unrealized gains on investments	(1,985,032)	-	(3,550,771)	(5,535,803)	-
Investment income - interest and dividends	6,258,338	-	-	6,258,338	6,903,504
Recovery of valuation allowance	-	-	-	-	522,774
Miscellaneous	109,733	-	-	109,733	134,334
Total other revenue	21,676,681	-	5,220,579	26,897,260	24,170,274
Net assets released from restrictions:					
Expiration of time restrictions	380,000	(380,000)	-	-	-
Total revenue and other support	55,269,471	799,123	8,757,777	64,826,371	56,475,354
Expenses:					
Program services:					
Research	16,658,074	-	-	16,658,074	15,837,311
Summer programs - meetings and courses	5,730,064	-	-	5,730,064	5,201,484
Publications	5,031,983	-	-	5,031,983	5,078,559
Banbury Center conferences	457,033	-	-	457,033	920,781
DNA Learning Center programs	278,473	-	-	278,473	486,367
Total program services	28,155,627	-	-	28,155,627	27,524,502
Supporting services:					
Direct research support	1,325,133	-	-	1,325,133	1,243,713
Library	658,967	-	-	658,967	591,520
Operation and maintenance of plant	5,721,030	-	-	5,721,030	5,514,513
General and administrative	4,824,906	-	-	4,824,906	4,655,785
Dining services	1,907,328	-	-	1,907,328	1,814,174
Interest	1,385,706	-	-	1,385,706	1,526,387
Depreciation and amortization	2,988,112	-	-	2,988,112	2,820,555
Total supporting services	18,811,182	-	-	18,811,182	18,166,647
Total expenses	\$ 46,966,809	-	-	46,966,809	45,691,149

# COLD SPRING HARBOR LABORATORY

## Consolidated Statements of Activities, Continued

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>1996 Total</u>	<u>1995 Total</u>
Change in net assets before cumulative effects of changes in accounting principles	\$ 8,302,662	799,123	8,757,777	17,859,562	10,784,205
Cumulative effects of changes in accounting for investments and contributions (Notes 1 and 4, respectively)	<u>6,353,581</u>	<u>-</u>	<u>6,317,774</u>	<u>12,671,355</u>	<u>1,560,000</u>
Change in net assets	14,656,243	799,123	15,075,551	30,530,917	12,344,205
Net assets at beginning of year	<u>90,398,959</u>	<u>470,000</u>	<u>48,400,119</u>	<u>139,269,078</u>	<u>126,924,873</u>
Net assets at end of year	<u>\$ 105,055,202</u>	<u>1,269,123</u>	<u>63,475,670</u>	<u>169,799,995</u>	<u>139,269,078</u>

See accompanying notes to consolidated financial statements.



# COLD SPRING HARBOR LABORATORY

## Consolidated Statements of Cash Flows

Year ended December 31, 1996

with comparative amounts for the year ended December 31, 1995

	<u>1996</u>	<u>1995</u>
Cash flows from operating activities:		
Change in net assets	\$ 30,530,917	12,344,205
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Cumulative effects of changes in accounting principles	(12,671,355)	(1,560,000)
Depreciation and amortization	2,988,112	2,820,555
Net realized gain on sale of investments	(14,682,742)	(4,410,605)
Net change in unrealized gains on investments	5,535,803	-
Adjust carrying value on marketable securities	-	(1,064,486)
Changes in assets and liabilities:		
(Increase)decrease in accounts receivables	278,633	(325,241)
(Increase)decrease in grants receivable	777,102	(574,722)
(Increase)decrease in contributions receivable	(3,018,165)	1,060,000
(Increase)decrease in publications inventory	(31,398)	117,412
(Increase)decrease in prepaid expenses and other assets	769,773	(740,910)
Increase(decrease) in accounts payable and accrued expenses	520,928	(325,304)
Increase(decrease) in deferred revenue	363,841	(68,793)
Contributions restricted for long-term investment	(4,716,321)	(804,427)
Net cash provided by operating activities	<u>6,645,128</u>	<u>6,467,684</u>
Cash flows from investing activities:		
Capital expenditures	(4,628,242)	(2,057,497)
Proceeds from sales and maturities of marketable securities	162,766,609	85,845,102
Purchases of marketable securities	(169,651,705)	(93,322,183)
Net change in investments in employee residences	(545,302)	222,358
Net cash used in investing activities	<u>(12,058,640)</u>	<u>(9,312,220)</u>
Cash flows from financing activities:		
Permanently restricted contributions	3,537,198	754,427
Contributions restricted for investment in land, buildings, and equipment	1,179,123	50,000
Payment of notes payable	(352,559)	(89,237)
Issuance of notes payable	550,000	74,880
Net cash provided by financing activities	<u>4,913,762</u>	<u>790,070</u>
Net decrease in cash and cash equivalents	(499,750)	(2,054,466)
Cash and cash equivalents at beginning of year	<u>13,459,548</u>	<u>15,514,014</u>
Cash and cash equivalents at end of year	<u>12,959,798</u>	<u>13,459,548</u>

See accompanying notes to consolidated financial statements.