
DEPARTMENT OF DEFENSE

FY 2001

***AGENCY-WIDE
FINANCIAL STATEMENTS***

PRINCIPAL STATEMENTS

Principal Statements



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Principal Statements



Department of Defense Agency-wide CONSOLIDATED BALANCE SHEET (\$ in millions)

As of September 30, 2001	FY 2001	FY 2000
ASSETS ^(Note 2)		
Intragovernmental:		
Fund Balance with Treasury ^(Note 3)	\$ 190,129.1	\$ 177,531.3
Investments ^(Note 4)	173,288.2	166,522.4
Accounts Receivable ^(Note 5)	1,064.2	821.4
Other Assets ^(Note 6)	4.2	0
Total Intragovernmental Assets	<u>\$ 364,485.7</u>	<u>\$ 344,875.1</u>
Cash and Other Monetary Assets ^(Note 7)	\$ 1,014.1	\$ 420.9
Accounts Receivable ^(Note 5)	4,613.8	4,714.2
Inventory and Related Property ^(Note 9)	205,406.2	139,067.5
General Property, Plant and Equipment ^(Note 10)	113,826.8	112,520.4
Other Assets ^(Note 6)	17,834.4	15,136.7
TOTAL ASSETS	<u><u>\$ 707,181.0</u></u>	<u><u>\$ 616,734.8</u></u>
LIABILITIES ^(Note 11)		
Intragovernmental:		
Accounts Payable ^(Note 12)	\$ 124.4	\$ 89.7
Debt ^(Note 13)	986.2	1,080.4
Other Liabilities ^(Note 15 & Note 16)	6,092.9	5,493.8
Total Intragovernmental Liabilities	<u>\$ 7,203.5</u>	<u>\$ 6,663.9</u>
Accounts Payable ^(Note 12)	\$ 22,707.5	\$ 19,575.4
Military Retirement Benefits and Other Employment- Related Actuarial Liabilities ^(Note 17)	1,296,210.7	889,439.1
Environmental Liabilities ^(Note 14)	63,293.8	63,213.6
Loan Guarantee Liability ^(Note 8)	3.3	2.1
Other Liabilities ^(Note 15 & Note 16)	28,621.2	23,858.3
TOTAL LIABILITIES	<u>\$ 1,418,040.0</u>	<u>\$ 1,002,752.4</u>
NET POSITION		
Unexpended Appropriations ^(Note 18)	\$ 163,190.6	\$ 155,758.4
Cumulative Results of Operations	(874,049.6)	(541,776.0)
TOTAL NET POSITION	<u>\$ (710,859.0)</u>	<u>\$ (386,017.6)</u>
TOTAL LIABILITIES AND NET POSITION	<u><u>\$ 707,181.0</u></u>	<u><u>\$ 616,734.8</u></u>

The accompanying notes are an integral part of these statements
See Notes 1 - 18

Principal Statements



Department of Defense Agency-wide CONSOLIDATED STATEMENT OF NET COST (\$ in millions)

Year Ended September 30, 2001	FY 2001	FY 2000
Program Costs:		
Intragovernmental	\$ 10,141.7	\$ 9,747.7
With the Public	<u>754,851.0</u>	<u>365,137.2</u>
Total Program Cost	\$ 764,992.7	\$ 374,884.9
(Less: Earned Revenue)	<u>(29,977.4)</u>	<u>(27,411.4)</u>
Net Program Cost	\$ 735,015.3	\$ 347,473.5
Cost Not Assigned to Programs	0	0
(Less: Earned Revenues Not Attributable to Programs)	<u>0</u>	<u>0</u>
Net Cost of Operations	<u>\$ 735,015.3</u>	<u>\$ 347,473.5</u>

The accompanying notes are an integral part of these statements
See Notes 1 and 19

Principal Statements



**Department of Defense Agency-wide
CONSOLIDATED STATEMENT OF CHANGES IN NET POSITION
(\$ in millions)**

Year Ended September 30, 2001	FY 2001	FY 2000
Net Cost of Operations	\$ 735,015.3	\$ 347,473.5
Financing Sources (other than exchange revenues):		
Appropriations Used	318,537.3	309,277.3
Taxes and Other Nonexchange Revenue	1,144.1	954.8
Donations – Nonexchange Revenue	6.2	3.8
Imputed Financing ^(Note 20)	3,421.5	3,315.0
Transfers – In	1,084.7	19.9
Transfers – Out	(777.4)	(139.0)
Other	18,236.5	7,973.8
Total Financing Sources (other than exchange revenues)	\$ 341,652.9	\$ 321,405.6
Net Results of Operations	\$ (393,362.4)	\$ (26,067.9)
Prior Period Adjustments ^(Note 20)	60,934.4	41,282.0
Net Change in Cumulative Results of Operations Increase (Decrease) in Unexpended Appropriations	7,586.6	(1,263.1)
Change in Net Position	\$ (324,841.4)	\$ 13,951.0
Net Position – Beginning of the Period	(386,017.6)	(399,968.6)
Net Position – End of the Period	\$ (710,859.0)	\$ (386,017.6)

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See Notes 1 and 20

Principal Statements



**Department of Defense Agency-wide
COMBINED STATEMENT OF BUDGETARY RESOURCES
(\$ in millions)**

Year Ended September 30, 2001	FY 2001	FY 2000
BUDGETARY RESOURCES		
Budget Authority	\$ 379,831.7	\$ 353,856.0
Unobligated Balance - Beginning of the Period	201,966.6	192,551.9
Net Transfers Prior-Year Balance, Actual	(2,846.2)	82.8
Spending Authority from Offsetting Collections	103,789.1	101,358.9
Adjustments	10,781.7	8,223.2
Total Budgetary Resources	<u>\$ 693,522.9</u>	<u>\$ 656,072.8</u>
STATUS OF BUDGETARY RESOURCES		
Obligations Incurred	\$ 483,047.1	\$ 454,062.0
Unobligated Balances – Available	204,544.1	195,730.4
Unobligated Balances – Not Available	5,931.7	6,280.4
Total Status of Budgetary Resources	<u>\$ 693,522.9</u>	<u>\$ 656,072.8</u>
OUTLAYS		
Obligations Incurred	\$ 483,047.1	\$ 454,062.0
Less: Spending Authority From Offsetting Collections and Obligation Adjustments	(122,311.5)	(116,761.1)
Obligated Balance, Net – Beginning of the Period	150,690.2	149,961.2
Obligated Balance Transferred, Net	0	0
Less: Obligated Balance, Net – End of the Period	(162,465.8)	(150,631.9)
Total Outlays	<u>\$ 348,960.0</u>	<u>\$ 336,630.2</u>

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See Notes 1 and 21

Principal Statements



Department of Defense Agency-wide COMBINED STATEMENT OF FINANCING (\$ in millions)

Year Ended September 30, 2001	FY 2001	FY 2000
OBLIGATIONS AND NONBUDGETARY RESOURCES		
Obligations Incurred	\$ 483,047.1	\$ 454,062.0
Less: Spending Authority for Offsetting Collections and Obligation Adjustments	(122,311.5)	(116,761.1)
Donations Not in the Entity's Budget	.3	0
Financing Imputed for Cost Subsidies	3,421.5	3,315.0
Transfers – In (Out) – Financing	(946.4)	1,541.1
Less: Exchange Revenue Not in the Entity's Budget	(675.8)	(704.5)
Nonexchange Revenue Not in the Entity's Budget	(26.0)	23.1
Less: Trust or Special Fund Receipts Related to Exchange in the Entity's Budget	(41,098.4)	(40,018.1)
Other	0	0
Total Obligations as Adjusted and Nonbudgetary Resources	<u>\$ 321,410.8</u>	<u>\$ 301,457.5</u>
RESOURCES THAT DO NOT FUND NET COST OF OPERATIONS		
Change in Amount of Goods, Services, and Benefits Ordered but Not Yet Received - (Increases)/Decrease	\$ (2,565.2)	\$ 8,232.8
Change in Unfilled Customer Orders	(347.2)	(525.9)
Costs Capitalized on the Balance Sheet – (Increases)/Decreases	(13,631.5)	(16,345.8)
Financing Sources that Fund Costs of Prior Periods	(149.6)	(16,305.4)
Collections that Decrease Credit Program Receivables or Increase Credit Program Liabilities	0	0
Adjustments for Trust Fund Outlays that Do Not Affect Net Cost	0	0
Other - (Increases)/Decreases	1,705.1	10,708.6
Total Resources that Do Not Fund Net Costs of Operations	<u>\$ (14,988.4)</u>	<u>\$ (14,235.7)</u>
COMPONENTS OF COSTS OF OPERATIONS THAT DO NOT REQUIRE OR GENERATE RESOURCES		
Depreciation and Amortization	\$ 6,453.9	\$ 4,096.7
Bad Debts Related to Uncollectable Noncredit Reform Receivables	30.5	178.0
Revaluation of Assets and Liabilities - Increase/(Decrease)	2,861.4	10,960.2
Loss on Disposition of Assets	3,808.9	85.5
Other - Increases/(Decreases)	352.9	(4,595.1)
Total Costs that Do Not Require Resources	<u>\$ 13,507.6</u>	<u>\$ 10,725.3</u>
FINANCING SOURCES YET TO BE PROVIDED	<u>\$ 415,085.3</u>	<u>\$ 49,526.4</u>
NET COST OF OPERATIONS	<u><u>\$ 735,015.3</u></u>	<u><u>\$ 347,473.5</u></u>

The accompanying notes are an integral part of these statements
See Note 22

Principal Statements



**Department of Defense Agency-wide
STATEMENT OF CUSTODIAL ACTIVITY
(\$ in millions)**

Year Ended September 30, 2001	FY 2001	FY 2000
SOURCES OF COLLECTIONS:		
Deposits by Foreign Governments	\$ 9,743.6	\$ 10,887.3
Other Collections	0	0
Total Cash Collections	<u>\$ 9,743.6</u>	<u>\$ 10,887.3</u>
Accrual Adjustments (+/-)	\$ 0	\$ 0
Total Custodial Collections	<u>\$ 9,743.6</u>	<u>\$ 10,887.3</u>
DISPOSITION OF COLLECTIONS:		
Disbursed on Behalf of Foreign Governments and International Organizations	\$ 9,685.6	\$ 10,610.1
Increase (Decrease) in Amounts to be Transferred	58.0	277.2
Collections Used for Refunds and Other Payments	0	0
Retained by the Reporting Entity	0	0
Total Disposition of Collections	<u>\$ 9,743.6</u>	<u>\$ 10,887.3</u>
NET CUSTODIAL COLLECTION	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>

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See Note 23