



COLD SPRING HARBOR LABORATORY

Consolidated Financial Statements
and Schedule

December 31, 1997

(With Independent Auditors' Report Thereon)

COLD SPRING HARBOR LABORATORY

Consolidated Statement of Financial Position

December 31, 1997

with comparative amounts as of December 31, 1996

Assets:	<u>1997</u>	<u>1996</u>
Cash and cash equivalents	\$ 16,542,395	12,959,798
Investments (Note 2)	140,573,553	123,682,720
Accounts receivable:		
Publications	829,653	489,932
Other	158,235	191,162
Grants receivable	3,038,893	2,251,645
Contributions receivable (Note 4)	1,707,605	3,518,165
Publications inventory	1,991,707	1,426,118
Prepaid expenses and other assets	1,377,264	1,308,461
Investment in employee residences (Note 5)	2,269,345	2,370,943
Land, buildings and equipment:		
Land and land improvements	9,980,071	9,037,008
Buildings	66,519,640	60,467,671
Furniture, fixtures and equipment	4,950,130	4,310,386
Laboratory equipment	12,655,257	11,721,056
Library books and periodicals	365,630	365,630
Construction in progress	626,728	1,103,850
	<u>95,097,456</u>	<u>87,005,601</u>
Less accumulated depreciation and amortization	<u>(30,500,090)</u>	<u>(27,354,072)</u>
Land, buildings and equipment, net	<u>64,597,366</u>	<u>59,651,529</u>
Total assets	\$ <u>233,086,016</u>	<u>207,850,473</u>

COLD SPRING HARBOR LABORATORY
Consolidated Statement of Activities
Year Ended December 31, 1997
with comparative totals for the year ended December 31, 1996

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>1997 Total</u>	<u>1996 Total</u>
Revenue, gains and other support:					
Public support - contributions and nongovernment grant awards	\$ 9,012,034	4,663,412	335,498	14,010,944	14,355,769
Government grant awards	15,392,415	-	-	15,392,415	13,756,042
Indirect cost allowances (Note 10)	10,000,564	-	-	10,000,564	9,817,300
Other revenue:					
Program fees	2,117,904	-	-	2,117,904	1,948,793
Rental income	389,658	-	-	389,658	443,934
Publications sales	5,237,814	-	-	5,237,814	4,804,744
Dining services	2,172,196	-	-	2,172,196	2,080,803
Rooms and apartments	1,712,294	-	-	1,712,294	1,639,324
Royalty and licensing fees	679,082	-	-	679,082	464,652
Net appreciation in fair value of investments	6,716,633	-	10,467,180	17,183,813	9,146,939
Investment income - interest and dividends	5,677,213	-	-	5,677,213	6,258,338
Miscellaneous	167,324	-	-	167,324	109,733
Total other revenue	24,870,118	-	10,467,180	35,337,298	26,897,260
Net assets released from restrictions:					
Expiration of time restrictions	1,209,122	(1,209,122)	-	-	-
Total revenue, gains and other support	60,484,253	3,454,290	10,802,678	74,741,221	64,826,371
Expenses (Note 13):					
Research	27,715,449	-	-	27,715,449	25,258,285
Summer programs - meetings and courses	6,848,437	-	-	6,848,437	7,022,511
Publications	5,400,006	-	-	5,400,006	5,104,457
Banbury Center conferences	953,562	-	-	953,562	795,244
DNA Learning Center programs	627,763	-	-	627,763	604,605
General and administrative	6,091,915	-	-	6,091,915	5,694,590
Dining services	2,617,705	-	-	2,617,705	2,487,117
Total expenses	50,254,837	-	-	50,254,837	46,966,809
Increase in net assets before cumulative effect of change in accounting principle	10,229,416	3,454,290	10,802,678	24,486,384	17,859,562
Cumulative effect of change in accounting for investments (Note 1)	-	-	-	-	12,671,355
Increase in net assets	10,229,416	3,454,290	10,802,678	24,486,384	30,530,917
Net assets at beginning of year	105,055,202	1,269,123	63,475,670	169,799,995	139,269,078
Net assets at end of year	\$ 115,284,618	4,723,413	74,278,348	194,286,379	169,799,995

See accompanying notes to consolidated financial statements.

COLD SPRING HARBOR LABORATORY

Consolidated Statement of Cash Flows

Year ended December 31, 1997

with comparative amounts for the year ended December 31, 1996

	<u>1997</u>	<u>1996</u>
Cash flows from operating activities:		
Increase in net assets	\$ 24,486,384	30,530,917
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Cumulative effect of change in accounting principle	-	(12,671,355)
Depreciation and amortization	3,370,584	2,988,112
Net appreciation in fair value of investments	(17,183,813)	(9,146,939)
Contributions restricted for long-term investment	(4,998,910)	(4,716,321)
Changes in assets and liabilities:		
(Increase)decrease in accounts receivable	(306,794)	278,633
(Increase)decrease in grants receivable	(787,248)	777,102
Decrease(increase) in contributions receivable	1,810,560	(3,018,165)
Increase in publications inventory	(565,589)	(31,398)
(Increase)decrease in prepaid expenses and other assets	(68,803)	769,773
Increase in accounts payable and accrued expenses	1,129,754	520,928
(Decrease)increase in deferred revenue	(161,473)	363,841
Net cash provided by operating activities	<u>6,724,652</u>	<u>6,645,128</u>
Cash flows from investing activities:		
Capital expenditures	(8,316,421)	(4,628,242)
Proceeds from sales and maturities of investments	100,940,803	162,766,609
Purchases of investments	(100,647,823)	(169,651,705)
Net change in investments in employee residences	<u>101,598</u>	<u>(545,302)</u>
Net cash used in investing activities	<u>(7,921,843)</u>	<u>(12,058,640)</u>
Cash flows from financing activities:		
Permanently restricted contributions	335,498	3,537,198
Contributions restricted for investment in land, buildings, and equipment	4,663,412	1,179,123
Repayment of notes payable	(570,122)	(352,559)
Issuance of notes payable	<u>351,000</u>	<u>550,000</u>
Net cash provided by financing activities	<u>4,779,788</u>	<u>4,913,762</u>
Net increase(decrease) in cash and cash equivalents	3,582,597	(499,750)
Cash and cash equivalents at beginning of year	<u>12,959,798</u>	<u>13,459,548</u>
Cash and cash equivalents at end of year	\$ <u><u>16,542,395</u></u>	<u><u>12,959,798</u></u>
Supplemental disclosures:		
Interest paid	\$ <u><u>1,239,341</u></u>	<u><u>1,277,376</u></u>

See accompanying notes to consolidated financial statements.