

Department of Defense
Agency Wide
CONSOLIDATED BALANCE SHEET
As of June 30, 2011 and 2010

	<u>2011 Consolidated</u>	<u>Restated 2010 Consolidated</u>
1. ASSETS (Note 2)		
A. Intragovernmental:		
1. Fund Balance with Treasury (Note 3)	\$ 705,612,969,352.56	\$ 668,358,135,230.74
2. Investments (Note 4)	578,099,568,134.66	502,991,631,864.60
3. Accounts Receivable (Note 5)	1,678,458,460.72	1,396,008,602.73
4. Other Assets (Note 6)	1,954,947,900.12	2,198,006,607.49
5. Total Intragovernmental Assets	<u>\$ 1,287,345,943,848.06</u>	<u>\$ 1,174,943,782,305.56</u>
B. Cash and Other Monetary Assets (Note 7)	\$ 1,841,175,732.04	\$ 2,179,919,013.11
C. Accounts Receivable, Net (Note 5)	9,399,711,446.83	9,353,592,331.48
D. Loans Receivable (Note 8)	671,486,007.33	465,600,488.63
E. Inventory and Related Property, Net (Note 9)	245,197,579,927.43	230,544,955,659.73
F. General Property, Plant and Equipment, Net (Note 10)	622,736,260,089.44	581,988,584,334.85
G. Investments (Note 4)	3,185,010,130.00	2,408,475,130.00
H. Other Assets (Note 6)	65,664,820,013.78	62,485,650,417.14
2. TOTAL ASSETS	<u><u>\$ 2,236,041,987,194.91</u></u>	<u><u>\$ 2,064,370,559,680.50</u></u>
3. STEWARDSHIP PROPERTY, PLANT & EQUIPMENT (Note 10)		
4. LIABILITIES (Note 11)		
A. Intragovernmental:		
1. Accounts Payable (Note 12)	\$ 1,822,974,524.97	\$ 1,770,581,116.26
2. Debt (Note 13)	742,203,212.26	504,832,108.64
3. Other Liabilities (Note 15 & 16)	13,717,938,720.24	13,234,194,637.49
4. Total Intragovernmental Liabilities	<u>\$ 16,283,116,457.47</u>	<u>\$ 15,509,607,862.39</u>
B. Accounts Payable (Note 12)	\$ 28,513,390,386.64	\$ 38,741,699,846.74
C. Military Retirement and Other Federal Employment Benefits (Note 17)	2,176,787,230,065.16	2,012,371,716,186.34
D. Environmental and Disposal Liabilities (Note 14)	63,513,357,002.31	64,845,372,782.09
E. Loan Guarantee Liability (Note 8)	20,556,767.45	22,786,606.26
F. Other Liabilities (Note 15 & Note 16)	34,316,617,228.58	32,439,120,381.69
5. TOTAL LIABILITIES	<u><u>\$ 2,319,434,267,907.61</u></u>	<u><u>\$ 2,163,930,303,665.51</u></u>
6. COMMITMENTS AND CONTINGENCIES (NOTE 16)		
7. NET POSITION		
A. Unexpended Appropriations - Earmarked Funds (Note 23)	\$ 152,203,593.55	\$ 322,681,596.59
B. Unexpended Appropriations - Other Funds	713,426,395,707.08	670,672,327,216.36
C. Cumulative Results of Operations - Earmarked Funds	(1,358,586,555,715.00)	(1,183,565,990,940.01)
D. Cumulative Results of Operations - Other Funds	561,615,675,701.67	413,011,238,142.05
8. TOTAL NET POSITION	<u><u>\$ (83,392,280,712.70)</u></u>	<u><u>\$ (99,559,743,985.01)</u></u>
9. TOTAL LIABILITIES AND NET POSITION	<u><u>\$ 2,236,041,987,194.91</u></u>	<u><u>\$ 2,064,370,559,680.50</u></u>

Department of Defense
Agency Wide
CONSOLIDATED STATEMENT OF NET COST
For the periods ended June 30, 2011 and 2010

	2011 Consolidated	Restated 2010 Consolidated
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1. Program Costs		
A. Gross Costs	\$ 578,004,792,928.83	\$ 520,866,509,234.43
Military Retirement Benefits	42,821,109,175.87	42,964,939,646.83
Civil Works	9,601,743,284.77	9,208,353,942.04
Military Personnel	117,009,839,428.00	118,304,595,483.81
Operations, Readiness & Support	227,607,318,645.42	205,613,413,201.72
Procurement	113,882,240,339.91	78,210,510,099.43
Research, Development, Test & Evaluation	57,896,496,115.92	61,370,207,321.90
Family Housing & Military Construction	9,186,045,938.94	5,194,489,538.70
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B. (Less: Earned Revenue)	(82,890,312,298.92)	(46,435,529,841.05)
C. Net Cost before Losses/(Gains) from Actuarial Assumption Changes for Military Retirement Benefits	<hr/> 495,114,480,629.91	<hr/> 474,430,979,393.38
2. Net Cost of Operations	<hr/> \$ 495,114,480,629.91	<hr/> \$ 474,430,979,393.38

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CONSOLIDATED STATEMENT OF CHANGES IN NET POSITION

For the periods ended June 30, 2011 and 2010

	<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.A. Changes in accounting principles (+/-)	0.00	2,533,717,765.47
2.B. Corrections of errors (+/-)	0.00	1,112,658,292.00
3. Beginning balances, as adjusted	<u>(1,338,741,179,904.28)</u>	<u>421,472,335,520.43</u>
4. Budgetary Financing Sources:		
4.B. Appropriations used	189,441,479.34	583,381,852,354.30
4.C. Nonexchange revenue	2,028,976,493.34	19,416,153.66
4.D. Donations and forfeitures of cash	21,703,571.41	130,634.80
4.E. Transfers-in/out without reimbursement	(864,398,885.61)	1,006,450,755.26
4.F. Other budgetary financing sources	414,369.61	0.00
5. Other Financing Sources:		
5.A. Donations and forfeitures of property	0.00	6,234,311.65
5.B. Transfers-in/out without reimbursement (+/-)	(6,565,580.47)	(46,538,733.22)
5.C. Imputed financing from costs absorbed by others	1,415,957.80	14,534,647,359.87
5.D. Other (+/-)	(209,738.87)	25,551,432,767.66
6. Total Financing Sources	<u>1,370,777,666.55</u>	<u>624,453,625,603.98</u>
7. Net Cost of Operations (+/-)	<u>(78,793,564,834.91)</u>	<u>584,320,003,734.92</u>
8. Net Change	<u>80,164,342,501.46</u>	<u>40,133,621,869.06</u>
9. Cumulative Results of Operations	<u>(1,258,576,837,402.82)</u>	<u>461,605,957,389.49</u>
UNEXPENDED APPROPRIATIONS		
10. Beginning Balances	\$ 325,163,102.89	\$ 528,479,471,443.00
11. Prior Period Adjustments:		
11.B. Corrections of errors	0.00	0.00
12. Beginning balances, as adjusted	<u>325,163,102.89</u>	<u>528,479,471,443.00</u>
13. Budgetary Financing Sources:		
13.A. Appropriations received	16,515,000.00	775,587,800,577.14
13.B. Appropriations transferred-in/out	0.00	(27,782,530.76)
13.C. Other adjustments (rescissions, etc)	(33,030.00)	(7,231,241,428.00)
13.D. Appropriations used	(189,441,479.34)	(583,381,852,354.30)
14. Total Budgetary Financing Sources	<u>(172,959,509.34)</u>	<u>184,946,924,264.08</u>
15. Unexpended Appropriations	<u>152,203,593.55</u>	<u>713,426,395,707.08</u>
16. Net Position	<u>(1,258,424,633,809.27)</u>	<u>1,175,032,353,096.57</u>

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CONSOLIDATED STATEMENT OF CHANGES IN NET POSITION

For the periods ended June 30, 2011 and 2010

	<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.A. Changes in accounting principles (+/-)	0.00	2,533,717,765.47
2.B. Corrections of errors (+/-)	0.00	1,112,658,292.00
3. Beginning balances, as adjusted	<u>0.00</u>	<u>(917,268,844,383.85)</u>
4. Budgetary Financing Sources:		
4.B. Appropriations used	0.00	583,571,293,833.64
4.C. Nonexchange revenue	0.00	2,048,392,647.00
4.D. Donations and forfeitures of cash	0.00	21,834,206.21
4.E. Transfers-in/out without reimbursement	0.00	142,051,869.65
4.F. Other budgetary financing sources	0.00	414,369.61
5. Other Financing Sources:		
5.A. Donations and forfeitures of property	0.00	6,234,311.65
5.B. Transfers-in/out without reimbursement (+/-)	0.00	(53,104,313.69)
5.C. Imputed financing from costs absorbed by others	10,411,958,270.10	4,124,105,047.57
5.D. Other (+/-)	0.00	25,551,223,028.79
6. Total Financing Sources	<u>10,411,958,270.10</u>	<u>615,412,445,000.43</u>
7. Net Cost of Operations (+/-)	<u>10,411,958,270.10</u>	<u>495,114,480,629.91</u>
8. Net Change	<u>0.00</u>	<u>120,297,964,370.52</u>
9. Cumulative Results of Operations	<u>0.00</u>	<u>(796,970,880,013.33)</u>
UNEXPENDED APPROPRIATIONS		
10. Beginning Balances	\$ 0.00	\$ 528,804,634,545.89
11. Prior Period Adjustments:		
11.B. Corrections of errors	0.00	0.00
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	775,604,315,577.14
13.B. Appropriations transferred-in/out	0.00	(27,782,530.76)
13.C. Other adjustments (rescissions, etc)	0.00	(7,231,274,458.00)
13.D. Appropriations used	0.00	(583,571,293,833.64)
14. Total Budgetary Financing Sources	<u>0.00</u>	<u>184,773,964,754.74</u>
15. Unexpended Appropriations	<u>0.00</u>	<u>713,578,599,300.63</u>
16. Net Position	<u>0.00</u>	<u>(83,392,280,712.70)</u>

Department of Defense

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CONSOLIDATED STATEMENT OF CHANGES IN NET POSITION

For the periods ended June 30, 2011 and 2010

	<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.A. Changes in accounting principles (+/-)	0.00	0.00
2.B. Corrections of errors (+/-)	460,504.31	145,407,206.06
3. Beginning balances, as adjusted	<u>(1,252,265,019,735.79)</u>	<u>385,671,363,837.50</u>
4. Budgetary Financing Sources:		
4.B. Appropriations used	6,161,068.66	571,421,032,817.07
4.C. Nonexchange revenue	1,787,028,660.96	93,699,655.51
4.D. Donations and forfeitures of cash	31,058,763.18	1,876,358.74
4.E. Transfers-in/out without reimbursement	(723,359,626.97)	926,575,155.23
4.F. Other budgetary financing sources	334,729.47	0.00
5. Other Financing Sources:		
5.A. Donations and forfeitures of property	0.00	6,320,493.89
5.B. Transfers-in/out without reimbursement (+/-)	(213,496,001.82)	219,612,545.96
5.C. Imputed financing from costs absorbed by others	444,202.16	13,163,589,181.67
5.D. Other (+/-)	(9,002,791.63)	(6,336,667,091.58)
6. Total Financing Sources	<u>879,169,004.01</u>	<u>579,496,039,116.49</u>
7. Net Cost of Operations (+/-)	(66,695,399,764.91)	551,030,597,635.20
8. Net Change	<u>67,574,568,768.92</u>	<u>28,465,441,481.29</u>
9. Cumulative Results of Operations	<u>(1,184,690,450,966.87)</u>	<u>414,136,805,318.79</u>
UNEXPENDED APPROPRIATIONS		
10. Beginning Balances	\$ 5,617,665.25	\$ 504,339,278,829.77
11. Prior Period Adjustments:		
11.B. Corrections of errors	0.00	(1,192,798,435.50)
12. Beginning balances, as adjusted	<u>5,617,665.25</u>	<u>503,146,480,394.27</u>
13. Budgetary Financing Sources:		
13.A. Appropriations received	323,225,000.00	741,370,019,324.04
13.B. Appropriations transferred-in/out	20,237,000.00	793,263,000.00
13.C. Other adjustments (rescissions, etc)	0.00	(3,236,639,684.88)
13.D. Appropriations used	(6,161,068.66)	(571,421,032,817.07)
14. Total Budgetary Financing Sources	<u>337,300,931.34</u>	<u>167,505,609,822.09</u>
15. Unexpended Appropriations	<u>342,918,596.59</u>	<u>670,652,090,216.36</u>
16. Net Position	<u>(1,184,347,532,370.28)</u>	<u>1,084,788,895,535.15</u>

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CONSOLIDATED STATEMENT OF CHANGES IN NET POSITION

For the periods ended June 30, 2011 and 2010

	2010 Eliminations	Restated 2010 Consolidated
CUMULATIVE RESULTS OF OPERATIONS		
1. Beginning Balances	\$ 0.00	\$ (866,739,523,608.66)
2. Prior Period Adjustments:		
2.A. Changes in accounting principles (+/-)	0.00	0.00
2.B. Corrections of errors (+/-)	0.00	145,867,710.37
3. Beginning balances, as adjusted	0.00	(866,593,655,898.29)
4. Budgetary Financing Sources:		
4.B. Appropriations used	0.00	571,427,193,885.73
4.C. Nonexchange revenue	0.00	1,880,728,316.47
4.D. Donations and forfeitures of cash	0.00	32,935,121.92
4.E. Transfers-in/out without reimbursement	0.00	203,215,528.26
4.F. Other budgetary financing sources	0.00	334,729.47
5. Other Financing Sources:		
5.A. Donations and forfeitures of property	0.00	6,320,493.89
5.B. Transfers-in/out without reimbursement (+/-)	0.00	6,116,544.14
5.C. Imputed financing from costs absorbed by others	9,905,325,626.79	3,258,707,757.04
5.D. Other (+/-)	0.00	(6,345,669,883.21)
6. Total Financing Sources	9,905,325,626.79	570,469,882,493.71
7. Net Cost of Operations (+/-)	9,904,218,476.91	474,430,979,393.38
8. Net Change	1,107,149.88	96,038,903,100.33
9. Cumulative Results of Operations	1,107,149.88	(770,554,752,797.96)
UNEXPENDED APPROPRIATIONS		
10. Beginning Balances	\$ 0.00	\$ 504,344,896,495.02
11. Prior Period Adjustments:		
11.B. Corrections of errors	0.00	(1,192,798,435.50)
12. Beginning balances, as adjusted	0.00	503,152,098,059.52
13. Budgetary Financing Sources:		
13.A. Appropriations received	0.00	741,693,244,324.04
13.B. Appropriations transferred-in/out	0.00	813,500,000.00
13.C. Other adjustments (rescissions, etc)	0.00	(3,236,639,684.88)
13.D. Appropriations used	0.00	(571,427,193,885.73)
14. Total Budgetary Financing Sources	0.00	167,842,910,753.43
15. Unexpended Appropriations	0.00	670,995,008,812.95
16. Net Position	1,107,149.88	(99,559,743,985.01)

Department of Defense
Agency Wide
COMBINED STATEMENT OF BUDGETARY RESOURCES
For the periods ended June 30, 2011 and 2010

	<u>2011 Combined</u>	<u>Restated 2010 Combined</u>
BUDGETARY FINANCING ACCOUNTS		
BUDGETARY RESOURCES:		
1. Unobligated balance, brought forward, October 1	\$ 159,948,648,914.83	\$ 145,897,237,559.45
2. Recoveries of prior year unpaid obligations	40,626,380,703.57	43,413,164,617.63
3. Budget authority		
3.A. Appropriation	905,956,454,107.33	878,585,487,479.93
3.C. Contract authority	82,766,364,252.13	76,678,544,310.74
3.D. Spending authority from offsetting collections		
3.D.1 Earned		
3.D.1.a. Collected	135,193,428,621.37	132,107,253,057.94
3.D.1.b. Change in receivables from Federal sources	616,318,078.24	209,680,019.18
3.D.2 Change in unfilled customer orders		
3.D.2.a. Advance received	(164,469,768.83)	(17,428,533.47)
3.D.2.b. Without advance from Federal sources	15,940,790,398.55	18,218,536,972.47
3.D.3. Anticipated for rest of year, without advances	19,311,167,674.30	17,276,533,703.71
3.D.5. Expenditure transfers from trust funds	870,679,886.00	793,000,000.00
3.E. Subtotal	<u>1,160,490,733,249.09</u>	<u>1,123,851,607,010.50</u>
4. Nonexpenditure transfers, net, anticipated and actual	148,541,911.73	988,094,888.73
5. Temporarily not available pursuant to Public Law	(870,679,886.00)	(198,249,999.96)
6. Permanently not available	(65,710,918,952.54)	(58,493,134,618.19)
7. Total Budgetary Resources	<u><u>\$ 1,294,632,705,940.68</u></u>	<u><u>\$ 1,255,458,719,458.16</u></u>

Department of Defense
Agency Wide
COMBINED STATEMENT OF BUDGETARY RESOURCES
For the periods ended June 30, 2011 and 2010

	<u>2011 Combined</u>	<u>Restated 2010 Combined</u>
Status of Budgetary Resources:		
8. Obligations incurred:		
8.A. Direct	\$ 657,578,211,839.45	\$ 653,541,794,880.08
8.B. Reimbursable	134,296,953,841.60	135,243,475,362.07
8.C. Subtotal	<u>791,875,165,681.05</u>	<u>788,785,270,242.15</u>
9. Unobligated balance:		
9.A. Apportioned	392,376,195,490.06	339,665,252,764.01
9.B. Exempt from apportionment	64,892,054,634.04	82,753,064,688.70
9.C. Subtotal	<u>457,268,250,124.10</u>	<u>422,418,317,452.71</u>
10. Unobligated balance not available	45,489,290,135.53	44,255,131,763.30
11. Total status of budgetary resources	<u><u>\$ 1,294,632,705,940.68</u></u>	<u><u>\$ 1,255,458,719,458.16</u></u>
Change in Obligated Balance:		
12. Obligated balance, net		
12.A. Unpaid obligations, brought forward, October 1	\$ 458,620,909,636.02	\$ 454,102,592,970.60
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>386,400,327,998.57</u>
13. Obligations incurred net (+/-)	791,875,165,681.05	788,785,270,242.15
14. Less: Gross outlays	(766,590,680,240.11)	(753,521,709,553.43)
16. Less: Recoveries of prior year unpaid obligations, actual	(40,626,255,172.77)	(43,413,164,617.63)
17. Change in uncollected customer payments from Federal sources (+/-)	(17,427,788,362.79)	(18,626,466,991.61)
18. Obligated balance, net, end of period		
18.A. Unpaid obligations	443,279,139,904.19	445,952,989,041.69
18.B. Less: Uncollected customer payments from Federal sources (-)	(87,194,704,347.91)	(86,328,731,963.64)
18.C. Total, unpaid obligated balance, net, end of period	<u>356,084,435,556.28</u>	<u>359,624,257,078.05</u>
Net Outlays		
19. Net Outlays:		
19.A. Gross outlays	766,590,680,240.11	753,521,709,553.43
19.B. Less: Offsetting collections	(135,028,958,852.54)	(132,684,574,524.51)
19.C. Less: Distributed Offsetting receipts	(80,216,258,116.77)	(75,058,446,116.90)
19.D. Net Outlays	<u><u>\$ 551,345,463,270.80</u></u>	<u><u>\$ 545,778,688,912.02</u></u>

Department of Defense
Agency Wide
COMBINED STATEMENT OF BUDGETARY RESOURCES
For the periods ended June 30, 2011 and 2010

	<u>2011 Combined</u>	<u>Restated 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	30,953,170.75	26,151,684.23
3.D. Spending authority from offsetting collections		
3.D.1 Earned		
3.D.1.a. Collected	65,718,043.42	41,541,109.32
3.D.1.b. Change in receivables from Federal sources	120,425.04	13,286.44
3.D.2 Change in unfilled customer orders		
3.D.2.b. Without advance from Federal sources	(46,271,877.00)	(22,706,624.00)
3.D.3 Anticipated for rest of year, without advances	1,833,648.45	1,050,495.42
3.E. Subtotal	<u>52,353,410.66</u>	<u>46,049,951.41</u>
6. Permanently not available	(633,752.29)	(4,912,016.14)
7. Total Budgetary Resources	<u><u>\$ 76,664,754.75</u></u>	<u><u>\$ 64,767,286.04</u></u>

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COMBINED STATEMENT OF BUDGETARY RESOURCES
For the periods ended June 30, 2011 and 2010

	<u>2011 Combined</u>	<u>Restated 2010 Combined</u>
Status of Budgetary Resources:		
8. Obligations incurred:		
8.A. Direct	\$ 350,449.99	\$ 24,659,856.11
8.C. Subtotal	<u>350,449.99</u>	<u>24,659,856.11</u>
9. Unobligated balance:		
9.A. Apportioned	<u>3,551,329.28</u>	<u>19,641,095.91</u>
9.C. Subtotal	<u>3,551,329.28</u>	<u>19,641,095.91</u>
10. Unobligated balance not available	<u>72,762,975.48</u>	<u>20,466,334.02</u>
11. Total Status of Budgetary Resources	<u><u>\$ 76,664,754.75</u></u>	<u><u>\$ 64,767,286.04</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 (+/-)	350,449.99	24,659,856.11
14. Less: Gross outlays	(190,650,401.99)	(109,160,780.85)
17. Change in uncollected customer payments from Federal sources (+/-)	46,151,451.96	22,693,337.56
18. Obligated balance, net, end of period		
18.A. Unpaid obligations	429,082,087.00	685,906,579.26
18.B. Less: Uncollected customer payments from Federal sources (-)	(51,127,179.04)	(109,468,240.44)
18.C. Total, unpaid obligated balance, net, end of period	<u>377,954,907.96</u>	<u>576,438,338.82</u>
Net Outlays		
19. Net Outlays:		
19.A. Gross outlays	190,650,401.99	109,160,780.85
19.B. Less: Offsetting collections	(65,718,043.42)	(41,541,109.32)
19.D. Net Outlays	<u><u>\$ 124,932,358.57</u></u>	<u><u>\$ 67,619,671.53</u></u>