

# STATEMENT OF ACTIVITY & CASH FLOWS\*

FOR THE FISCAL YEAR ENDED JUNE 30,

Revenues (in millions)	2018	2017	2016
MBA Tuition & Fees	\$ 138	\$ 133	\$ 127
Executive Education Tuition	207	191	176
Publishing	240	221	217
Endowment Distribution	150	146	138
Unrestricted, Current Use Gifts	44	42	40
Restricted, Current Use Gifts	35	32	32
HBS Online	19	12	10
Housing, Rents, Interest Income, & Other	23	23	21
<b>Total Revenues</b>	<b>\$ 856</b>	<b>\$ 800</b>	<b>\$ 761</b>
<b>Expenses</b>			
Salaries & Benefits	\$ 340	\$ 327	\$ 309
Publishing & Printing	74	70	70
Space & Occupancy	71	68	62
Supplies & Equipment	12	12	14
Professional Services	68	63	65
Fellowships	50	48	47
University Assessments	24	24	22
Debt Service	3	4	4
Depreciation	42	40	38
Other Expenses	82	75	73
<b>Total Expenses</b>	<b>\$ 766</b>	<b>\$ 731</b>	<b>\$ 704</b>
Cash from Operations	\$ 90	\$ 69	\$ 57
Depreciation	42	40	38
Non-Cash Items	—	1	—
<b>Cash Available for Capital Activities</b>	<b>\$ 132</b>	<b>\$ 110</b>	<b>\$ 95</b>
Capital Expenses	\$ (92)	\$ (78)	\$ (113)
Change in Capital Project Pre-Funding	10	19	(12)
Use of Gifts for Capital Projects	3	51	20
<b>Net Capital Expenses</b>	<b>\$ (79)</b>	<b>\$ (8)</b>	<b>\$ (105)</b>
New Borrowings	\$ 0	\$ 0	\$ 0
Debt Principal Payments	(8)	(8)	(7)
Capitalization of Endowment Income	(2)	(4)	(3)
Decapitalization of Endowments	3	3	5
Other Non-Reserve Activity	(73)	(51)	(7)
<b>Changes in Debt &amp; Other</b>	<b>\$ (80)</b>	<b>\$ (60)</b>	<b>\$ (12)</b>
<b>Increase (Decrease) in Reserves</b>	<b>\$ (27)</b>	<b>\$ 42</b>	<b>\$ (22)</b>
<b>Beginning Reserves Balance</b>	<b>\$ 145</b>	<b>\$ 103</b>	<b>\$ 125</b>
<b>Ending Reserves Balance</b>	<b>\$ 118</b>	<b>\$ 145</b>	<b>\$ 103</b>

# CONSOLIDATED BALANCE SHEET

FOR THE FISCAL YEAR ENDED JUNE 30,

<b>Assets</b> (in millions)	<b>2018</b>	<b>2017</b>	<b>2016</b>
Cash	\$ 89	\$ 80	\$ 61
Current Use Reserves	118	145	103
Receivables, Loans, & Other Assets	214	177	178
Invested Funds:			
Endowment	3,453	3,140	2,927
Endowment Interest in Trusts Held by Others	164	157	144
Endowment Pledges	166	168	127
Undistributed General Investment Income	4	7	11
Current Use Investments	75	72	107
Current Use Pledges	151	151	162
Facilities, Net	774	724	688
<b>Total Assets</b>	<b>\$ 5,208</b>	<b>\$ 4,821</b>	<b>\$ 4,508</b>
<b>Liabilities</b>			
Deposits, Advances, & Other	\$ 82	\$ 69	\$ 76
Deferred Revenue	181	150	126
Other Debt Owed to University	27	26	24
Building Debt	55	64	71
<b>Total Liabilities</b>	<b>\$ 345</b>	<b>\$ 309</b>	<b>\$ 297</b>
<b>Net Assets</b>			
Current Use Reserves	\$ 118	\$ 145	\$ 103
Endowment Funds	3,787	3,472	3,209
Current Use Funds	226	223	269
Unexpended Endowment Income	1	1	2
Student Loan Funds	12	11	11
Investment in Facilities	719	660	617
<b>Total Net Assets</b>	<b>\$ 4,863</b>	<b>\$ 4,512</b>	<b>\$ 4,211</b>
<b>Total Liabilities + Net Assets</b>	<b>\$ 5,208</b>	<b>\$ 4,821</b>	<b>\$ 4,508</b>

\* In pursuit of greater comparability across the Harvard schools, the University has asked all the schools to report their net results in accordance with generally accepted accounting principles (GAAP) in the United States. In addition to results for fiscal 2018, the School's results for fiscal years 2016 and 2017 are presented in ---accordance with GAAP within the Statement of Activity and Cash Flows on page 6.