

Department of Defense
Navy Working Capital Fund
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) | \$ 834,339,908.04 | \$ 245,245,960.43 |
| 3. Accounts Receivable (Note 5) | 443,186,164.31 | 420,435,755.22 |
| 4. Other Assets (Note 6) | 210,285.15 | 509,114.69 |
| 5. Total Intragovernmental Assets | <u>\$ 1,277,736,357.50</u> | <u>\$ 666,190,830.34</u> |
| B. Cash and Other Monetary Assets (Note 7) | \$ 732,030.99 | \$ 2,418,918.67 |
| C. Accounts Receivable, Net (Note 5) | 81,947,069.45 | 124,779,783.40 |
| E. Inventory and Related Property, Net (Note 9) | 17,192,491,936.61 | 12,374,172,036.12 |
| F. General Property, Plant and Equipment, Net (Note 10) | 2,515,974,823.17 | 2,838,937,283.45 |
| H. Other Assets (Note 6) | 498,775,768.27 | 386,936,488.17 |
| 2. TOTAL ASSETS | <u>\$ 21,567,657,985.99</u> | <u>\$ 16,393,435,340.15</u> |
| 3. STEWARDSHIP PROPERTY, PLANT & EQUIPMENT (Note 10) | | |
| 4. LIABILITIES (Note 11) | | |
| A. Intragovernmental: | | |
| 1. Accounts Payable (Note 12) | \$ 108,011,227.59 | \$ 107,075,469.00 |
| 3. Other Liabilities (Note 15 & 16) | 437,866,235.02 | 445,706,173.57 |
| 4. Total Intragovernmental Liabilities | <u>\$ 545,877,462.61</u> | <u>\$ 552,781,642.57</u> |
| B. Accounts Payable (Note 12) | \$ 2,385,327,360.23 | \$ 2,838,753,536.39 |
| C. Military Retirement and Other Federal Employment Benefits (Note 17) | 770,308,269.44 | 931,159,990.89 |
| F. Other Liabilities (Note 15 & Note 16) | 1,341,178,239.02 | 1,635,725,491.55 |
| 5. TOTAL LIABILITIES | <u>\$ 5,042,691,331.30</u> | <u>\$ 5,958,420,661.40</u> |
| 6. COMMITMENTS AND CONTINGENCIES (NOTE 16) | | |
| 7. NET POSITION | | |
| B. Unexpended Appropriations - Other Funds | 28,506,429.20 | 29,130,434.16 |
| D. Cumulative Results of Operations - Other Funds | 16,496,460,225.49 | 10,405,884,244.59 |
| 8. TOTAL NET POSITION | <u>\$ 16,524,966,654.69</u> | <u>\$ 10,435,014,678.75</u> |
| 9. TOTAL LIABILITIES AND NET POSITION | <u>\$ 21,567,657,985.99</u> | <u>\$ 16,393,435,340.15</u> |

Department of Defense
Navy Working Capital Fund
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 | \$ 6,901,037,819.62 | \$ 5,172,749,453.59 |
| Operations, Readiness & Support | 6,901,037,819.62 | 5,172,749,453.59 |
| B. (Less: Earned Revenue) | (11,559,994,369.41) | (5,006,055,746.21) |
| C. Net Cost before Losses/(Gains) from Actuarial Assumption Changes for Military Retirement Benefits | <u>(4,658,956,549.79)</u> | <u>166,693,707.38</u> |
| 2. Net Cost of Operations | <u>\$ (4,658,956,549.79)</u> | <u>\$ 166,693,707.38</u> |

Department of Defense
Navy Working Capital Fund
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 | \$ 0.00 | \$ 13,283,262,829.79 |
| 3. Beginning balances, as adjusted | <u>0.00</u> | <u>13,283,262,829.79</u> |
| 4. Budgetary Financing Sources: | | |
| 4.B. Appropriations used | 0.00 | 14,261.26 |
| 4.C. Nonexchange revenue | 0.00 | (1,862.24) |
| 5. Other Financing Sources: | | |
| 5.B. Transfers-in/out without reimbursement (+/-) | 0.00 | (32,033,189.96) |
| 5.C. Imputed financing from costs absorbed by others | 0.00 | 139,429,026.45 |
| 5.D. Other (+/-) | 0.00 | (1,553,156,156.94) |
| 6. Total Financing Sources | <u>0.00</u> | <u>(1,445,747,921.43)</u> |
| 7. Net Cost of Operations (+/-) | <u>0.00</u> | <u>(4,658,945,317.13)</u> |
| 8. Net Change | <u>0.00</u> | <u>3,213,197,395.70</u> |
| 9. Cumulative Results of Operations | 0.00 | 16,496,460,225.49 |
| UNEXPENDED APPROPRIATIONS | | |
| 10. Beginning Balances | \$ 0.00 | \$ 28,520,690.46 |
| 12. Beginning balances, as adjusted | <u>0.00</u> | <u>28,520,690.46</u> |
| 13. Budgetary Financing Sources: | | |
| 13.D. Appropriations used | 0.00 | (14,261.26) |
| 14. Total Budgetary Financing Sources | 0.00 | (14,261.26) |
| 15. Unexpended Appropriations | <u>0.00</u> | <u>28,506,429.20</u> |
| 16. Net Position | 0.00 | 16,524,966,654.69 |

Department of Defense
Navy Working Capital Fund
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 | \$ 13,283,262,829.79 |
| 3. Beginning balances, as adjusted | <u>0.00</u> | <u>13,283,262,829.79</u> |
| 4. Budgetary Financing Sources: | | |
| 4.B. Appropriations used | 0.00 | 14,261.26 |
| 4.C. Nonexchange revenue | 11,232.66 | (13,094.90) |
| 5. Other Financing Sources: | | |
| 5.B. Transfers-in/out without reimbursement (+/-) | 0.00 | (32,033,189.96) |
| 5.C. Imputed financing from costs absorbed by others | 0.00 | 139,429,026.45 |
| 5.D. Other (+/-) | 0.00 | (1,553,156,156.94) |
| 6. Total Financing Sources | <u>11,232.66</u> | <u>(1,445,759,154.09)</u> |
| 7. Net Cost of Operations (+/-) | <u>11,232.66</u> | <u>(4,658,956,549.79)</u> |
| 8. Net Change | <u>0.00</u> | <u>3,213,197,395.70</u> |
| 9. Cumulative Results of Operations | 0.00 | 16,496,460,225.49 |
| UNEXPENDED APPROPRIATIONS | | |
| 10. Beginning Balances | \$ 0.00 | \$ 28,520,690.46 |
| 12. Beginning balances, as adjusted | <u>0.00</u> | <u>28,520,690.46</u> |
| 13. Budgetary Financing Sources: | | |
| 13.D. Appropriations used | 0.00 | (14,261.26) |
| 14. Total Budgetary Financing Sources | 0.00 | (14,261.26) |
| 15. Unexpended Appropriations | <u>0.00</u> | <u>28,506,429.20</u> |
| 16. Net Position | <u>0.00</u> | <u>16,524,966,654.69</u> |

Department of Defense
Navy Working Capital Fund
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 | \$ 0.00 | \$ 10,385,206,633.77 |
| 3. Beginning balances, as adjusted | <u>0.00</u> | <u>10,385,206,633.77</u> |
| 4. Budgetary Financing Sources: | | |
| 4.B. Appropriations used | 0.00 | 1,823,214.97 |
| 4.C. Nonexchange revenue | 0.00 | 0.00 |
| 5. Other Financing Sources: | | |
| 5.B. Transfers-in/out without reimbursement (+/-) | 0.00 | (22,247,391.61) |
| 5.C. Imputed financing from costs absorbed by others | 0.00 | 110,363,967.58 |
| 5.D. Other (+/-) | 0.00 | 97,729,840.34 |
| 6. Total Financing Sources | <u>0.00</u> | <u>187,669,631.28</u> |
| 7. Net Cost of Operations (+/-) | <u>0.00</u> | <u>166,992,020.46</u> |
| 8. Net Change | <u>0.00</u> | <u>20,677,610.82</u> |
| 9. Cumulative Results of Operations | 0.00 | 10,405,884,244.59 |
| UNEXPENDED APPROPRIATIONS | | |
| 10. Beginning Balances | \$ 0.00 | \$ 30,953,649.13 |
| 12. Beginning balances, as adjusted | <u>0.00</u> | <u>30,953,649.13</u> |
| 13. Budgetary Financing Sources: | | |
| 13.D. Appropriations used | 0.00 | (1,823,214.97) |
| 14. Total Budgetary Financing Sources | 0.00 | (1,823,214.97) |
| 15. Unexpended Appropriations | <u>0.00</u> | <u>29,130,434.16</u> |
| 16. Net Position | 0.00 | 10,435,014,678.75 |

Department of Defense
Navy Working Capital Fund
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 | \$ 10,385,206,633.77 |
| 3. Beginning balances, as adjusted | <u>0.00</u> | <u>10,385,206,633.77</u> |
| 4. Budgetary Financing Sources: | | |
| 4.B. Appropriations used | 0.00 | 1,823,214.97 |
| 4.C. Nonexchange revenue | 298,313.08 | (298,313.08) |
| 5. Other Financing Sources: | | |
| 5.B. Transfers-in/out without reimbursement (+/-) | 0.00 | (22,247,391.61) |
| 5.C. Imputed financing from costs absorbed by others | 0.00 | 110,363,967.58 |
| 5.D. Other (+/-) | 0.00 | 97,729,840.34 |
| 6. Total Financing Sources | <u>298,313.08</u> | <u>187,371,318.20</u> |
| 7. Net Cost of Operations (+/-) | <u>298,313.08</u> | <u>166,693,707.38</u> |
| 8. Net Change | <u>0.00</u> | <u>20,677,610.82</u> |
| 9. Cumulative Results of Operations | 0.00 | 10,405,884,244.59 |
| UNEXPENDED APPROPRIATIONS | | |
| 10. Beginning Balances | \$ 0.00 | \$ 30,953,649.13 |
| 12. Beginning balances, as adjusted | <u>0.00</u> | <u>30,953,649.13</u> |
| 13. Budgetary Financing Sources: | | |
| 13.D. Appropriations used | 0.00 | (1,823,214.97) |
| 14. Total Budgetary Financing Sources | 0.00 | (1,823,214.97) |
| 15. Unexpended Appropriations | <u>0.00</u> | <u>29,130,434.16</u> |
| 16. Net Position | 0.00 | 10,435,014,678.75 |

Department of Defense
Navy Working Capital Fund
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 | \$ 2,900,938,717.24 | \$ 3,554,312,823.72 |
| 2. Recoveries of prior year unpaid obligations | 212,584,609.34 | 131,776,196.73 |
| 3. Budget authority | | |
| 3.C. Contract authority | 6,777,476,123.09 | 6,362,786,518.31 |
| 3.D. Spending authority from offsetting collections | | |
| 3.D.1 Earned | | |
| 3.D.1.a. Collected | 6,673,615,953.16 | 5,636,496,875.50 |
| 3.D.1.b. Change in receivables from Federal sources | (552,202,335.24) | (31,803,722.89) |
| 3.D.2 Change in unfilled customer orders | | |
| 3.D.2.a. Advance received | 6,365,197.64 | (68,586,973.13) |
| 3.D.2.b. Without advance from Federal sources | 2,214,310,300.60 | 2,248,199,003.61 |
| 3.D.3. Anticipated for rest of year, without advances | 13,399,071,015.07 | 12,520,471,630.60 |
| 3.E. Subtotal | <u>28,518,636,254.32</u> | <u>26,667,563,332.00</u> |
| 6. Permanently not available | (2,045,685,955.90) | (1,696,465,833.13) |
| 7. Total Budgetary Resources | <u><u>\$ 29,586,473,625.00</u></u> | <u><u>\$ 28,657,186,519.32</u></u> |

Department of Defense
Navy Working Capital Fund
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.B. Reimbursable | 8,197,821,521.50 | 7,531,549,033.26 |
| 8.C. Subtotal | <u>8,197,821,521.50</u> | <u>7,531,549,033.26</u> |
| 9. Unobligated balance: | | |
| 9.A. Apportioned | 4,879,692,246.56 | 16,258,747,862.54 |
| 9.B. Exempt from apportionment | 16,495,463,767.57 | 4,859,861,526.85 |
| 9.C. Subtotal | <u>21,375,156,014.13</u> | <u>21,118,609,389.39</u> |
| 10. Unobligated balance not available | 13,496,089.37 | 7,028,096.67 |
| 11. Total status of budgetary resources | <u><u>\$ 29,586,473,625.00</u></u> | <u><u>\$ 28,657,186,519.32</u></u> |
| Change in Obligated Balance: | | |
| 12. Obligated balance, net | | |
| 12.A. Unpaid obligations, brought forward, October 1 | \$ 12,105,210,655.51 | \$ 12,411,971,520.05 |
| 12.B. Less: Uncollected customer payments from Federal sources, brought forward, October 1 | (9,724,859,752.44) | (8,910,089,195.71) |
| 12.C. Total unpaid obligated balance | <u>2,380,350,903.07</u> | <u>3,501,882,324.34</u> |
| 13. Obligations incurred net (+/-) | 8,197,821,521.50 | 7,531,549,033.26 |
| 14. Less: Gross outlays | (6,838,330,361.96) | (6,493,708,143.03) |
| 16. Less: Recoveries of prior year unpaid obligations, actual | (212,584,609.34) | (131,776,196.73) |
| 17. Change in uncollected customer payments from Federal sources (+/-) | (1,662,107,965.36) | (2,216,395,280.72) |
| 18. Obligated balance, net, end of period | | |
| 18.A. Unpaid obligations | 13,252,117,205.71 | 13,318,036,213.55 |
| 18.B. Less: Uncollected customer payments from Federal sources (-) | (11,386,967,717.80) | (11,126,484,476.43) |
| 18.C. Total, unpaid obligated balance, net, end of period | <u>1,865,149,487.91</u> | <u>2,191,551,737.12</u> |
| Net Outlays | | |
| 19. Net Outlays: | | |
| 19.A. Gross outlays | 6,838,330,361.96 | 6,493,708,143.03 |
| 19.B. Less: Offsetting collections | (6,679,981,150.80) | (5,567,909,902.37) |
| 19.D. Net Outlays | <u><u>\$ 158,349,211.16</u></u> | <u><u>\$ 925,798,240.66</u></u> |