

Department of Defense
Security Assistance
CONSOLIDATED BALANCE SHEET
As of December 31, 2011 and 2010

| | <u>2012 Consolidated</u> | <u>2011 Consolidated</u> |
|---|-----------------------------|-----------------------------|
| 1. ASSETS (Note 2) | | |
| A. Intragovernmental: | | |
| 1. Fund Balance with Treasury (Note 3) | \$ 25,778,212,378.52 | \$ 21,799,702,561.59 |
| 5. Total Intragovernmental Assets | <u>\$ 25,778,212,378.52</u> | <u>\$ 21,799,702,561.59</u> |
| B. Cash and Other Monetary Assets (Note 7) | \$ 17,837,754,781.31 | \$ 16,963,312,340.44 |
| C. Accounts Receivable, Net (Note 5) | 51,171,642.28 | 43,418,796.22 |
| D. Loans Receivable (Note 8) | 989,188,517.91 | 1,067,117,222.99 |
| H. Other Assets (Note 6) | 26,400,711,127.42 | 22,735,685,710.77 |
| 2. TOTAL ASSETS | <u>\$ 71,057,038,447.44</u> | <u>\$ 62,609,236,632.01</u> |
| 3. STEWARDSHIP PROPERTY, PLANT & EQUIPMENT (Note 10) | | |
| 4. LIABILITIES (Note 11) | | |
| A. Intragovernmental: | | |
| 1. Accounts Payable (Note 12) | \$ 215,492,585.64 | \$ 166,541,463.65 |
| 2. Debt (Note 13) | 352,074,339.85 | 464,987,347.68 |
| 3. Other Liabilities (Note 15 & 16) | 661,435,059.97 | 626,645,518.16 |
| 4. Total Intragovernmental Liabilities | <u>\$ 1,229,001,985.46</u> | <u>\$ 1,258,174,329.49</u> |
| B. Accounts Payable (Note 12) | \$ 302,241,022.76 | \$ 516,230,190.93 |
| C. Military Retirement and Other Federal Employment Benefits (Note 17) | 487,356.79 | 486,475.42 |
| F. Other Liabilities (Note 15 & Note 16) | 58,434,588,043.19 | 54,866,339,367.68 |
| 5. TOTAL LIABILITIES | <u>\$ 59,966,318,408.20</u> | <u>\$ 56,641,230,363.52</u> |
| 6. COMMITMENTS AND CONTINGENCIES (NOTE 16) | | |
| 7. NET POSITION | | |
| B. Unexpended Appropriations - Other Funds | 8,071,488,140.02 | 3,649,681,899.26 |
| D. Cumulative Results of Operations - Other Funds | 3,019,231,899.22 | 2,318,324,369.23 |
| 8. TOTAL NET POSITION | <u>\$ 11,090,720,039.24</u> | <u>\$ 5,968,006,268.49</u> |
| 9. TOTAL LIABILITIES AND NET POSITION | <u>\$ 71,057,038,447.44</u> | <u>\$ 62,609,236,632.01</u> |

Department of Defense
Security Assistance
CONSOLIDATED STATEMENT OF NET COST
For the periods ended December 31, 2011 and 2010

| | <u>2012 Consolidated</u> | <u>2011 Consolidated</u> |
|---|----------------------------|----------------------------|
| 1. Program Costs | | |
| A. Gross Costs | \$ 6,003,713,580.81 | \$ 4,782,910,642.56 |
| Operations, Readiness & Support | <u>6,003,713,580.81</u> | <u>4,782,910,642.56</u> |
| B. (Less: Earned Revenue) | <u>(6,981,291.92)</u> | <u>(9,585,326.01)</u> |
| C. Net Cost before Losses/(Gains) from Actuarial Assumption Changes for Military Retirement Benefits | <u>5,996,732,288.89</u> | <u>4,773,325,316.55</u> |
| E. Net Program Costs Including Assumption Changes | <u>5,996,732,288.89</u> | <u>4,773,325,316.55</u> |
| 2. Net Cost of Operations | <u>\$ 5,996,732,288.89</u> | <u>\$ 4,773,325,316.55</u> |

Department of Defense
Security Assistance
CONSOLIDATED STATEMENT OF CHANGES IN NET POSITION
For the periods ended December 31, 2011 and 2010

| | <u>2012 Earmarked Funds</u> | <u>2012 All Other Funds</u> |
|--|-----------------------------|-----------------------------|
| CUMULATIVE RESULTS OF OPERATIONS | | |
| 1. Beginning Balances | \$ 0.00 | \$ 2,675,602,813.54 |
| 3. Beginning balances, as adjusted | <u>0.00</u> | <u>2,675,602,813.54</u> |
| 4. Budgetary Financing Sources: | | |
| 4.B. Appropriations used | 0.00 | 963,807,425.39 |
| 4.C. Nonexchange revenue | 0.00 | 5,376,553,949.18 |
| 6. Total Financing Sources | <u>0.00</u> | <u>6,340,361,374.57</u> |
| 7. Net Cost of Operations (+/-) | <u>0.00</u> | <u>5,996,732,288.89</u> |
| 8. Net Change | <u>0.00</u> | <u>343,629,085.68</u> |
| 9. Cumulative Results of Operations | 0.00 | 3,019,231,899.22 |
| UNEXPENDED APPROPRIATIONS | | |
| 10. Beginning Balances | \$ 0.00 | \$ 2,615,107,222.14 |
| 12. Beginning balances, as adjusted | <u>0.00</u> | <u>2,615,107,222.14</u> |
| 13. Budgetary Financing Sources: | | |
| 13.A. Appropriations received | 0.00 | 6,420,188,000.00 |
| 13.B. Appropriations transferred-in/out | 0.00 | (50,000.00) |
| 13.C. Other adjustments (rescissions, etc) | 0.00 | 50,343.27 |
| 13.D. Appropriations used | 0.00 | (963,807,425.39) |
| 14. Total Budgetary Financing Sources | <u>0.00</u> | <u>5,456,380,917.88</u> |
| 15. Unexpended Appropriations | <u>0.00</u> | <u>8,071,488,140.02</u> |
| 16. Net Position | <u>0.00</u> | <u>11,090,720,039.24</u> |

Department of Defense
Security Assistance
CONSOLIDATED STATEMENT OF CHANGES IN NET POSITION
For the periods ended December 31, 2011 and 2010

| | <u>2012 Eliminations</u> | <u>2012 Consolidated</u> |
|--|--------------------------|--------------------------|
| CUMULATIVE RESULTS OF OPERATIONS | | |
| 1. Beginning Balances | \$ 0.00 | \$ 2,675,602,813.54 |
| 3. Beginning balances, as adjusted | <u>0.00</u> | <u>2,675,602,813.54</u> |
| 4. Budgetary Financing Sources: | | |
| 4.B. Appropriations used | 0.00 | 963,807,425.39 |
| 4.C. Nonexchange revenue | 0.00 | 5,376,553,949.18 |
| 6. Total Financing Sources | <u>0.00</u> | <u>6,340,361,374.57</u> |
| 7. Net Cost of Operations (+/-) | <u>0.00</u> | <u>5,996,732,288.89</u> |
| 8. Net Change | <u>0.00</u> | <u>343,629,085.68</u> |
| 9. Cumulative Results of Operations | <u>0.00</u> | <u>3,019,231,899.22</u> |
| UNEXPENDED APPROPRIATIONS | | |
| 10. Beginning Balances | \$ 0.00 | \$ 2,615,107,222.14 |
| 12. Beginning balances, as adjusted | <u>0.00</u> | <u>2,615,107,222.14</u> |
| 13. Budgetary Financing Sources: | | |
| 13.A. Appropriations received | 0.00 | 6,420,188,000.00 |
| 13.B. Appropriations transferred-in/out | 0.00 | (50,000.00) |
| 13.C. Other adjustments (rescissions, etc) | 0.00 | 50,343.27 |
| 13.D. Appropriations used | 0.00 | (963,807,425.39) |
| 14. Total Budgetary Financing Sources | <u>0.00</u> | <u>5,456,380,917.88</u> |
| 15. Unexpended Appropriations | <u>0.00</u> | <u>8,071,488,140.02</u> |
| 16. Net Position | <u>0.00</u> | <u>11,090,720,039.24</u> |

Department of Defense
Security Assistance
CONSOLIDATED STATEMENT OF CHANGES IN NET POSITION
For the periods ended December 31, 2011 and 2010

| | <u>2011 Earmarked Funds</u> | <u>2011 All Other Funds</u> |
|--|-----------------------------|-----------------------------|
| CUMULATIVE RESULTS OF OPERATIONS | | |
| 1. Beginning Balances | \$ 0.00 | \$ 2,338,199,644.56 |
| 3. Beginning balances, as adjusted | <u>0.00</u> | <u>2,338,199,644.56</u> |
| 4. Budgetary Financing Sources: | | |
| 4.B. Appropriations used | 0.00 | 704,977,720.88 |
| 4.C. Nonexchange revenue | 0.00 | 4,048,472,320.34 |
| 6. Total Financing Sources | <u>0.00</u> | <u>4,753,450,041.22</u> |
| 7. Net Cost of Operations (+/-) | <u>0.00</u> | <u>4,773,325,316.55</u> |
| 8. Net Change | <u>0.00</u> | <u>(19,875,275.33)</u> |
| 9. Cumulative Results of Operations | 0.00 | 2,318,324,369.23 |
| UNEXPENDED APPROPRIATIONS | | |
| 10. Beginning Balances | \$ 0.00 | \$ 2,524,189,819.98 |
| 12. Beginning balances, as adjusted | <u>0.00</u> | <u>2,524,189,819.98</u> |
| 13. Budgetary Financing Sources: | | |
| 13.A. Appropriations received | 0.00 | 1,830,469,800.16 |
| 13.B. Appropriations transferred-in/out | 0.00 | 0.00 |
| 13.C. Other adjustments (rescissions, etc) | 0.00 | 0.00 |
| 13.D. Appropriations used | 0.00 | (704,977,720.88) |
| 14. Total Budgetary Financing Sources | <u>0.00</u> | <u>1,125,492,079.28</u> |
| 15. Unexpended Appropriations | <u>0.00</u> | <u>3,649,681,899.26</u> |
| 16. Net Position | <u>0.00</u> | <u>5,968,006,268.49</u> |

Department of Defense
Security Assistance
CONSOLIDATED STATEMENT OF CHANGES IN NET POSITION
For the periods ended December 31, 2011 and 2010

| | <u>2011 Eliminations</u> | <u>2011 Consolidated</u> |
|--|--------------------------|--------------------------|
| CUMULATIVE RESULTS OF OPERATIONS | | |
| 1. Beginning Balances | \$ 0.00 | \$ 2,338,199,644.56 |
| 3. Beginning balances, as adjusted | <u>0.00</u> | <u>2,338,199,644.56</u> |
| 4. Budgetary Financing Sources: | | |
| 4.B. Appropriations used | 0.00 | 704,977,720.88 |
| 4.C. Nonexchange revenue | 0.00 | 4,048,472,320.34 |
| 6. Total Financing Sources | <u>0.00</u> | <u>4,753,450,041.22</u> |
| 7. Net Cost of Operations (+/-) | <u>0.00</u> | <u>4,773,325,316.55</u> |
| 8. Net Change | <u>0.00</u> | <u>(19,875,275.33)</u> |
| 9. Cumulative Results of Operations | 0.00 | 2,318,324,369.23 |
| UNEXPENDED APPROPRIATIONS | | |
| 10. Beginning Balances | \$ 0.00 | \$ 2,524,189,819.98 |
| 12. Beginning balances, as adjusted | <u>0.00</u> | <u>2,524,189,819.98</u> |
| 13. Budgetary Financing Sources: | | |
| 13.A. Appropriations received | 0.00 | 1,830,469,800.16 |
| 13.B. Appropriations transferred-in/out | 0.00 | 0.00 |
| 13.C. Other adjustments (rescissions, etc) | 0.00 | 0.00 |
| 13.D. Appropriations used | 0.00 | (704,977,720.88) |
| 14. Total Budgetary Financing Sources | <u>0.00</u> | <u>1,125,492,079.28</u> |
| 15. Unexpended Appropriations | <u>0.00</u> | <u>3,649,681,899.26</u> |
| 16. Net Position | <u>0.00</u> | <u>5,968,006,268.49</u> |

Department of Defense
Security Assistance
COMBINED STATEMENT OF BUDGETARY RESOURCES
For the periods ended December 31, 2011 and 2010

| | <u>2012 Combined</u> | <u>2011 Combined</u> |
|---|---------------------------|--------------------------|
| Budgetary Resources | | |
| 1000 Unobligated balance brought forward, October 1 | 26,792,878.64 | 128,338,425.68 |
| 1020.5 Unobligated balance brought forward, October 1, as Adjusted | 26,792,878.64 | 128,338,425.68 |
| 1021 Recoveries of prior year unpaid obligation | 13,245,658.48 | 8,265,894.27 |
| 1043 Other changes in unobligated balance | 0.00 | 2,866,000.00 |
| 1051 Unobligated balance from prior year budget authority, net | 40,038,537.12 | 139,470,319.95 |
| 1290 Appropriations (discretionary and mandatory) | 11,904,784,466.99 | 8,315,105,319.31 |
| 1690 Contract Authority (discretionary and mandatory) | 17,280,916,691.57 | 7,748,650,767.53 |
| 1890 Spending Authority from offsetting collections | (5,484,553,872.77) | (6,487,476,705.51) |
| 1910 Total Budgetary Resources | <u>23,741,185,822.91</u> | <u>9,715,749,701.28</u> |
| Status of Budgetary Resources: | | |
| 2190 Obligations Incurred | 23,608,873,682.36 | 9,553,311,331.45 |
| Unobligated balance, end of year | | |
| 2204 Apportioned | 103,378,690.59 | 34,847,183.11 |
| 2404 Unapportioned | 28,933,449.96 | 127,591,186.72 |
| 2490 Unobligated balance brought forward, end of year | <u>132,312,140.55</u> | <u>162,438,369.83</u> |
| 2500 Total Budgetary Resources | <u>23,741,185,822.91</u> | <u>9,715,749,701.28</u> |
| Change in Obligated Balance: | | |
| 3000 Unpaid obligations, brought forward, October 1 (gross) | 96,993,018,147.18 | 91,701,933,383.91 |
| 3015 Obligated balance start of year (net), before adjustments (+ or | 96,993,018,147.18 | 91,701,933,383.91 |
| 3021 Obligated balance, start of year (net), as adjusted | 96,993,018,147.18 | 91,701,933,383.91 |
| 3032 Obligations incurred | 23,608,873,682.36 | 9,553,311,331.45 |
| 3040 Outlays (gross) (-) | (7,226,456,550.49) | (6,645,502,456.44) |
| 3082 Recoveries of prior year unpaid obligations (-) | (13,245,658.48) | (8,265,894.27) |
| Obligated balance, end of year | | |
| 3090 Unpaid Obligations, end of year (gross) | <u>113,362,189,620.57</u> | <u>94,601,476,364.65</u> |
| 3100 Obligated balance, end of year | <u>113,362,189,620.57</u> | <u>94,601,476,364.65</u> |

Department of Defense
Security Assistance
COMBINED STATEMENT OF BUDGETARY RESOURCES
For the periods ended December 31, 2011 and 2010

| | <u>2012 Combined</u> | <u>2011 Combined</u> |
|--|--------------------------|-------------------------|
| Budget Authority and Outlays, Net: | | |
| 4175 Budget authority, gross (discretionary and mandatory) | 23,701,147,285.79 | 9,576,279,381.33 |
| 4177 Actual offsetting collections (discretionary and mandatory) (-) | (42,250.95) | (24,813.64) |
| 4180 Budget Authority, net (discretionary and mandatory) | <u>23,701,105,034.84</u> | <u>9,576,254,567.69</u> |
| 4185 Outlays, gross (discretionary and mandatory) | 7,226,456,550.49 | 6,645,502,456.44 |
| 4187 Actual offsetting collections (discretionary and mandatory) (-) | (42,250.95) | (24,813.64) |
| 4190 Outlays, net (discretionary and mandatory) | 7,226,414,299.54 | 6,645,477,642.80 |
| 4200 Distributed offsetting receipts | (5,484,596,123.72) | (6,487,501,519.15) |
| 4210 Agency Outlays, net (discretionary and mandatory) | <u>1,741,818,175.82</u> | <u>157,976,123.65</u> |

Department of Defense
 Security Assistance
COMBINED STATEMENT OF BUDGETARY RESOURCES
 For the periods ended December 31, 2011 and 2010

| | <u>2012 Combined</u> | <u>2011 Combined</u> |
|---|-------------------------|-------------------------|
| NonBudgetary Resources | | |
| 1000 Unobligated balance brought forward, October 1 | 27,563.78 | 7,109,811.42 |
| 1020.5 Unobligated balance brought forward, October 1, as Adjusted | 27,563.78 | 7,109,811.42 |
| 1051 Unobligated balance from prior year budget authority, net | 27,563.78 | 7,109,811.42 |
| 1490 Borrowing Authority (discretionary and mandatory) | 0.00 | (7,082,247.64) |
| 1910 Total Budgetary Resources | <u>27,563.78</u> | <u>27,563.78</u> |
| Status of Budgetary Resources: | | |
| Unobligated balance, end of year | | |
| 2404 Unapportioned | 27,563.78 | 27,563.78 |
| 2490 Unobligated balance brought forward, end of year | <u>27,563.78</u> | <u>27,563.78</u> |
| 2500 Total Budgetary Resources | <u>27,563.78</u> | <u>27,563.78</u> |
| Change in Obligated Balance: | | |
| 3000 Unpaid obligations, brought forward, October 1 (gross) | 2,462,223,500.00 | 2,462,223,500.00 |
| 3015 Obligated balance start of year (net), before adjustments (+ or | 2,462,223,500.00 | 2,462,223,500.00 |
| 3021 Obligated balance, start of year (net), as adjusted | 2,462,223,500.00 | 2,462,223,500.00 |
| Obligated balance, end of year | | |
| 3090 Unpaid Obligations, end of year (gross) | 2,462,223,500.00 | 2,462,223,500.00 |
| 3100 Obligated balance, end of year | <u>2,462,223,500.00</u> | <u>2,462,223,500.00</u> |

Department of Defense
Security Assistance
COMBINED STATEMENT OF BUDGETARY RESOURCES
For the periods ended December 31, 2011 and 2010

| | <u>2012 Combined</u> | <u>2011 Combined</u> |
|--|-----------------------|------------------------|
| Budget Authority and Outlays, Net: | | |
| 4175 Budget authority, gross (discretionary and mandatory) | 0.00 | (7,082,247.64) |
| 4177 Actual offsetting collections (discretionary and mandatory) (-) | (6,972,006.43) | (18,263,543.90) |
| 4179 Anticipated offsetting collections (discretionary and | 162,684,436.64 | 162,673,433.53 |
| 4180 Budget Authority, net (discretionary and mandatory) | <u>155,712,430.21</u> | <u>137,327,641.99</u> |
| 4187 Actual offsetting collections (discretionary and mandatory) (-) | (6,972,006.43) | (18,263,543.90) |
| 4190 Outlays, net (discretionary and mandatory) | (6,972,006.43) | (18,263,543.90) |
| 4210 Agency Outlays, net (discretionary and mandatory) | <u>(6,972,006.43)</u> | <u>(18,263,543.90)</u> |