KENYON COLLEGE

CONSOLIDATED FINANCIAL REPORT

JUNE 30, 2013 and 2012

KENYON COLLEGE

CONTENTS

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Maloney+Novotny LLC

Independent Auditors' Report

The Board of Trustees
Kenyon College
Gambier, Ohio

We have audited the accompanying consolidated financial statements of Kenyon College, which comprise the consolidated statements of financial position as of June 30, 2013 and 2012, and the related consolidated statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Kenyon College as of June 30, 2013 and 2012, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Maloney + Novotny LLC

Cleveland, Ohio
October 24, 2013

KENYON COLLEGE

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

June 30, 2013 and 2012

	2013	2012
ASSETS		
Cash and cash equivalents	$ 5,679,245	$ 9,377,076
Investments	368,046,063	360,859,777
Accounts and interest receivable	2,375,117	1,739,414
Inventories	555,284	601,908
Present value of pledges receivable	22,593,836	26,053,852
Loans receivable	5,470,346	5,470,502
Interests in charitable trusts	3,157,501	2,977,194
Land, buildings, equipment, net	245,789,608	236,564,563
Other assets	4,445,330	4,226,559
Total assets	$ 658,112,330	$ 647,870,845
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable, accrued expenses and agency funds	$ 12,520,886	$ 15,736,337
Fair value of interest rate swaps	5,203,770	5,815,125
Deposits and advances	2,705,934	2,686,824
Liability for post-retirement benefits	5,394,291	5,610,007
Annuities, life income, pooled life income and unitrust payable	3,562,850	3,485,095
Government loan funds	1,938,553	1,923,000
Capital lease obligations, net	186,788,944	187,518,457
Total liabilities	218,115,228	222,774,845
NET ASSETS		
Unrestricted	250,799,315	247,390,479
Temporarily restricted	38,519,436	31,461,021
Permanently restricted	150,678,351	146,244,500
Total net assets	439,997,102	425,096,000
Total liabilities and net assets	$ 658,112,330	$ 647,870,845

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

KENYON COLLEGE

CONSOLIDATED STATEMENT OF ACTIVITIES

Year Ended June 30, 2013

	Unrestricted	Temporarily Restricted	Permanently Restricted	2013 Total	2012 Total
OPERATING REVENUES					
Tuition and mandatory fees	$ 71,270,593			$ 71,270,593	$ 67,999,864
Less: Financial aid	(25,654,519)			(25,654,519)	(23,839,911)
Net tuition and mandatory fees	45,616,074			45,616,074	44,159,953
Auxiliary enterprise revenues	22,757,860			22,757,860	21,678,563
Investment return designated for operations	11,173,521	$ 6,395,724		17,569,245	14,700,019
Private gifts and grants	5,028,770	2,429,507		7,458,277	6,329,382
Government grants	864,658			864,658	936,111
Miscellaneous fees	1,046,744			1,046,744	1,278,839
Other income	2,612,974	108,532		2,721,506	2,034,085
Net assets released from restrictions	9,683,812	(9,683,812)		-	-
Total operating revenues	98,784,413	(750,049)		98,034,364	91,116,952
OPERATING EXPENSES					
Instruction	36,097,432			36,097,432	34,861,435
Student services	21,830,971			21,830,971	21,987,280
Academic support	7,502,564			7,502,564	6,768,126
Research	624,210			624,210	627,033
Institutional support	12,256,214			12,256,214	11,266,628
Fund raising	2,030,355			2,030,355	2,469,781
Auxiliary enterprises	20,580,202			20,580,202	20,579,090
Total operating expenses	100,921,948			100,921,948	98,559,373
Change in net assets from operating activities	(2,137,535)	(750,049)		(2,887,584)	(7,442,421)
NON-OPERATING ACTIVITIES					
Contributions and pledges		5,192,044	$ 3,049,373	8,241,417	9,637,776
Investment return, less amounts designated for operations	2,632,867	5,960,689	405,691	8,999,247	(2,952,614)
Change in fair value of interest rate swaps	611,355			611,355	(172,205)
Net change in annuity and life income funds		(10,623)	(31,034)	(41,657)	221,464
Loss on disposal of property and equipment	(99,327)			(99,327)	(174,143)
Miscellaneous	(58,914)	64,320	72,245	77,651	104,692
Net assets released from restrictions	2,460,390	(3,397,966)	937,576	-	-
Change in net assets from non-operating activities	5,546,371	7,808,464	4,433,851	17,788,686	6,664,970
CHANGE IN NET ASSETS	3,408,836	7,058,415	4,433,851	14,901,102	(777,451)
NET ASSETS AT BEGINNING OF YEAR	247,390,479	31,461,021	146,244,500	425,096,000	425,873,451
NET ASSETS AT END OF YEAR	$ 250,799,315	$ 38,519,436	$ 150,678,351	$ 439,997,102	$ 425,096,000

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

KENYON COLLEGE

CONSOLIDATED STATEMENT OF ACTIVITIES

Year Ended June 30, 2012

	Unrestricted	Temporarily Restricted	Permanently Restricted	2012 Total
OPERATING REVENUES				
Tuition and mandatory fees	$ 67,999,864			$ 67,999,864
Less: Financial aid	(23,839,911)			(23,839,911)
Net tuition and mandatory fees	44,159,953			44,159,953
Auxiliary enterprise revenues	21,678,563			21,678,563
Investment return designated for operations	8,849,649	$ 5,850,370		14,700,019
Private gifts and grants	4,950,948	1,378,434		6,329,382
Government grants	936,111			936,111
Miscellaneous fees	1,278,839			1,278,839
Other income	1,890,626	143,459		2,034,085
Net assets released from restrictions	7,731,638	(7,731,638)		-
Total operating revenues	91,476,327	(359,375)		91,116,952
OPERATING EXPENSES				
Instruction	34,861,435			34,861,435
Student services	21,987,280			21,987,280
Academic support	6,768,126			6,768,126
Research	627,033			627,033
Institutional support	11,266,628			11,266,628
Fund raising	2,469,781			2,469,781
Auxiliary enterprises	20,579,090			20,579,090
Total operating expenses	98,559,373			98,559,373
Change in net assets from operating activities	(7,083,046)	(359,375)		(7,442,421)
NON-OPERATING ACTIVITIES				
Contributions and pledges		4,034,038	$ 5,603,738	9,637,776
Investment return, less amounts designated for operations	(1,475,452)	(1,855,927)	378,765	(2,952,614)
Change in fair value of interest rate swaps	(172,205)			(172,205)
Net change in annuity and life income funds	6,130	23,667	191,667	221,464
Loss on disposal of property and equipment	(174,143)			(174,143)
Miscellaneous	(72,431)	60,550	116,573	104,692
Net assets released from restrictions	6,668,356	(6,829,052)	160,696	-
Change in net assets from non-operating activities	4,780,255	(4,566,724)	6,451,439	6,664,970
CHANGE IN NET ASSETS	(2,302,791)	(4,926,099)	6,451,439	(777,451)
NET ASSETS AT BEGINNING OF YEAR	249,693,270	36,387,120	139,793,061	425,873,451
NET ASSETS AT END OF YEAR	$ 247,390,479	$ 31,461,021	$ 146,244,500	$ 425,096,000

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

KENYON COLLEGE

CONSOLIDATED STATEMENTS OF CASH FLOWS

Years Ended June 30, 2013 and 2012

	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ 14,901,102	$ (777,451)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation expense	9,410,169	9,154,460
Amortization of bond premiums	5,487	5,487
Change in fair value of interest rate swaps	(611,355)	172,205
Loss on disposal of property and equipment	99,327	174,143
Net realized and unrealized gains	(13,591,905)	(4,614,127)
Contributions for permanently restricted purposes	(5,022,745)	(7,718,466)
Changes in operating assets and liabilities:		
Accounts and interest receivable	(635,703)	(177,766)
Inventories	46,624	(19,353)
Present value of pledges receivable	3,460,016	4,281,693
Loans receivable	156	59,274
Interests in charitable trusts	(180,307)	280,022
Other assets	(218,771)	(651,812)
Accounts payable, accrued expenses and agency funds	(3,215,451)	2,835,305
Deposits and advances	19,110	(137,169)
Liability for postretirement benefits	(215,716)	846,029
Annuities, life income, pooled life income and unitrusts payable	77,755	345,382
Government loan funds	15,553	24,441
Net cash provided by operating activities	4,343,346	4,082,297
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of land, buildings and equipment	(18,734,541)	(24,619,012)
Purchase of securities	(58,028,842)	(27,548,826)
Sale of securities	73,814,232	43,373,449
Increased investment in limited partnerships	(9,379,771)	(13,968,311)
Net cash used in investing activities	(12,328,922)	(22,762,700)
CASH FLOWS FROM FINANCING ACTIVITIES		
Contributions for permanently restricted purposes	5,022,745	7,718,466
Payments on capital leases	(735,000)	(705,000)
Net cash provided by financing activities	4,287,745	7,013,466
CHANGE IN CASH AND CASH EQUIVALENTS	(3,697,831)	(11,666,937)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	9,377,076	21,044,013
CASH AND CASH EQUIVALENTS AT END OF YEAR	$ 5,679,245	$ 9,377,076
Supplemental disclosure of cash flow information:		
Cash paid during the year for interest	$ 7,564,762	$ 5,903,300

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

Note 1. Summary of Significant Accounting Policies

A. *Organization* – Kenyon College (the College), a private educational institution, derives its income from student tuition and fees, investments, gifts and grants, operation of residence and dining halls and related activities.

B. *Use of Estimates* – Preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

C. *Basis for Consolidation* – The accounts of the Kenyon Inn Management Company, a wholly-owned subsidiary of the College, and the Philander Chase Corporation have been consolidated with the accounts of the College in the accompanying consolidated financial statements. The accounts of the Kenyon Review, the College's literary periodical, and the Gund Gallery (both legally separate entities) have been combined in the accompanying consolidated financial statements of Kenyon College. All significant intercompany accounts and transactions have been eliminated.

D. *Liquidity* – Assets and liabilities are listed in their estimated order of liquidity. For those accounts for which such liquidity is unclear, additional disclosures have been made in the accompanying notes within these consolidated financial statements.

E. *Fair Values of Financial Instruments* – GAAP provides a framework for measuring fair value and requires a three level hierarchy for disclosure to show the extent and the level of judgment used to estimate fair value measurements related to financial instruments:

Level 1 – Uses unadjusted quoted prices that are available in active public markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions for the asset or liability occur in sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 – Uses inputs other than Level 1 that are either directly or indirectly observable as of the reporting date through correlation with market data, including quoted prices for similar assets or liabilities in active markets and quoted prices in markets that are not active. Level 2 also includes assets and liabilities that are valued using models or other pricing methodologies that do not require significant judgment since the input assumptions used in the models, such as interest rates and volatility factors, are corroborated by readily observable data.

Level 3 – Uses inputs that are unobservable and are supported by little or no market activity and reflect the use of significant management judgment. These values are generally determined using pricing models and market assumptions.

The following methods and assumptions were used to estimate the fair values of each class of financial instruments for which it is practicable to estimate that value:

Cash and Cash Equivalents

The carrying amount approximates fair value due to the short maturity of those instruments.

Note 1. Summary of Significant Accounting Policies (Continued)

E. *Fair Values of Financial Instruments (Continued)*

Equity Investments

Common Stocks

The fair values of these investments are estimated based on quoted market prices for these or similar investments, generally considered Level 1 valuations. These investments also include investments in equity funds that are valued based upon the value quoted by the fund manager as validated by management and its advisors, generally considered a Level 2 valuation.

Alternative Investments

Hedge and Alternative Funds

Hedge and alternative funds are investments in securities where a readily verifiable fair value may not exist and/or is not available to management. Fair value of these investments is reported by management based on information provided by the investment managers as validated by management and its advisors and, as such, additional quantitative disclosures are not required. Values may be based on readily available public market data and values may also be based on estimates that require varying degrees of judgment. Generally, fair value reflects net contributions to the investee and an ownership share of realized and unrealized investment income and expenses. The financial statements of the investees are audited annually by independent auditors as of December 31, the most recent being as of December 31, 2012. These assets are generally valued using Level 2 or Level 3 assumptions.

Private Equity, Real Estate and Commodities

Private equity, real estate funds and commodities are investments where a readily verifiable fair value may or may not exist. Fair value in these investments is reported by management based on readily available public market data, generally considered Level 1 valuations, or on information provided by the investment managers as validated by management and its advisors and, as such, additional quantitative disclosures are not required, based on the College's share of the partnership's capital balance. The fair value of limited partnerships and similar nonmarketable equity interests which invest in both publicly and privately owned securities is based on estimates and assumptions of the general partners or partnership valuation committees in the absence of readily determined market values. Such valuations generally reflect discounts for illiquidity and consider variables such as financial performance of investments, recent sales prices of investments and other pertinent information. The financial statements of the investees are audited annually by independent auditors as of December 31, the most recent being as of December 31, 2012. These assets are generally valued using Level 3 assumptions.

Fixed Income Investments

Marketable Funds

Fixed income marketable funds are investments where a readily verifiable fair value may or may not exist. Fair value in these investments is reported by management based on readily available public market data, generally considered Level 1 valuations, or based on the College's share of the partnership's capital balance, as provided by the investment managers as validated by management and its advisors, generally considered Level 2 valuations.

Note 1. Summary of Significant Accounting Policies (Continued)

E. *Fair Values of Financial Instruments (Continued)*

Fixed Income Investments (Continued)

Alternative Funds

Alternative funds are investments in securities where a readily verifiable fair value may not exist and/or is not available to management. Fair value of these investments is reported by management based on information provided by the investment managers as validated by management and its advisors and, as such, additional quantitative disclosures are not required. Values may be based on readily available public market data and values may also be based on estimates that require varying degrees of judgment. Generally, fair value reflects net contributions to the investee and an ownership share of realized and unrealized investment income and expenses. The financial statements of the investees are audited annually by independent auditors as of December 31, the most recent being as of December 31, 2012. These assets are generally valued using Level 3 assumptions.

Loans Receivable

Federal Perkins Loans Receivable

The interest rates charged on Perkins loans receivable are fixed by the U.S. Department of Education. The carrying value of these loans approximates fair value.

Kenyon College Loans Receivable

The interest rates charged on Kenyon College loans are fixed by the College and are consistent with market rates. Accordingly, the carrying amount reported approximates fair value.

Pledges Receivable

Pledges receivable are recorded at the present value of the discounted future cash flows, based on current market interest rates on the date of the contribution. The carrying value of pledges receivable, therefore, approximates their fair value.

Interests in Charitable Trusts

Contributions receivable from remainder trusts are recorded at the present value of the projected net future cash flows to be received, based on current market interest rates. Their carrying value, therefore, approximates their fair value. The College's share of interests in perpetual trusts is recorded at fair market value. Because the College does not have access to these assets on a short-term basis, these are considered Level 3 valuations.

Annuities, Pooled Life Income, Life Income and Unitrust Payable

The carrying value of these accounts is actuarially determined based on the present value of the discounted estimated future cash flows using market interest rates on the date of contribution and, therefore, approximates fair value. The annual payments on the annuities range from $1,325 to $47,875.

Note 1. Summary of Significant Accounting Policies (Continued)

E. *Fair Values of Financial Instruments (Continued)*

Long-Term Debt

The fair value of the College's long-term debt, based on the College's current incremental borrowing rates for similar types of borrowing arrangements, approximates its carrying amount.

Interest Rate Swaps

The fair value of the interest rate swaps is based on projected interest rates for the duration of the swaps, values that, while observable in the market, are subject to adjustment due to pricing considerations for the specific instrument. The resulting fair values are generally considered Level 2 valuations.

The following tables set forth by level within the fair value hierarchy the College's financial assets and liabilities that were accounted for at a fair value on a recurring basis as of June 30, 2013 and 2012. The financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The College's assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the valuation of fair value assets and their placement within the fair value hierarchy levels. The tables do not include cash on hand or other assets and liabilities that are measured at historical cost or any basis other than fair value.

June 30, 2013	Level 1	Level 2	Level 3	Total
Assets				
Equity investments				
Common stocks	$ 56,520,572	$ 20,898,605		$ 77,419,177
Alternative investments:				
Hedge and alternative funds		32,333,218	$ 45,146,296	77,479,514
Private equity			68,574,570	68,574,570
Real estate	1,154,529		31,654,650	32,809,179
Commodities	3,108,261		7,804,490	10,912,751
Total alternative investments	4,262,790	32,333,218	153,180,006	189,776,014
Total equity investments	$ 60,783,362	$ 53,231,823	$ 153,180,006	$ 267,195,191
Fixed income investments				
Marketable funds	$ 59,363,646	$ 31,805,750		$ 91,169,396
Alternative funds			$ 9,681,476	9,681,476
Total fixed income investments	$ 59,363,646	$ 31,805,750	$ 9,681,476	$ 100,850,872
Interests in charitable trusts			$ 3,157,501	$ 3,157,501
Liabilities				
Interest rate swaps		$ 5,203,770		$ 5,203,770

Note 1. Summary of Significant Accounting Policies (Continued)

E. *Fair Values of Financial Instruments (Continued)*

June 30, 2012	Level 1	Level 2	Level 3	Total
Assets				
Equity investments				
Common stocks	$ 47,133,025	$ 19,411,335		$ 66,544,360
Alternative investments:				
Hedge and alternative funds		31,253,416	$ 52,483,475	83,736,891
Private equity			68,726,034	68,726,034
Real estate	1,181,887		29,407,839	30,589,726
Commodities	3,608,503		7,252,682	10,861,185
Total alternative investments	4,790,390	31,253,416	157,870,030	193,913,836
Total equity investments	$ 51,923,415	$ 50,664,751	$ 157,870,030	$ 260,458,196
Fixed income investments				
Marketable funds	$ 57,883,037	$ 32,614,610		$ 90,497,647
Alternative funds			$ 9,903,934	9,903,934
Total fixed income investments	$ 57,883,037	$ 32,614,610	$ 9,903,934	$ 100,401,581
Interests in charitable trusts			$ 2,977,194	$ 2,977,194
Liabilities				
Interest rate swaps		$ 5,815,125		$ 5,815,125

Assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3 inputs) are as follows for the years ended June 30, 2013 and 2012:

	June 30, 2013					
Financial Instrument	Beginning Balance	Reclassification Between Levels	Purchases	Distributions	Realized/ Unrealized Gains	Ending Balance
Equity investments						
Alternative investments:						
Hedge and alternative funds	$ 52,483,475		$ 33,846,564	$ (45,582,345)	$ 4,398,602	$ 45,146,296
Private equity	68,726,034		10,474,599	(16,319,785)	5,693,722	68,574,570
Real estate	29,407,839		1,616,408	(2,434,825)	3,065,228	31,654,650
Commodities	7,252,682		1,364,666	(1,875,461)	1,062,603	7,804,490
Total equity investments	157,870,030		47,302,237	(66,212,416)	14,220,155	153,180,006
Fixed income investments:						
Alternative funds	9,903,934		2,375,589	(3,486,308)	888,261	9,681,476
Interest in charitable trusts	2,977,194			(108,973)	289,280	3,157,501
	$ 170,751,158	$ -	$ 49,677,826	$ (69,807,697)	$ 15,397,696	$ 166,018,983

Note 1. Summary of Significant Accounting Policies (Continued)

E. *Fair Values of Financial Instruments (Continued)*

	June 30, 2012					
Financial Instrument	Beginning Balance	Reclassification Between Levels	Purchases	Distributions	Realized/ Unrealized Gains (Losses)	Ending Balance
Equity investments						
Alternative investments:						
Hedge and alternative funds	$ 54,767,017		$ 1,000,000	$ (3,821,120)	$ 537,578	$ 52,483,475
Private equity	66,711,089		7,543,715	(9,562,701)	4,033,931	68,726,034
Real estate	26,391,033		3,331,897	(2,070,415)	1,755,324	29,407,839
Commodities	5,960,833		1,622,253	(462,563)	132,159	7,252,682
Total equity investments	153,829,972		13,497,865	(15,916,799)	6,458,992	157,870,030
Fixed income investments:						
Alternative funds	9,929,533		1,765,416	(1,881,243)	90,228	9,903,934
Interest in charitable trusts	3,257,216			(167,187)	(112,835)	2,977,194
	$ 167,016,721	$ -	$ 15,263,281	$ (17,965,229)	$ 6,436,385	$ 170,751,158

F. *Cash Equivalents* – The College considers investments with a maturity of three months or less when purchased to be cash equivalents on the consolidated statements of financial position and for purposes of preparing the consolidated statements of cash flows. The College maintains cash and equivalent balances at various financial institutions which, at times, may exceed federally insured limits.

G. *Interest Rate Swaps* – Derivative instruments (interest rate swaps) are recorded by the College on the consolidated statements of financial position at fair value, as described in Note 1.E. The College's interest rate swap agreement is used to manage exposure to interest rate movement by effectively changing the variable rates on the College's bonds payable to a fixed rate. The critical terms of the interest rate swap agreements and the interest-bearing debt associated with the swap agreements are similar. The interest rate swaps qualify and have been designated and accounted for as fair value hedges. Changes in fair market value of the interest rate swap are recognized as a change in net assets on the consolidated statements of activities in the period of change, following GAAP guidance specific to non-for-profit organizations (see Note 8).

H. *Investments* – Investments are carried at fair value as described in Note 1.E. Investments received from donors as gifts are recorded at fair value at the date of gift. Investment return includes interest, dividends and both realized and unrealized gains and losses.

Note 1. Summary of Significant Accounting Policies (Continued)

H. *Investments (Continued)*

Alternative investments include interests in hedge funds, private equity, real estate and other alternative assets. The College held alternative investments valued at $199,457,490 and $203,817,770, representing 30% and 31% of the total assets as of June 30, 2013 and 2012, respectively. Because alternative investments may not be entirely readily marketable, part of their estimated fair value is subject to uncertainty and, therefore, may differ from the value that would have been reported had a ready market for such investments existed. Such differences could be material. Also see *Fair Values of Financial Instruments* section.

I. *Operations* – The consolidated statements of activities include a subtotal for the change in net assets from operations. This subtotal reflects revenues that the College received for operating purposes, including investment income derived from the College's endowment payout formula. Nonoperating activity reflects the change in appreciation/depreciation on long-term investments in excess of the amount appropriated using the endowment payout formula, contributions for endowment and plant purposes, gains or losses on the disposal of property and equipment, the net change in annuity and life income funds and other nonoperating revenues and expenses.

J. *Loans Receivable* – Loans receivable, which include Perkins and Kenyon College loans, are carried at unpaid principal balances, less an allowance for uncollectible loans of $40,000 at June 30, 2013 and 2012. Periodic evaluation of the adequacy of the allowance is based on past loan loss experience and current economic conditions. Interest income is recorded as monthly payments are received. Loans receivable are considered to be past due if a payment is not made within 30 days of the payment due date. Interest on past due loans is not accrued and recognized only to the extent cash payments are received.

K. *Expiration of Donor-Imposed Restrictions* – The expiration of a donor-imposed restriction on a contribution or on endowment income is recognized in the period in which the restriction expires and at that time the related resources are reclassified to unrestricted net assets. A restriction expires when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled or both.

Contributions of land, buildings and equipment without donor stipulations concerning the use of such long-lived assets are reported as unrestricted revenues. Contributions of cash or other assets to be used to acquire land, buildings and equipment with such donor stipulations are reported as temporarily restricted revenues. The restrictions are considered to be released at the time of acquisition of such long-lived assets.

L. *Interests in Charitable Trusts* – Irrevocable charitable remainder trusts and charitable lead trusts that are held in trust by others have been included in the College's accompanying consolidated financial statements as an asset and as contribution revenue as of the date the College is notified of its interest in the irrevocable trust.

M. *Land, Buildings and Equipment, Net* – Acquisitions of land, buildings and equipment are stated at cost or at the fair market value of the properties when acquired by gift. It is the policy of the College to capitalize additions and, for replacements, to capitalize the incremental increase in cost of plant and equipment items. Maintenance, repairs and minor renewals are charged to expense when incurred.

Note 1. Summary of Significant Accounting Policies (Continued)

M. *Land, Buildings and Equipment, Net (Continued)*

The College recognizes depreciation on the straight-line method over the estimated useful life for each major category of assets. These estimated useful lives are summarized in the following table:

Land improvements	10-50 years
Buildings and building improvements	40 years
Equipment and furniture	3-10 years
Library books	20 years

Land, buildings and equipment consist of the following at June 30:

	2013	2012
Land and land improvements	$ 2,395,075	$ 2,019,697
Buildings and building improvements	290,320,052	267,331,537
Equipment and furniture	29,921,063	28,003,817
Library books	21,335,878	20,373,745
Construction work in progress	11,799,693	19,946,610
	355,771,761	337,675,406
Accumulated depreciation	(109,982,153)	(101,110,843)
Net land, buildings and equipment	$ 245,789,608	$ 236,564,563

Depreciation expense for the years ended June 30, 2013 and 2012 was $9,410,169 and $9,154,460, respectively.

Collections and Works of Art – Collections are not capitalized under the provisions of ASC 958-605, *Revenue Recognition-Contributions Received*. All works of art and collections are held for public exhibition, education or research; are protected, kept unencumbered, cared for and preserved; and are subject to policies governing their use. Prior to ASC 958-05 adoption, the College did capitalize works of art and collections. At June 30, 2013 and 2012, the net book value of these items is $1,862,696 and is reflected in the equipment section of the consolidated statements of financial position.

Through June 30, 2013, the College has incurred costs of approximately $10,400,000 under construction contracts which are included in construction work-in-progress on the consolidated statement of financial position. As of June 30, 2013, the College has outstanding commitments of approximately $3,000,000 remaining for the construction of new facilities. Remaining construction work in progress relates to planning and architectural reviews for additional projects, for which construction contracts have not yet been executed.

N. *Net Assets* – Net assets are classified into three categories: unrestricted net assets which have no donor-imposed restrictions, temporarily restricted net assets which have donor-imposed restrictions that will expire in the future and permanently restricted net assets which have donor-imposed restrictions which do not expire.

Note 1. Summary of Significant Accounting Policies (Continued)

O. *Federal Income Taxes* – The Internal Revenue Service has determined that the College is exempt from federal income taxes under Section 501(a) of the Internal Revenue Code as a public charity described in Section 501(c)(3); accordingly, no provision for federal income taxes has been made in the consolidated financial statements. There were no unrecognized tax benefits as of June 30, 2013.

The College's income tax returns remain subject to examination by the Internal Revenue Service, as well as various state and local taxing authorities, generally for three years.

P. *Conditional Asset Retirement Obligations* – Management has considered the provisions of GAAP, specifically as it relates to its legal obligations to perform asset retirement activities on its existing properties. Management believes that there is an indeterminate settlement date for the asset retirement obligations because the range of time over which the College may settle the obligations is unknown and cannot be estimated. As a result, management cannot reasonably estimate the liability related to these asset retirement activities as of June 30, 2013.

Q. *Reclassifications* – Certain 2012 amounts have been reclassified to conform to the 2013 presentation.

R. *Contingencies* – The College is involved in litigation and is subject to certain claims that arise in the normal course of operations. In the opinion of management, the ultimate disposition of the litigation and claims will not have a material adverse effect on the College's operations or financial position.

S. *Subsequent Events* – The College has evaluated subsequent events through October 24, 2013, which is the date the consolidated financial statements were available to be issued and has determined that the item described in Note 8 should be disclosed.

Note 2. Investments

The fair value of investments is as follows (refer to Note 1 for information related to fair values):

	June 30 2013	June 30 2012
Equity investments:		
Common stocks	$ 77,419,177	$ 66,544,360
Alternative investments:		
Hedge and alternative funds	77,479,514	83,736,891
Private equity	68,574,570	68,726,034
Real estate	32,809,179	30,589,726
Commodities	10,912,751	10,861,185
Total alternative investments	189,776,014	193,913,836
Total equity investments	267,195,191	260,458,196
Fixed income investments:		
Marketable funds	91,169,396	90,497,647
Alternative funds	9,681,476	9,903,934
Total fixed income investments	100,850,872	100,401,581
	$ 368,046,063	$ 360,859,777

Note 2. Investments (Continued)

The composition of investment return is as follows:

	Fiscal Years Ended June 30 2013	2012
Investment income (interest and dividends)	$ 12,976,587	$ 7,133,278
Realized and unrealized gains	13,591,905	4,614,127
	$ 26,568,492	$ 11,747,405

Investment income is shown net of investment expenses of $2,747,123 for the year ended June 30, 2013 and $2,562,722 for the year ended June 30, 2012.

The College was obligated at June 30, 2013 to invest additional funds in limited partnership investments in the amount of $57,280,675 at the direction of the general partners. These capital calls may be funded through distributions from current limited partnerships, liquidations of investments currently held by the College, new gifts and/or available cash.

Note 3. Endowment Funds

The Investment Committee is charged by the Board of Trustees to oversee the investment process. For endowment funds, the objective is to achieve superior long-term total returns such that the requirements of the annual budget are met, all within the confines of reasonable risk. In this regard, specific responsibilities include the hiring, monitoring and changing of investment managers, performance monitoring, establishing asset classes, allocation targets and ranges and rebalancing strategies. As part of its overall mission, the Investment Committee maintains a detailed *Statement of Purpose and Policies* and it regularly reviews the appropriateness of the contents in light of the current investment environment. In conjunction with the Budget and Finance Committee of the Board of Trustees, the Investment Committee recommends to the full Board spending policies in respect to the annual distribution from endowment funds.

The College's endowment assets consist of two groupings: 1) those funds which can be pooled together for purposes of investment and payout and 2) those funds which by donor restriction, either as to investment or payout, must be separately invested. The assets of the pooled funds consist of all investment types disclosed in Note 2 and income is distributed based on a Board approved payout formula as described below.

For the year ended June 30, 2013, the College utilized a spending formula to calculate the distribution out of its investment portfolio. The formula is composed of two elements: 1) a market element adjusts annual endowment spending to the long-term sustainable target spending of 4.00% of the average actual market value of the endowment for the most recent three years. This element of the spending rate receives a 30% weighting in the spending rate calculation and 2) a spending element increases last year's spending rate by a factor for inflation (3.5%) plus budget growth (1.50%). This element of the spending rate receives a weight of 70%. The distributed earnings are considered appropriated for expenditure and recorded as net assets released from restrictions on the consolidated statement of activities as spent.

Note 3. Endowment Funds (Continued)

The College's endowment funds were as follows as of June 30, 2013 and 2012:

June 30, 2013	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment assets, beginning of year,	$ 55,023,040	$ 9,570,293	$ 123,182,940	$ 187,776,273
Investment return:				
Investment income	1,325,078	5,784,599	-	7,109,677
Net (depreciation) appreciation (realized and unrealized)	(2,189,625)	9,263,200	189	7,073,764
Total investment return	(864,547)	15,047,799	189	14,183,441
Cash contributions	77,516	-	6,183,252	6,260,768
Transfers	653,461	(653,461)	-	-
Appropriation of endowment assets for expenditure	(864,928)	(8,044,947)	-	(8,909,875)
Endowment assets, end of year	$ 54,024,542	$ 15,919,684	$ 129,366,381	$ 199,310,607

June 30, 2012	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment assets, beginning of year,	$ 57,637,175	$ 9,243,469	$ 114,981,207	$ 181,861,851
Investment return:				
Investment income	1,084,241	2,772,368	-	3,856,609
Net appreciation (realized and unrealized)	962,455	1,299,398	277	2,262,130
Total investment return	2,046,696	4,071,766	277	6,118,739
Cash contributions	209,793		8,201,456	8,411,249
Transfers	(2,859,277)	2,859,277	-	-
Appropriation of endowment assets for expenditure	(2,011,347)	(6,604,219)	-	(8,615,566)
Endowment assets, end of year	$ 55,023,040	$ 9,570,293	$ 123,182,940	$ 187,776,273

Based on the College's spending formula, as of June 30, 2013 and 2012, an additional $4,847,599 and $3,820,049, respectively, has been appropriated for expenditure out of temporarily restricted funds.

Note 3. Endowment Funds (Continued)

The fair value of assets associated with certain individual donor-restricted endowment funds was below the original donated value by $5,495,874 and $4,612,226 at June 30, 2013 and 2012, respectively.

Note 4. Pledges Receivable

As of June 30, 2013, the College had received unconditional promises to give as follows:

	Temporarily Restricted	Permanently Restricted	Total
Within one year	$ 3,772,663	$ 3,856,009	$ 7,628,672
One to two years	2,644,255	837,467	3,481,722
Two to three years	1,716,499	527,993	2,244,492
Three to four years	1,026,000	142,000	1,168,000
Four to five years	775,000	-	775,000
More than five years (estate notes)	4,262,500	6,450,000	10,712,500
	14,196,917	11,813,469	26,010,386
Discount on long-term pledges	(1,849,365)	(1,345,348)	(3,194,713)
Allowances for uncollectible pledges	(197,064)	(24,773)	(221,837)
	$ 12,150,488	$ 10,443,348	$ 22,593,836

The amounts are recorded at the present value of future cash flows discounted using rates for one to twenty-six year treasury securities ranging from 0.15% to 3.46%.

As of June 30, 2012, the College had received gross unconditional promises totaling $30,274,084 net of allowances for uncollectible pledges of $205,728 and discount on long-term pledges of $4,014,504.

Note 5. Available Line of Credit

Under an unused and unsecured line of credit with a bank, the College may borrow up to $15,000,000 at a rate of 4.0% as of June 30, 2013.

Note 6. Guaranteed Loans

The College offers a home mortgage loan guarantee program to certain members of its faculty and administration. Under this program, the College guarantees 100% of the outstanding mortgage loans until such time as the outstanding amount on each loan is reduced to 70% of the original appraised value or contract price of the property, at which time the guarantee is released. Under the program, the College has the right to purchase the mortgage loans from the lenders in the event of default by an employee. As of June 30, 2013, the College has guaranteed mortgage loans aggregating $2,524,010. All loans were current as of June 30, 2013. The College deems it unlikely that the full amount of the guarantee would be called by the banks.

Note 7. Retirement and Postretirement Benefit Plans

The College has three defined contribution retirement plans which cover substantially all employees. Eligible employees may contribute a percentage of their compensation. The College contributes 9.5% of the employee's compensation for all employees who contribute a minimum deferral of 3% or 5% depending on the plan. The College's contributions to the plans were $3,154,297 and $2,995,525 during the years ended June 30, 2013 and 2012, respectively.

In addition to the College's defined contribution retirement plans, the College has two additional postretirement benefit plans. One plan provides certain health care benefits for retired employees. The College makes defined contributions to the plan on behalf of eligible employees who are 35 years of age or older and have completed at least one year of service. The College's contributions are limited to 25 years or the employee's separation from employment, whichever occurs first. The College contributed $586,197 and $557,835 for the years ended June 30, 2013 and 2012, respectively.

The second plan is a defined benefit postretirement plan which provides life insurance benefits applicable only to two groups: 1) grandfathered members of the collective bargaining unit who were active as of February 4, 1974 and 2) members of the faculty who retire under early retirement agreements with coverage to continue for a maximum of five years. Because of the short period of coverage for faculty members covered by this plan, the value of this benefit for them is not material to the calculation of the postretirement valuation and, therefore, has not been included. The College reserves the right to modify or terminate these retiree payments at any time. The amount of funding activity is determined at the discretion of management. Currently, the College has not funded any portion of the liability.

The College recognizes the overfunded or underfunded status of the defined benefit plan in their statements of financial position, measured as the difference between the fair value of plan assets and the projected benefit obligation. The College recognizes the change in the funded status of the plan in the year in which the change occurs through unrestricted net assets.

Included in unrestricted net assets at June 30, 2013 and 2012 are the following amounts that have not yet been recognized in net periodic benefit cost: unrecognized actuarial loss of $2,655,741 and $3,226,872, respectively, and unrecognized net prior service credit of $2,769,735 and $3,455,448, respectively. The actuarial loss and prior service credit expected to be recognized during the year ended June 30, 2014 are $267,927 and $685,713, respectively.

The following sets forth the plan status with amounts reported in the College's financial statements:

	Fiscal Years Ended June 30	
	2013	2012
Net Periodic Postretirement Benefit Cost		
Service cost	$ 224,090	$ 163,960
Interest cost	214,552	228,339
Amortization of prior service cost	(685,713)	(794,175)
Amortization of unrecognized loss	267,927	191,967
Total net periodic postretirement benefit cost	$ 20,856	$ (209,909)

Note 7. Retirement and Postretirement Benefit Plans (Continued)

	Fiscal Years Ended June 30	
	2013	2012
Change in Benefit Obligation		
Benefit obligation at beginning of year	$ 5,610,007	$ 4,763,978
Service cost	224,090	163,960
Interest cost	214,552	228,339
Actuarial (gain) loss	(303,204)	819,535
Plan participant contributions	307,762	345,011
Benefits paid	(658,916)	(710,816)
Benefit obligation at end of year	$ 5,394,291	$ 5,610,007

During 2010, the plan was amended to provide benefits to the spouse and/or children for 12 months following the death of the participant. Previously, benefits would continue indefinitely provided the spouse remained unmarried.

Estimated future benefit payments as of June 30, 2013 are as follows:

2014	$ 413,000
2015	435,000
2016	470,000
2017	488,000
2018	473,000
2019-2023	2,360,000

	Fiscal Years Ended June 30	
	2013	2012
Actuarial Assumptions		
Weighted average discount rate:		
Expense for the year	3.97%	5.00%
Accumulated plan benefit obligation (at year-end)	4.34%	3.97%
Medical trend:		
For next year	8.50%	9.00%
Thereafter	8.00%	8.50%
Ultimate trend rate	5.00%	5.00%
Year reached	2020	2020

The medical trend rate assumption has a significant effect on the benefit obligation and other amounts reported. If the medical trend rates were to increase by 1% for each year, the benefit obligation as of June 30, 2013 would increase by $469,947 and the sum of the service and interest cost components of the Net Periodic Postretirement Benefit Cost (NPPBC) for fiscal year 2013 would increase by $46,417. If the medical trend rates were to decrease by 1% for each year, the benefit obligation as of June 30, 2013 would decrease by $418,134 and the sum of the service and interest cost components of the NPPBC for fiscal year 2013 would decrease by $40,688.

Note 8. Capital Lease Obligations

As of June 30, 2013, the College has in place four lease agreements with the Ohio Higher Educational Facility Commission (the Commission) to finance various building and improvement projects. These leases serve as security for the Commission's Higher Educational Facility Revenue Bonds. The bonds are collateralized by a security interest in the buildings and improvements comprising the various projects.

Rental payments under the leases equal the interest and principal payments on related bonds issued by the Commission. The leases give the College the option to purchase the assets at nominal amounts after all bonds are retired. Accordingly, the College has recorded the assets ($146,933,482, net of accumulated depreciation of $68,142,294 as of June 30, 2013) as buildings and the liabilities as capital lease obligations. Amortization of these assets is included in depreciation expense.

All revenues generated by the leased facilities are pledged as collateral for retirement of the bonds.

Summary of Bonds Outstanding

	2013	2012
2002 Adjustable Medium Term Revenue Bonds:		
Currently in three tranches callable July 1, 2014 through July 1, 2016 with rates ranging from 4.00% to 5.05% and a final maturity of July 1, 2037 - outstanding principal	$ 40,500,000	$ 40,500,000
2003 Refunding Revenue Bonds:		
Maturing through December 1, 2016 with rates ranging from 4.00% to 4.50% - outstanding principal	3,290,000	4,025,000
2006 Revenue Bonds:		
Maturing through July 1, 2041 with a rate of 5.00%		
outstanding principal	42,495,000	42,495,000
unamortized premium	262,109	271,470
2010 Revenue Bonds:		
Maturing through July 1, 2044 with rates ranging from 4.75% to 5.25%		
outstanding principal	100,665,000	100,665,000
unamortized discount	(423,165)	(438,013)
Capital lease obligations, net	$ 186,788,944	$ 187,518,457

In December 2002, the College issued adjustable rate medium term bonds with a par value of $75,000,000. In 2006, $5,000,000 of this issue was refunded as part of the 2006 Bonds (see below) and in 2010, $29,500,000 of this issue was refunded as part of the 2010 Bonds (see below) leaving an outstanding par value of $40,500,000. The bond proceeds funded the construction of the Kenyon Athletic Center and the improvement, renovation and equipping of certain educational facilities. The bonds are currently issued in a fixed rate mode. After the end of each fixed rate period, the bonds may operate at any time in one of three modes: daily, weekly or adjustable. The blended interest rate of the placements through June 30, 2013 was 4.85%. The principal payment is due at maturity on July 1, 2037 unless redeemed under provision of the bond. The minimum lease payment, which represents interest, is $1,964,250 for the fiscal year ending June 30, 2013. Thereafter, future minimum lease payments, excluding redemptions and principal due at maturity, will vary based on the mode selected and economic conditions.

Note 8. Capital Lease Obligations (Continued)

Summary of Bonds Outstanding (Continued)

In October 2003, the College issued $6,345,000 of revenue bonds. The proceeds of the bonds were used to refinance various previous bond issues.

In August 2006, the College issued $42,495,000 of revenue bonds. The proceeds of the sale of the bonds were used to 1) provide funds for expanding and renovating Peirce Dining Hall, constructing a child care facility, improving and equipping the Kenyon Athletic Center and renovating and improving residential, academic and administrative facilities on the campus and 2) refund $5,000,000 of the 2002 Bonds. The bonds were issued at a premium for a true interest cost of 4.98%. The original bond premium of $327,636 is being amortized over the term of the bonds.

In February 2010, the College issued Ohio Educational Facility Commission Revenue Bonds, Kenyon College 2010, in the amount of $100,665,000. These new bonds were used to refinance, in full, three variable rate bond issues. In addition, $29,500,000 of a total $70,000,000 of Ohio Educational Facility Commission Adjustable Medium Term Revenue Bonds, Kenyon College Project 2002, was refinanced.

The amount of rent expensed by the College on its bonds for the year ended June 30, 2013 was $10,093,906 of which $735,000 represents principal and $9,358,906 represents interest. The amount of rent expensed by the College on its bonds for the year ended June 30, 2012 was $10,088,141 of which $705,000 represents principal and $9,383,141 represents interest.

At June 30, 2013, future minimum payments by year and in the aggregate under these capital lease obligations consist of the following:

2014	$ 10,090,478
2015	10,121,040
2016	10,148,266
2017	10,154,053
2018	9,250,503
Remaining amount due	390,068,870
	439,833,210
Amount representing interest	(252,883,210)
Fixed rate obligations outstanding	$ 186,950,000

Subsequent to June 30, 2013, the College issued Ohio Educational Facility Commission Revenue Bonds, Kenyon College 2013, in the amount of $43,610,000. These bonds were issued to advance refund the outstanding 2002 Medium Term Note principal balances and provide for issuance costs.

Note 8. Capital Lease Obligations (Continued)

Interest Rate Swap Agreements

As part of a strategy to manage the College's debt position over time and decrease variable rate risk, the College entered into an interest rate swap agreement in February 2006 in which the College pays a fixed rate, 3.514%, in exchange for receiving a variable rate which is indexed to LIBOR and calculated on a notional amount of $57,600,000. The difference between the fixed interest rate and the variable interest rate is settled on a quarterly basis. The agreement terminates in February 2026.

At the time the 2010 Bonds were issued, which refunded the College's variable rate debt with fixed rate debt, it would have cost the College approximately $5,700,000 to terminate the 2006 swap agreement. The College entered into a second interest rate swap agreement which is the reverse of the February 2006 swap. Under the terms of this agreement, the College pays a variable rate indexed to LIBOR and receives a fixed payment of 2.67% on a notional amount of $57,600,000. This agreement also terminates in February 2026 and effectively finances the $5,700,000 over the remaining life of the initial swap agreement.

At June 30, 2013 and 2012, the fair value of the 2006 swap was a liability of $9,782,423 and $14,825,099, respectively, and the fair value of the 2010 swap was an asset of $4,578,653 and $9,009,974, respectively. For the fiscal years ended June 30, 2013 and 2012, the College's interest expense was increased by $486,144 and $486,515, respectively, as a result of the interest rate swaps.

Note 9. Net Assets

Net assets of the College, and the nature of any restrictions, are summarized below:

	2013	2012
Unrestricted net assets		
Board designated net assets:		
Funds functioning as endowment	$ 54,024,542	$ 55,023,040
Reserves for capital replacement and operating budget support	120,305,519	113,044,659
Total board designated net assets	174,330,061	168,067,699
Other designations of net assets:		
Equity in plant assets (at cost)	76,776,271	66,812,434
Management designated net assets	6,733,549	20,115,743
Unfunded postretirement benefits, compensated absences and early retirement agreements	(7,040,566)	(7,605,397)
Total other designations of net assets	76,469,254	79,322,780
Total unrestricted net assets	$ 250,799,315	$ 247,390,479

Note 9. Net Assets (Continued)

Temporarily restricted net assets were restricted as follows:

	2013	2012
Temporarily restricted net assets		
Unexpended endowment income and gifts and grants:		
Faculty and academic support	$ 6,345,487	$ 6,271,330
Student programs	621,628	898,551
Scholarships, prizes and awards	7,668,184	2,349,238
Plant improvements	1,470,641	1,191,972
Other programs	3,166,744	2,976,496
Gifts pending donor designation	3,944,393	1,156,667
Total unexpended endowment income and gifts and grants	23,217,077	14,844,254
Present value of pledges receivable	12,150,488	13,483,262
Interests in charitable trusts	868,737	842,299
Life and pooled life income funds	2,283,134	2,291,206
Total temporarily restricted net assets	$ 38,519,436	$ 31,461,021

Permanently restricted net assets were restricted as follows:

	2013	2012
Permanently restricted net assets		
Endowment funds:		
Faculty and academic support	$ 38,367,655	$ 37,026,673
Lectureship and concert funds	1,154,655	1,122,764
Library funds	3,031,511	2,989,915
Student programs	2,462,395	2,472,834
Scholarship and prize funds	64,143,609	60,075,247
Presidency funds	3,236,953	3,172,865
Kenyon Review funds	4,372,181	3,818,471
Loan funds	3,742,196	3,718,983
General support	5,231,149	5,174,385
Other funds	3,624,077	3,610,803
Total endowment funds	129,366,381	123,182,940
Present value of pledges receivable	10,443,348	12,570,590
Interests in charitable trusts	2,288,764	2,134,895
Annuity and life income funds	2,577,173	2,680,360
Student loan funds	6,002,685	5,675,715
Total permanently restricted net assets	$ 150,678,351	$ 146,244,500