

The Franklin Institute

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS

Year ended December 31, 2017, with summarized information for 2016

	2017			Total	2016
	Unrestricted	Temporarily restricted	Permanently restricted		
Revenue, support, and operating investment income					
Program revenue					
Admission fees	\$ 11,377,049	\$ -	\$ -	\$ 11,377,049	\$ 10,885,774
Memberships	3,288,079	-	-	3,288,079	3,302,605
Ancillary activities	5,770,304	-	-	5,770,304	5,422,053
Grants	1,936,313	1,460,598	-	3,396,911	4,217,270
Educational programs and services	2,178,656	291,403	-	2,470,059	2,372,145
Other project revenue	2,074,193	-	-	2,074,193	2,141,992
Total program revenue	<u>26,624,594</u>	<u>1,752,001</u>	<u>-</u>	<u>28,376,595</u>	<u>28,341,839</u>
Support					
Contributions and pledges	4,301,434	1,517,866	1,716,506	7,535,806	9,765,689
Bequests and other contributions	147,549	123,268	2,114,254	2,385,071	364,622
Government appropriations and grants	50,000	-	-	50,000	50,000
Contributions - capital campaigns	-	50,000	-	50,000	14,381
Total support	<u>4,498,983</u>	<u>1,691,134</u>	<u>3,830,760</u>	<u>10,020,877</u>	<u>10,194,692</u>
Endowment income designated for current operations	<u>1,512,359</u>	<u>-</u>	<u>-</u>	<u>1,512,359</u>	<u>1,575,886</u>
Net assets released from restrictions - satisfaction of purpose restrictions	<u>3,635,344</u>	<u>(3,635,344)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenue, support, operating investment income, and net assets released from restrictions	<u>36,271,280</u>	<u>(192,209)</u>	<u>3,830,760</u>	<u>39,909,831</u>	<u>40,112,417</u>
Expenses					
Program services expenses					
Exhibit services	5,440,456	-	-	5,440,456	4,327,833
Educational programs, services and grants	6,811,851	-	-	6,811,851	6,377,721
Visitor and member services	2,589,570	-	-	2,589,570	2,013,722
Ancillary activities	2,296,514	-	-	2,296,514	2,157,852
The Franklin Institute Awards	843,179	-	-	843,179	802,159
Other project expenses	555,817	-	-	555,817	366,891
Total program services expense	<u>18,537,387</u>	<u>-</u>	<u>-</u>	<u>18,537,387</u>	<u>16,046,178</u>

(Continued)

The Franklin Institute

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS - CONTINUED

Year ended December 31, 2017, with summarized information for 2016

	2017			Total	2016
	Unrestricted	Temporarily restricted	Permanently restricted		
Supporting services expenses					
Museum operations	\$ 13,519,823	\$ -	\$ -	\$ 13,519,823	\$ 13,349,405
General development	2,415,729	-	-	2,415,729	2,290,940
Interest	493,308	-	-	493,308	552,350
Total supporting services expense	<u>16,428,860</u>	<u>-</u>	<u>-</u>	<u>16,428,860</u>	<u>16,192,695</u>
Total expenses	<u>34,966,247</u>	<u>-</u>	<u>-</u>	<u>34,966,247</u>	<u>32,238,873</u>
Operating income (loss) before depreciation and amortization	1,305,033	(192,209)	3,830,760	4,943,584	7,873,544
Depreciation and amortization	<u>5,572,253</u>	<u>-</u>	<u>-</u>	<u>5,572,253</u>	<u>5,609,242</u>
Operating (loss) income	<u>(4,267,220)</u>	<u>(192,209)</u>	<u>3,830,760</u>	<u>(628,669)</u>	<u>2,264,302</u>
Non-operating income (loss), expenses and releases					
Net assets released from restrictions - satisfaction of purpose restrictions	285,564	(285,564)	-	-	-
Endowment return net of amounts designated for current operations	1,346,234	4,106,822	-	5,453,056	1,073,154
Net actuarial gain on defined benefit retirement plan	230,506	-	-	230,506	77,364
Unrealized gain on interest rate swap	339,383	-	-	339,383	357,702
Change in value of beneficial interest in perpetual trusts	4,446	-	561,851	566,297	102,609
Reclassification of net assets	<u>-</u>	<u>(2,600,000)</u>	<u>2,600,000</u>	<u>-</u>	<u>-</u>
Total non-operating income (loss), expenses and releases	<u>2,206,133</u>	<u>1,221,258</u>	<u>3,161,851</u>	<u>6,589,242</u>	<u>1,610,829</u>
Change in net assets	(2,061,087)	1,029,049	6,992,611	5,960,573	3,875,131
Net assets					
Beginning of year	<u>83,145,174</u>	<u>33,733,801</u>	<u>17,666,957</u>	<u>134,545,932</u>	<u>130,670,801</u>
End of year	<u>\$ 81,084,087</u>	<u>\$ 34,762,850</u>	<u>\$ 24,659,568</u>	<u>\$ 140,506,505</u>	<u>\$ 134,545,932</u>

The accompanying notes are an integral part of these financial statements.