

Department of Defense
Agency Wide
CONSOLIDATED BALANCE SHEET
As of December 31, 2010 and 2009

	<u>2011 Consolidated</u>	<u>2010 Consolidated</u>
1. ASSETS (Note 2)		
A. Intragovernmental:		
1. Fund Balance with Treasury (Note 3)	\$ 627,605,179,578.49	\$ 935,964,866,227.98
2. Investments (Note 4)	579,155,472,226.60	513,668,625,911.32
3. Accounts Receivable (Note 5)	1,328,031,696.00	1,805,124,897.18
4. Other Assets (Note 6)	1,563,537,686.45	1,934,252,828.53
5. Total Intragovernmental Assets	<u>\$ 1,209,652,221,187.54</u>	<u>\$ 1,453,372,869,865.01</u>
B. Cash and Other Monetary Assets (Note 7)	\$ 1,958,010,958.78	\$ 2,180,240,099.45
C. Accounts Receivable, Net (Note 5)	9,051,082,807.21	9,448,753,215.41
D. Loans Receivable (Note 8)	573,699,351.70	475,934,611.69
E. Inventory and Related Property, Net (Note 9)	237,617,603,934.43	231,176,206,639.11
F. General Property, Plant and Equipment, Net (Note 10)	635,425,894,028.79	567,452,610,685.77
G. Investments (Note 4)	2,744,667,130.00	2,065,283,130.00
H. Other Assets (Note 6)	66,585,437,078.30	57,325,859,361.04
2. TOTAL ASSETS	<u><u>\$ 2,163,608,616,476.75</u></u>	<u><u>\$ 2,323,497,757,607.48</u></u>
3. STEWARDSHIP PROPERTY, PLANT & EQUIPMENT (Note 10)		
4. LIABILITIES (Note 11)		
A. Intragovernmental:		
1. Accounts Payable (Note 12)	\$ 1,829,014,973.03	\$ 2,397,989,553.43
2. Debt (Note 13)	574,309,688.99	458,879,373.14
3. Other Liabilities (Note 15 & 16)	13,727,004,929.12	13,248,616,151.25
4. Total Intragovernmental Liabilities	<u>\$ 16,130,329,591.14</u>	<u>\$ 16,105,485,077.82</u>
B. Accounts Payable (Note 12)	\$ 26,984,955,607.94	\$ 33,731,345,792.15
C. Military Retirement and Other Federal Employment Benefits (Note 17)	2,176,526,928,818.07	2,011,857,391,277.50
D. Environmental and Disposal Liabilities (Note 14)	63,956,120,189.19	65,345,519,692.43
E. Loan Guarantee Liability (Note 8)	20,110,382.79	21,293,351.06
F. Other Liabilities (Note 15 & Note 16)	29,384,608,083.76	29,717,833,567.04
5. TOTAL LIABILITIES	<u>\$ 2,313,003,052,672.89</u>	<u>\$ 2,156,778,868,758.00</u>
6. COMMITMENTS AND CONTINGENCIES (NOTE 16)		
7. NET POSITION		
A. Unexpended Appropriations - Earmarked Funds (Note 23)	\$ 385,999,941.21	\$ 328,110,285.48
B. Unexpended Appropriations - Other Funds	644,457,178,117.48	950,576,905,222.96
C. Cumulative Results of Operations - Earmarked Funds	(1,347,987,574,821.76)	(1,261,609,790,264.85)
D. Cumulative Results of Operations - Other Funds	553,749,960,566.93	477,423,663,605.89
8. TOTAL NET POSITION	<u>\$ (149,394,436,196.14)</u>	<u>\$ 166,718,888,849.48</u>
9. TOTAL LIABILITIES AND NET POSITION	<u><u>\$ 2,163,608,616,476.75</u></u>	<u><u>\$ 2,323,497,757,607.48</u></u>

Department of Defense
Agency Wide
CONSOLIDATED STATEMENT OF NET COST
For the periods ended December 31, 2010 and 2009

	<u>2011 Consolidated</u>	<u>2010 Consolidated</u>
1. Program Costs		
A. Gross Costs	\$ 194,090,945,757.68	\$ 164,197,663,476.30
Military Retirement Benefits	14,146,276,883.67	14,082,721,113.31
Civil Works	3,138,157,289.21	2,871,889,831.84
Military Personnel	46,522,931,148.66	46,279,170,070.74
Operations, Readiness & Support	61,653,598,896.10	55,423,409,089.46
Procurement	48,556,502,013.32	24,076,106,272.70
Research, Development, Test & Evaluation	18,546,631,634.05	19,777,606,744.85
Family Housing & Military Construction	1,526,847,892.67	1,686,760,353.40
 B. (Less: Earned Revenue)	 (21,112,899,920.14)	 (14,611,213,391.57)
C. Net Cost before Losses/(Gains) from Actuarial Assumption Changes for Military Retirement Benefits	<u>172,978,045,837.54</u>	<u>149,586,450,084.73</u>
2. Net Cost of Operations	<u>\$ 172,978,045,837.54</u>	<u>\$ 149,586,450,084.73</u>

Department of Defense
Agency Wide
CONSOLIDATED STATEMENT OF CHANGES IN NET POSITION
For the periods ended December 31, 2010 and 2009

	<u>2011 Earmarked Funds</u>	<u>2011 All Other Funds</u>
CUMULATIVE RESULTS OF OPERATIONS		
1. Beginning Balances	\$ (1,338,741,179,904.28)	\$ 417,825,959,462.96
2. Prior Period Adjustments:		
2.B. Corrections of errors (+/-)	0.00	0.00
3. Beginning balances, as adjusted	(1,338,741,179,904.28)	417,825,959,462.96
4. Budgetary Financing Sources:		
4.B. Appropriations used	28,987,161.68	251,385,818,620.52
4.C. Nonexchange revenue	526,320,487.37	7,141,696.56
4.D. Donations and forfeitures of cash	3,989,655.19	123,831.23
4.E. Transfers-in/out without reimbursement	(11,497,608.89)	91,781,385.05
4.F. Other budgetary financing sources	403,228.32	0.00
5. Other Financing Sources:		
5.A. Donations and forfeitures of property	0.00	1,439,216.99
5.B. Transfers-in/out without reimbursement (+/-)	(770,539.71)	(56,022,992.51)
5.C. Imputed financing from costs absorbed by others	14,706.81	4,767,186,841.21
5.D. Other (+/-)	23,239,151.05	46,315,808,138.39
6. Total Financing Sources	570,686,241.82	302,513,276,737.44
7. Net Cost of Operations (+/-)	(81,852,425,100.44)	258,258,781,893.21
8. Net Change	82,423,111,342.26	44,254,494,844.23
9. Cumulative Results of Operations	(1,256,318,068,562.02)	462,080,454,307.19
UNEXPENDED APPROPRIATIONS		
10. Beginning Balances	\$ 325,163,102.89	\$ 528,479,471,443.00
12. Beginning balances, as adjusted	325,163,102.89	528,479,471,443.00
13. Budgetary Financing Sources:		
13.A. Appropriations received	89,824,000.00	367,365,275,295.00
13.B. Appropriations transferred-in/out	0.00	(1,750,000.00)
13.C. Other adjustments (rescissions, etc)	0.00	0.00
13.D. Appropriations used	(28,987,161.68)	(251,385,818,620.52)
14. Total Budgetary Financing Sources	60,836,838.32	115,977,706,674.48
15. Unexpended Appropriations	385,999,941.21	644,457,178,117.48
16. Net Position	(1,255,932,068,620.81)	1,106,537,632,424.67

Department of Defense

Agency Wide

CONSOLIDATED STATEMENT OF CHANGES IN NET POSITION

For the periods ended December 31, 2010 and 2009

	<u>2011 Eliminations</u>	<u>2011 Consolidated</u>
CUMULATIVE RESULTS OF OPERATIONS		
1. Beginning Balances	\$ 0.00	\$ (920,915,220,441.32)
2. Prior Period Adjustments:		
2.B. Corrections of errors (+/-)	0.00	0.00
3. Beginning balances, as adjusted	<u>0.00</u>	<u>(920,915,220,441.32)</u>
4. Budgetary Financing Sources:		
4.B. Appropriations used	0.00	251,414,805,782.20
4.C. Nonexchange revenue	11,232.66	533,450,951.27
4.D. Donations and forfeitures of cash	0.00	4,113,486.42
4.E. Transfers-in/out without reimbursement	0.00	80,283,776.16
4.F. Other budgetary financing sources	0.00	403,228.32
5. Other Financing Sources:		
5.A. Donations and forfeitures of property	0.00	1,439,216.99
5.B. Transfers-in/out without reimbursement (+/-)	0.00	(56,793,532.22)
5.C. Imputed financing from costs absorbed by others	3,428,299,722.57	1,338,901,825.45
5.D. Other (+/-)	0.00	46,339,047,289.44
6. Total Financing Sources	<u>3,428,310,955.23</u>	<u>299,655,652,024.03</u>
7. Net Cost of Operations (+/-)	<u>3,428,310,955.23</u>	<u>172,978,045,837.54</u>
8. Net Change	<u>0.00</u>	<u>126,677,606,186.49</u>
9. Cumulative Results of Operations	<u>0.00</u>	<u>(794,237,614,254.83)</u>
UNEXPENDED APPROPRIATIONS		
10. Beginning Balances	\$ 0.00	\$ 528,804,634,545.89
12. Beginning balances, as adjusted	<u>0.00</u>	<u>528,804,634,545.89</u>
13. Budgetary Financing Sources:		
13.A. Appropriations received	0.00	367,455,099,295.00
13.B. Appropriations transferred-in/out	0.00	(1,750,000.00)
13.C. Other adjustments (rescissions, etc)	0.00	0.00
13.D. Appropriations used	0.00	(251,414,805,782.20)
14. Total Budgetary Financing Sources	<u>0.00</u>	<u>116,038,543,512.80</u>
15. Unexpended Appropriations	<u>0.00</u>	<u>644,843,178,058.69</u>
16. Net Position	<u>0.00</u>	<u>(149,394,436,196.14)</u>

Department of Defense

Agency Wide

CONSOLIDATED STATEMENT OF CHANGES IN NET POSITION

For the periods ended December 31, 2010 and 2009

	<u>2010 Earmarked Funds</u>	<u>2010 All Other Funds</u>
CUMULATIVE RESULTS OF OPERATIONS		
1. Beginning Balances	\$ (1,252,265,480,240.10)	\$ 385,525,956,631.44
2. Prior Period Adjustments:		
2.B. Corrections of errors (+/-)	0.00	(1,719,542,397.32)
3. Beginning balances, as adjusted	(1,252,265,480,240.10)	383,806,414,234.12
4. Budgetary Financing Sources:		
4.B. Appropriations used	732,379.77	233,765,088,626.34
4.C. Nonexchange revenue	498,035,222.70	42,338,215.28
4.D. Donations and forfeitures of cash	15,922,570.91	71,995.60
4.E. Transfers-in/out without reimbursement	(781,705,400.07)	881,961,095.15
4.F. Other budgetary financing sources	0.00	1,304,241.46
5. Other Financing Sources:		
5.A. Donations and forfeitures of property	0.00	0.00
5.B. Transfers-in/out without reimbursement (+/-)	(10,059,459.16)	5,814,121.40
5.C. Imputed financing from costs absorbed by others	434,287.39	4,359,438,902.02
5.D. Other (+/-)	(9,282,805.64)	(1,616,354,348.65)
6. Total Financing Sources	(285,923,204.10)	237,439,662,848.60
7. Net Cost of Operations (+/-)	(78,436,301,116.33)	231,317,101,413.81
8. Net Change	78,150,377,912.23	6,122,561,434.79
9. Cumulative Results of Operations	(1,174,115,102,327.87)	389,928,975,668.91
UNEXPENDED APPROPRIATIONS		
10. Beginning Balances	\$ 5,617,665.25	\$ 504,339,278,829.77
12. Beginning balances, as adjusted	5,617,665.25	504,339,278,829.77
13. Budgetary Financing Sources:		
13.A. Appropriations received	323,225,000.00	680,554,608,318.41
13.B. Appropriations transferred-in/out	2,450,000.00	837,550,000.00
13.C. Other adjustments (rescissions, etc)	0.00	(1,391,893,298.88)
13.D. Appropriations used	(732,379.77)	(233,765,088,626.34)
14. Total Budgetary Financing Sources	324,942,620.23	446,235,176,393.19
15. Unexpended Appropriations	330,560,285.48	950,574,455,222.96
16. Net Position	(1,173,784,542,042.39)	1,340,503,430,891.87

Department of Defense

Agency Wide

CONSOLIDATED STATEMENT OF CHANGES IN NET POSITION

For the periods ended December 31, 2010 and 2009

	<u>2010 Eliminations</u>	<u>2010 Consolidated</u>
CUMULATIVE RESULTS OF OPERATIONS		
1. Beginning Balances	\$ 0.00	\$ (866,739,523,608.66)
2. Prior Period Adjustments:		
2.B. Corrections of errors (+/-)	0.00	(1,719,542,397.32)
3. Beginning balances, as adjusted	<u>0.00</u>	<u>(868,459,066,005.98)</u>
4. Budgetary Financing Sources:		
4.B. Appropriations used	0.00	233,765,821,006.11
4.C. Nonexchange revenue	298,313.08	540,075,124.90
4.D. Donations and forfeitures of cash	0.00	15,994,566.51
4.E. Transfers-in/out without reimbursement	0.00	100,255,695.08
4.F. Other budgetary financing sources	0.00	1,304,241.46
5. Other Financing Sources:		
5.A. Donations and forfeitures of property	0.00	0.00
5.B. Transfers-in/out without reimbursement (+/-)	0.00	(4,245,337.76)
5.C. Imputed financing from costs absorbed by others	3,294,051,899.67	1,065,821,289.74
5.D. Other (+/-)	0.00	(1,625,637,154.29)
6. Total Financing Sources	<u>3,294,350,212.75</u>	<u>233,859,389,431.75</u>
7. Net Cost of Operations (+/-)	<u>3,294,350,212.75</u>	<u>149,586,450,084.73</u>
8. Net Change	<u>0.00</u>	<u>84,272,939,347.02</u>
9. Cumulative Results of Operations	<u>0.00</u>	<u>(784,186,126,658.96)</u>
UNEXPENDED APPROPRIATIONS		
10. Beginning Balances	\$ 0.00	\$ 504,344,896,495.02
12. Beginning balances, as adjusted	<u>0.00</u>	<u>504,344,896,495.02</u>
13. Budgetary Financing Sources:		
13.A. Appropriations received	0.00	680,877,833,318.41
13.B. Appropriations transferred-in/out	0.00	840,000,000.00
13.C. Other adjustments (rescissions, etc)	0.00	(1,391,893,298.88)
13.D. Appropriations used	0.00	(233,765,821,006.11)
14. Total Budgetary Financing Sources	<u>0.00</u>	<u>446,560,119,013.42</u>
15. Unexpended Appropriations	<u>0.00</u>	<u>950,905,015,508.44</u>
16. Net Position	<u>0.00</u>	<u>166,718,888,849.48</u>

Department of Defense

Agency Wide

COMBINED STATEMENT OF BUDGETARY RESOURCES

For the periods ended December 31, 2010 and 2009

	<u>2011 Combined</u>	<u>2010 Combined</u>
BUDGETARY FINANCING ACCOUNTS		
BUDGETARY RESOURCES:		
1. Unobligated balance, brought forward, October 1	\$ 159,948,648,914.83	\$ 145,927,181,685.95
2. Recoveries of prior year unpaid obligations	19,987,424,451.02	24,487,871,082.95
3. Budget authority		
3.A. Appropriation	888,919,122,874.11	816,714,110,051.29
3.C. Contract authority	71,303,316,519.67	62,722,785,026.22
3.D. Spending authority from offsetting collections		
3.D.1 Earned		
3.D.1.a. Collected	42,685,470,523.09	40,833,743,192.42
3.D.1.b. Change in receivables from Federal sources	(1,740,150,764.32)	(7,152,793.77)
3.D.2 Change in unfilled customer orders		
3.D.2.a. Advance received	(176,471,649.07)	(152,318,473.48)
3.D.2.b. Without advance from Federal sources	11,252,938,563.12	10,682,610,573.45
3.D.3. Anticipated for rest of year, without advances	42,452,144,887.35	42,746,221,261.43
3.D.5. Expenditure transfers from trust funds	0.00	793,000,000.00
3.E. Subtotal	<u>1,054,696,370,953.95</u>	<u>974,332,998,837.56</u>
4. Nonexpenditure transfers, net, anticipated and actual	91,049,000.00	930,028,000.00
5. Temporarily not available pursuant to Public Law	(394,337,272,000.00)	(405,844,999.88)
6. Permanently not available	(18,668,760,721.69)	(21,787,190,815.41)
7. Total Budgetary Resources	<u><u>\$ 821,717,460,598.11</u></u>	<u><u>\$ 1,123,485,043,791.17</u></u>

Department of Defense
Agency Wide
COMBINED STATEMENT OF BUDGETARY RESOURCES
For the periods ended December 31, 2010 and 2009

	<u>2011 Combined</u>	<u>2010 Combined</u>
Status of Budgetary Resources:		
8. Obligations incurred:		
8.A. Direct	\$ 268,510,675,549.03	\$ 256,185,152,487.00
8.B. Reimbursable	46,345,389,931.99	47,406,922,097.31
8.C. Subtotal	<u>314,856,065,481.02</u>	<u>303,592,074,584.31</u>
9. Unobligated balance:		
9.A. Apportioned	345,185,311,198.17	663,485,493,255.85
9.B. Exempt from apportionment	121,537,316,826.54	113,595,498,612.51
9.C. Subtotal	<u>466,722,628,024.71</u>	<u>777,080,991,868.36</u>
10. Unobligated balance not available	40,138,767,092.38	42,811,977,338.50
11. Total status of budgetary resources	<u><u>\$ 821,717,460,598.11</u></u>	<u><u>\$ 1,123,485,043,791.17</u></u>
Change in Obligated Balance:		
12. Obligated balance, net		
12.A. Unpaid obligations, brought forward, October 1	\$ 458,620,909,636.02	\$ 454,072,648,844.10
12.B. Less: Uncollected customer payments from Federal sources, brought forward, October 1	(69,766,915,985.12)	(67,702,264,972.03)
12.C. Total unpaid obligated balance	<u>388,853,993,650.90</u>	<u>386,370,383,872.07</u>
13. Obligations incurred net (+/-)	314,856,065,481.02	303,592,074,584.31
14. Less: Gross outlays	(319,717,846,010.12)	(303,605,988,171.73)
16. Less: Recoveries of prior year unpaid obligations, actual	(19,987,424,451.02)	(24,487,871,082.95)
17. Change in uncollected customer payments from Federal sources (+/-)	(9,512,787,798.80)	(11,270,207,779.56)
18. Obligated balance, net, end of period		
18.A. Unpaid obligations	433,771,704,655.90	429,570,864,173.73
18.B. Less: Uncollected customer payments from Federal sources (-)	(79,279,703,783.92)	(78,972,472,751.59)
18.C. Total, unpaid obligated balance, net, end of period	<u>354,492,000,871.98</u>	<u>350,598,391,422.14</u>
Net Outlays		
19. Net Outlays:		
19.A. Gross outlays	319,717,846,010.12	303,605,988,171.73
19.B. Less: Offsetting collections	(42,508,998,874.02)	(40,879,674,719.06)
19.C. Less: Distributed Offsetting receipts	(73,539,524,095.67)	(71,152,487,443.33)
19.D. Net Outlays	<u><u>\$ 203,669,323,040.43</u></u>	<u><u>\$ 191,573,826,009.34</u></u>

Department of Defense

Agency Wide

COMBINED STATEMENT OF BUDGETARY RESOURCES

For the periods ended December 31, 2010 and 2009

	<u>2011 Combined</u>	<u>2010 Combined</u>
NONBUDGETARY FINANCING ACCOUNTS		
BUDGETARY RESOURCES		
1. Unobligated balance, brought forward, October 1	\$ 24,945,096.38	\$ 23,629,350.77
3. Budget authority		
3.B. Borrowing authority	31,081,030.32	24,607,520.80
3.D. Spending authority from offsetting collections		
3.D.1 Earned		
3.D.1.a. Collected	19,219,423.00	19,624,896.50
3.D.1.b. Change in receivables from Federal sources	40,141.68	4,428.81
3.D.2 Change in unfilled customer orders		
3.D.2.b. Without advance from Federal sources	(14,291,081.00)	(14,367,961.00)
3.D.3 Anticipated for rest of year, without advances	1,437,698.76	17,936,863.30
3.E. Subtotal	<u>37,487,212.76</u>	<u>47,805,748.41</u>
6. Permanently not available	(681,712.59)	(4,150,483.82)
7. Total Budgetary Resources	<u><u>\$ 61,750,596.55</u></u>	<u><u>\$ 67,284,615.36</u></u>

Department of Defense
Agency Wide
COMBINED STATEMENT OF BUDGETARY RESOURCES
For the periods ended December 31, 2010 and 2009

	<u>2011 Combined</u>	<u>2010 Combined</u>
Status of Budgetary Resources:		
8. Obligations incurred:		
8.A. Direct	\$ 118,482.01	\$ 59,679.41
8.C. Subtotal	<u>118,482.01</u>	<u>59,679.41</u>
9. Unobligated balance:		
9.A. Apportioned	3,641,361.28	283,387.37
9.C. Subtotal	<u>3,641,361.28</u>	<u>283,387.37</u>
10. Unobligated balance not available	<u>57,990,753.26</u>	<u>66,941,548.58</u>
11. Total Status of Budgetary Resources	<u><u>\$ 61,750,596.55</u></u>	<u><u>\$ 67,284,615.36</u></u>
Change in Obligated Balance:		
12. Obligated balance, net		
12.A. Unpaid obligations, brought forward, October 1	\$ 619,382,039.00	\$ 770,407,504.00
12.B. Less: Uncollected customer payments from Federal sources, brought forward, October 1	(97,278,631.00)	(132,161,578.00)
12.C. Total unpaid obligated balance	<u>522,103,408.00</u>	<u>638,245,926.00</u>
13. Obligations incurred net (+/-)	118,482.01	59,679.41
14. Less: Gross outlays	(62,118,466.01)	(77,421,159.32)
17. Change in uncollected customer payments from Federal sources (+/-)	14,250,939.32	14,363,532.19
18. Obligated balance, net, end of period		
18.A. Unpaid obligations	557,382,055.00	693,046,024.09
18.B. Less: Uncollected customer payments from Federal sources (-)	(83,027,691.68)	(117,798,045.81)
18.C. Total, unpaid obligated balance, net, end of period	<u>474,354,363.32</u>	<u>575,247,978.28</u>
Net Outlays		
19. Net Outlays:		
19.A. Gross outlays	62,118,466.01	77,421,159.32
19.B. Less: Offsetting collections	(19,219,423.00)	(19,624,896.50)
19.D. Net Outlays	<u><u>\$ 42,899,043.01</u></u>	<u><u>\$ 57,796,262.82</u></u>