

Consolidating and Combining Statements

Department of Defense
Agency Wide
CONSOLIDATING BALANCE SHEET
As of September 30, 2005 and 2004
(\$ in Millions)

	Army General Fund	Navy General Fund	Air Force General Fund
ASSETS (Note 2)			
Intragovernmental:			
Fund Balance with Treasury (Note 3)			
Entity	\$ 86,799.0	\$ 85,734.7	\$ 62,273.0
Non-Entity Seized Iraqi Cash	61.4	0.0	0.0
Non-Entity-Other	232.9	344.5	77.3
Investments (Note 4)	3.5	9.5	0.7
Accounts Receivable (Note 5)	276.7	281.4	653.6
Other Assets (Note 6)	824.3	672.3	428.0
Total Intragovernmental Assets	\$ 88,197.8	\$ 87,042.4	\$ 63,432.6
Cash and Other Monetary Assets (Note 7)	\$ 1,482.0	\$ 305.4	\$ 151.8
Accounts Receivable (Note 5)	584.0	3,267.7	1,028.3
Loans Receivable (Note 8)	0.0	0.0	0.0
Inventory and Related Property (Note 9)	37,703.4	55,584.8	47,169.0
General Property, Plant and Equipment (Note 10)	120,401.7	158,328.8	123,646.1
Investments (Note 4)	0.0	0.0	0.0
Other Assets (Note 6)	3,844.5	6,988.8	11,179.0
TOTAL ASSETS	\$ 252,213.4	\$ 311,517.9	\$ 246,606.8
LIABILITIES (Note 11)			
Intragovernmental:			
Accounts Payable (Note 12)	\$ 1,918.4	\$ 1,208.8	\$ 1,651.9
Debt (Note 13)	0.0	0.0	0.0
Other Liabilities (Note 15 & Note 16)	2,372.3	3,826.0	1,589.9
Total Intragovernmental Liabilities	\$ 4,290.7	\$ 5,034.8	\$ 3,241.8
Accounts Payable (Note 12)	\$ 10,137.0	\$ 1,180.0	\$ 5,851.2
Military Retirement Benefits and Other Employment-Related Actuarial Liabilities (Note 17)	1,663.6	1,532.8	1,147.4
Environmental Liabilities (Note 14)	39,760.5	17,050.5	7,126.2
Loan Guarantee Liability (Note 8)	12.4	0.0	0.0
Other Liabilities (Note 15 and Note 16)	6,401.9	4,459.8	4,179.5
TOTAL LIABILITIES	\$ 62,266.1	\$ 29,257.9	\$ 21,546.1
NET POSITION			
Unexpended Appropriations	\$ 74,704.7	\$ 89,739.9	\$ 63,716.6
Cumulative Results of Operations	115,242.6	192,520.1	161,344.1
TOTAL NET POSITION	\$ 189,947.3	\$ 282,260.0	\$ 225,060.7
TOTAL LIABILITIES AND NET POSITION	\$ 252,213.4	\$ 311,517.9	\$ 246,606.8

Department of Defense
Agency Wide
CONSOLIDATING BALANCE SHEET
As of September 30, 2005 and 2004
(\$ in Millions)

	Army Working Capital Fund	Navy Working Capital Fund	Air Force Working Capital Fund
ASSETS (Note 2)			
Intragovernmental:			
Fund Balance with Treasury (Note 3)			
Entity	\$ 623.3	\$ 977.9	\$ 1,164.2
Non-Entity Seized Iraqi Cash	0.0	0.0	0.0
Non-Entity-Other	0.0	0.0	0.0
Investments (Note 4)	0.0	0.0	0.0
Accounts Receivable (Note 5)	366.8	494.5	510.6
Other Assets (Note 6)	0.0	0.4	48.5
Total Intragovernmental Assets	\$ 990.1	\$ 1,472.8	\$ 1,723.3
Cash and Other Monetary Assets (Note 7)	\$ 0.0	\$ 0.0	\$ 0.0
Accounts Receivable (Note 5)	12.0	29.7	219.9
Loans Receivable (Note 8)	0.0	0.0	0.0
Inventory and Related Property (Note 9)	15,933.1	15,610.8	32,701.7
General Property, Plant and Equipment (Note 10)	1,228.2	3,730.5	1,205.6
Investments (Note 4)	0.0	0.0	0.0
Other Assets (Note 6)	333.7	536.7	440.3
TOTAL ASSETS	\$ 18,497.1	\$ 21,380.5	\$ 36,290.8
LIABILITIES (Note 11)			
Intragovernmental:			
Accounts Payable (Note 12)	\$ 105.7	\$ 199.6	\$ 199.8
Debt (Note 13)	0.0	381.5	0.0
Other Liabilities (Note 15 & Note 16)	75.6	457.5	146.5
Total Intragovernmental Liabilities	\$ 181.3	\$ 1,038.6	\$ 346.3
Accounts Payable (Note 12)	\$ 295.8	\$ 2,152.1	\$ 546.7
Military Retirement Benefits and Other Employment-Related	286.5	1,192.6	233.7
Actuarial Liabilities (Note 17)			
Environmental Liabilities (Note 14)	0.0	0.0	0.0
Loan Guarantee Liability (Note 8)	0.0	0.0	0.0
Other Liabilities (Note 15 and Note 16)	642.5	3,450.7	1,389.3
TOTAL LIABILITIES	\$ 1,406.1	\$ 7,834.0	\$ 2,516.0
NET POSITION			
Unexpended Appropriations	\$ 0.0	\$ 6.3	\$ 0.0
Cumulative Results of Operations	17,091.0	13,540.2	33,774.8
TOTAL NET POSITION	\$ 17,091.0	\$ 13,546.5	\$ 33,774.8
TOTAL LIABILITIES AND NET POSITION	\$ 18,497.1	\$ 21,380.5	\$ 36,290.8



Department of Defense
Agency Wide
CONSOLIDATING BALANCE SHEET
As of September 30, 2005 and 2004
(\$ in Millions)

	Military Retirement Fund	US Army Corps of Engineers	Other Defense Organizations General Funds
ASSETS (Note 2)			
Intragovernmental:			
Fund Balance with Treasury (Note 3)			
Entity	\$ 22.9	\$ 3,138.2	\$ 46,854.7
Non-Entity Seized Iraqi Cash	0.0	0.0	0.0
Non-Entity-Other	0.0	7.8	929.5
Investments (Note 4)	197,807.1	3,127.8	1,727.6
Accounts Receivable (Note 5)	0.0	614.0	432.7
Other Assets (Note 6)	0.0	0.0	502.2
Total Intragovernmental Assets	<u>\$ 197,830.0</u>	<u>\$ 6,887.8</u>	<u>\$ 50,446.7</u>
Cash and Other Monetary Assets (Note 7)	\$ 0.0	\$ 1.1	\$ 18.5
Accounts Receivable (Note 5)	26.7	1,750.9	196.7
Loans Receivable (Note 8)	0.0	0.0	75.6
Inventory and Related Property (Note 9)	0.0	117.4	1,409.3
General Property, Plant and Equipment (Note 10)	0.0	26,780.1	20,996.9
Investments (Note 4)	0.0	0.0	605.0
Other Assets (Note 6)	0.0	0.0	286.9
TOTAL ASSETS	<u><u>\$ 197,856.7</u></u>	<u><u>\$ 35,537.3</u></u>	<u><u>\$ 74,035.6</u></u>
LIABILITIES (Note 11)			
Intragovernmental:			
Accounts Payable (Note 12)	\$ 0.0	\$ 87.2	\$ 590.2
Debt (Note 13)	0.0	14.6	71.0
Other Liabilities (Note 15 & Note 16)	1.1	1,956.9	1,504.5
Total Intragovernmental Liabilities	<u>\$ 1.1</u>	<u>\$ 2,058.7</u>	<u>\$ 2,165.7</u>
Accounts Payable (Note 12)	\$ 0.0	\$ 535.9	\$ 2,411.9
Military Retirement Benefits and Other Employment-Related Actuarial Liabilities (Note 17)	892,111.6	0.0	299,981.7
Environmental Liabilities (Note 14)	0.0	529.6	520.4
Loan Guarantee Liability (Note 8)	0.0	0.0	28.7
Other Liabilities (Note 15 and Note 16)	3,321.3	600.9	3,993.1
TOTAL LIABILITIES	<u><u>\$ 895,434.0</u></u>	<u><u>\$ 3,725.1</u></u>	<u><u>\$ 309,101.5</u></u>
NET POSITION			
Unexpended Appropriations	\$ 0.0	\$ 1,005.8	\$ 42,270.5
Cumulative Results of Operations	(697,577.3)	30,806.4	(277,336.4)
TOTAL NET POSITION	<u><u>\$ (697,577.3)</u></u>	<u><u>\$ 31,812.2</u></u>	<u><u>\$ (235,065.9)</u></u>
TOTAL LIABILITIES AND NET POSITION	<u><u>\$ 197,856.7</u></u>	<u><u>\$ 35,537.3</u></u>	<u><u>\$ 74,035.6</u></u>



Department of Defense
Agency Wide
CONSOLIDATING BALANCE SHEET
As of September 30, 2005 and 2004
(\$ in Millions)

	Other Defense Organizations Working Capital Funds	DoD Medicare-Eligible Retiree Health Care Fund
ASSETS (Note 2)		
Intragovernmental:		
Fund Balance with Treasury (Note 3)		
Entity	\$ 1,410.8	\$ 5.0
Non-Entity Seized Iraqi Cash	0.0	0.0
Non-Entity-Other	0.0	0.0
Investments (Note 4)	0.0	60,691.7
Accounts Receivable (Note 5)	2,152.1	32.9
Other Assets (Note 6)	0.2	0.0
Total Intragovernmental Assets	\$ 3,563.1	\$ 60,729.6
Cash and Other Monetary Assets (Note 7)	\$ 113.9	\$ 0.0
Accounts Receivable (Note 5)	488.3	11.3
Loans Receivable (Note 8)	0.0	0.0
Inventory and Related Property (Note 9)	16,343.8	0.0
General Property, Plant and Equipment (Note 10)	4,381.4	0.0
Investments (Note 4)	0.0	0.0
Other Assets (Note 6)	212.2	0.0
TOTAL ASSETS	\$ 25,102.7	\$ 60,740.9
LIABILITIES (Note 11)		
Intragovernmental:		
Accounts Payable (Note 12)	\$ 614.6	\$ 0.0
Debt (Note 13)	0.0	0.0
Other Liabilities (Note 15 & Note 16)	308.1	0.0
Total Intragovernmental Liabilities	\$ 922.7	\$ 0.0
Accounts Payable (Note 12)	\$ 5,223.1	\$ 241.7
Military Retirement Benefits and Other Employment-Related	510.8	537,397.1
Actuarial Liabilities (Note 17)		
Environmental Liabilities (Note 14)	40.4	0.0
Loan Guarantee Liability (Note 8)	0.0	0.0
Other Liabilities (Note 15 and Note 16)	784.2	762.2
TOTAL LIABILITIES	\$ 7,481.2	\$ 538,401.0
NET POSITION		
Unexpended Appropriations	\$ 49.8	\$ 0.0
Cumulative Results of Operations	17,571.7	(477,660.1)
TOTAL NET POSITION	\$ 17,621.5	\$ (477,660.1)
TOTAL LIABILITIES AND NET POSITION	\$ 25,102.7	\$ 60,740.9



Department of Defense
Agency Wide
CONSOLIDATING BALANCE SHEET
As of September 30, 2005 and 2004
(\$ in Millions)

	Combined Total	Elimination	2005 Consolidated
ASSETS (Note 2)			
Intragovernmental:			
Fund Balance with Treasury (Note 3)			
Entity	\$ 289,003.7	\$ 0.0	\$ 289,003.7
Non-Entity Seized Iraqi Cash	61.4	0.0	61.4
Non-Entity-Other	1,592.0	0.0	1,592.0
Investments (Note 4)	263,367.9	0.1	263,367.8
Accounts Receivable (Note 5)	5,815.3	4,524.0	1,291.3
Other Assets (Note 6)	2,475.9	1,081.7	1,394.2
Total Intragovernmental Assets	\$ 562,316.2	\$ 5,605.8	\$ 556,710.4
Cash and Other Monetary Assets (Note 7)	\$ 2,072.7	\$ 0.0	\$ 2,072.7
Accounts Receivable (Note 5)	7,615.5	0.0	7,615.5
Loans Receivable (Note 8)	75.6	0.0	75.6
Inventory and Related Property (Note 9)	222,573.3	0.0	222,573.3
General Property, Plant and Equipment (Note 10)	460,699.3	0.0	460,699.3
Investments (Note 4)	605.0	0.0	605.0
Other Assets (Note 6)	23,822.1	0.0	23,822.1
TOTAL ASSETS	\$ 1,279,779.7	\$ 5,605.8	\$ 1,274,173.9
LIABILITIES (Note 11)			
Intragovernmental:			
Accounts Payable (Note 12)	\$ 6,576.2	\$ 4,518.2	\$ 2,058.0
Debt (Note 13)	467.1	0.0	467.1
Other Liabilities (Note 15 & Note 16)	12,238.4	1,087.6	11,150.8
Total Intragovernmental Liabilities	\$ 19,281.7	\$ 5,605.8	\$ 13,675.9
Accounts Payable (Note 12)	\$ 28,575.4	\$ 0.0	\$ 28,575.4
Military Retirement Benefits and Other Employment-Related	1,736,057.8	0.0	1,736,057.8
Actuarial Liabilities (Note 17)			
Environmental Liabilities (Note 14)	65,027.6	0.0	65,027.6
Loan Guarantee Liability (Note 8)	41.1	0.0	41.1
Other Liabilities (Note 15 and Note 16)	29,985.4	0.0	29,985.4
TOTAL LIABILITIES	\$ 1,878,969.0	\$ 5,605.8	\$ 1,873,363.2
NET POSITION			
Unexpended Appropriations	\$ 271,493.6	\$ 0.0	\$ 271,493.6
Cumulative Results of Operations	(870,682.9)	0.0	(870,682.9)
TOTAL NET POSITION	\$ (599,189.3)	\$ 0.0	\$ (599,189.3)
TOTAL LIABILITIES AND NET POSITION	\$ 1,279,779.7	\$ 5,605.8	\$ 1,274,173.9



Department of Defense
Agency Wide
CONSOLIDATING BALANCE SHEET
As of September 30, 2005 and 2004
(\$ in Millions)

	2004 Consolidated Restated
ASSETS (Note 2)	
Intragovernmental:	
Fund Balance with Treasury (Note 3)	
Entity	\$ 287,685.5
Non-Entity Seized Iraqi Cash	113.4
Non-Entity-Other	1,800.0
Investments (Note 4)	231,069.7
Accounts Receivable (Note 5)	1,118.3
Other Assets (Note 6)	1,011.9
Total Intragovernmental Assets	<u>\$ 522,798.8</u>
Cash and Other Monetary Assets (Note 7)	\$ 2,178.1
Accounts Receivable (Note 5)	7,427.8
Loans Receivable (Note 8)	70.7
Inventory and Related Property (Note 9)	220,505.6
General Property, Plant and Equipment (Note 10)	440,898.6
Investments (Note 4)	406.5
Other Assets (Note 6)	21,486.3
TOTAL ASSETS	<u><u>\$ 1,215,772.4</u></u>
LIABILITIES (Note 11)	
Intragovernmental:	
Accounts Payable (Note 12)	\$ 1,888.4
Debt (Note 13)	591.8
Other Liabilities (Note 15 & Note 16)	10,726.9
Total Intragovernmental Liabilities	<u>\$ 13,207.1</u>
Accounts Payable (Note 12)	\$ 28,309.0
Military Retirement Benefits and Other Employment-Related	1,569,704.7
Actuarial Liabilities (Note 17)	
Environmental Liabilities (Note 14)	64,367.2
Loan Guarantee Liability (Note 8)	34.4
Other Liabilities (Note 15 and Note 16)	34,491.2
TOTAL LIABILITIES	<u>\$ 1,710,113.6</u>
NET POSITION	
Unexpended Appropriations	\$ 243,813.9
Cumulative Results of Operations	(738,155.1)
TOTAL NET POSITION	<u>\$ (494,341.2)</u>
TOTAL LIABILITIES AND NET POSITION	<u><u>\$ 1,215,772.4</u></u>



Department of Defense

Agency Wide

CONSOLIDATING STATEMENT OF NET COST

For the periods ended September 30, 2005 and 2004

(\$ in Millions)

	Army General Fund	Navy General Fund	Air Force General Fund
Program Costs			
A. Military Personnel			
Intragovernmental Gross Costs	\$ (0.7)	\$ 8,103.2	\$ 349.2
(Less: Intragovernmental Earned Revenue)	(133.3)	(501.5)	(299.4)
Intragovernmental Net Costs	\$ (134.0)	\$ 7,601.7	\$ 49.8
Gross Costs With the Public	53,307.0	31,742.5	30,090.4
(Less: Earned Revenue From the Public)	(0.5)	0.0	(112.9)
Net Costs With the Public	\$ 53,306.5	\$ 31,742.5	\$ 29,977.5
Total Net Cost	\$ 53,172.5	\$ 39,344.2	\$ 30,027.3
B. Operation and Maintenance			
Intragovernmental Gross Costs	\$ 8,870.2	\$ 1,907.5	\$ 19,221.4
(Less: Intragovernmental Earned Revenue)	(11,077.0)	(6,896.3)	(4,397.1)
Intragovernmental Net Costs	\$ (2,206.8)	\$ (4,988.8)	\$ 14,824.3
Gross Costs With the Public	68,994.7	45,630.7	31,909.5
(Less: Earned Revenue From the Public)	(930.8)	0.0	(582.3)
Net Costs With the Public	\$ 68,063.9	\$ 45,630.7	\$ 31,327.2
Total Net Cost	\$ 65,857.1	\$ 40,641.9	\$ 46,151.5
C. Procurement			
Intragovernmental Gross Costs	\$ 970.0	\$ (82.4)	\$ 17,606.6
(Less: Intragovernmental Earned Revenue)	(927.3)	(1,022.3)	(316.7)
Intragovernmental Net Costs	\$ 42.7	\$ (1,104.7)	\$ 17,289.9
Gross Costs With the Public	10,210.1	20,547.3	12,496.1
(Less: Earned Revenue From the Public)	(49.4)	(605.2)	(92.3)
Net Costs With the Public	\$ 10,160.7	\$ 19,942.1	\$ 12,403.8
Total Net Cost	\$ 10,203.4	\$ 18,837.4	\$ 29,693.7

Department of Defense
Agency Wide
CONSOLIDATING STATEMENT OF NET COST
For the periods ended September 30, 2005 and 2004
(\$ in Millions)

	Other Defense Organizations General Funds	Combined Total	Elimination
	_____	_____	_____
Program Costs			
A. Military Personnel			
Intragovernmental Gross Costs		\$ 8,451.7	\$ 0.0
(Less: Intragovernmental Earned Revenue)		(934.2)	0.0
Intragovernmental Net Costs		\$ 7,517.5	\$ 0.0
Gross Costs With the Public		115,139.9	0.0
(Less: Earned Revenue From the Public)		(113.4)	0.0
Net Costs With the Public		\$ 115,026.5	\$ 0.0
Total Net Cost		\$ 122,544.0	\$ 0.0
B. Operation and Maintenance			
Intragovernmental Gross Costs	\$ 13,405.8	\$ 43,404.9	\$ 2,366.1
(Less: Intragovernmental Earned Revenue)	(2,652.5)	(25,022.9)	(1,833.6)
Intragovernmental Net Costs	\$ 10,753.3	\$ 18,382.0	\$ 532.5
Gross Costs With the Public	101,554.0	248,088.9	0.0
(Less: Earned Revenue From the Public)	(284.0)	(1,797.1)	0.0
Net Costs With the Public	\$ 101,270.0	\$ 246,291.8	\$ 0.0
Total Net Cost	\$ 112,023.3	\$ 264,673.8	\$ 532.5
C. Procurement			
Intragovernmental Gross Costs	\$ 368.4	\$ 18,862.6	\$ 0.0
(Less: Intragovernmental Earned Revenue)	(21.5)	(2,287.8)	0.0
Intragovernmental Net Costs	\$ 346.9	\$ 16,574.8	\$ 0.0
Gross Costs With the Public	2,886.3	46,139.8	0.0
(Less: Earned Revenue From the Public)	42.7	(704.2)	0.0
Net Costs With the Public	\$ 2,929.0	\$ 45,435.6	\$ 0.0
Total Net Cost	\$ 3,275.9	\$ 62,010.4	\$ 0.0



Department of Defense

Agency Wide

CONSOLIDATING STATEMENT OF NET COST

For the periods ended September 30, 2005 and 2004

(\$ in Millions)

	2005 Consolidated	2004 Consolidated
Program Costs		
A. Military Personnel		
Intragovernmental Gross Costs	\$ 8,451.7	\$ 16,533.8
(Less: Intragovernmental Earned Revenue)	(934.2)	(1,104.8)
Intragovernmental Net Costs	\$ 7,517.5	\$ 15,429.0
Gross Costs With the Public	115,139.9	96,919.3
(Less: Earned Revenue From the Public)	(113.4)	(87.8)
Net Costs With the Public	\$ 115,026.5	\$ 96,831.5
Total Net Cost	\$ 122,544.0	\$ 112,260.5
B. Operation and Maintenance		
Intragovernmental Gross Costs	\$ 41,038.8	\$ 37,562.8
(Less: Intragovernmental Earned Revenue)	(23,189.3)	(21,412.2)
Intragovernmental Net Costs	\$ 17,849.5	\$ 16,150.6
Gross Costs With the Public	248,088.9	172,818.9
(Less: Earned Revenue From the Public)	(1,797.1)	(1,896.8)
Net Costs With the Public	\$ 246,291.8	\$ 170,922.1
Total Net Cost	\$ 264,141.3	\$ 187,072.7
C. Procurement		
Intragovernmental Gross Costs	\$ 18,862.6	\$ 2,022.9
(Less: Intragovernmental Earned Revenue)	(2,287.8)	(1,824.3)
Intragovernmental Net Costs	\$ 16,574.8	\$ 198.6
Gross Costs With the Public	46,139.8	79,695.3
(Less: Earned Revenue From the Public)	(704.2)	(714.8)
Net Costs With the Public	\$ 45,435.6	\$ 78,980.5
Total Net Cost	\$ 62,010.4	\$ 79,179.1

Department of Defense

Agency Wide

CONSOLIDATING STATEMENT OF NET COST

For the periods ended September 30, 2005 and 2004

(\$ in Millions)

	Army General Fund	Navy General Fund	Air Force General Fund
D. Research, Development, Test & Evaluation			
Intragovernmental Gross Costs	\$ 3,077.4	\$ 0.0	\$ 9,218.5
(Less: Intragovernmental Earned Revenue)	(3,411.9)	(382.7)	(3,174.5)
Intragovernmental Net Costs	\$ (334.5)	\$ (382.7)	\$ 6,044.0
Gross Costs With the Public	10,373.7	16,105.6	14,262.6
(Less: Earned Revenue From the Public)	(127.1)	0.0	(160.7)
Net Costs With the Public	\$ 10,246.6	\$ 16,105.6	\$ 14,101.9
Total Net Cost	\$ 9,912.1	\$ 15,722.9	\$ 20,145.9
E. Military Construction/Family Housing			
Intragovernmental Gross Costs	\$ 3,657.7	\$ 0.0	\$ 264.9
(Less: Intragovernmental Earned Revenue)	(3,725.3)	(723.3)	1.2
Intragovernmental Net Costs	\$ (67.6)	\$ (723.3)	\$ 266.1
Gross Costs With the Public	934.3	3,957.7	(68.2)
(Less: Earned Revenue From the Public)	(138.9)	(1,963.4)	0.0
Net Costs With the Public	\$ 795.4	\$ 1,994.3	\$ (68.2)
Total Net Cost	\$ 727.8	\$ 1,271.0	\$ 197.9
F. Military Retirement Fund			
Intragovernmental Gross Costs			
(Less: Intragovernmental Earned Revenue)			
Intragovernmental Net Costs			
Gross Costs With the Public			
(Less: Earned Revenue From the Public)			
Net Costs With the Public			
Total Net Cost			



Department of Defense

Agency Wide

CONSOLIDATING STATEMENT OF NET COST

For the periods ended September 30, 2005 and 2004

(\$ in Millions)

	Military Retirement Fund	Other Defense Organizations General Funds	DoD Medicare-Eligible Retiree Health Care Fund
	_____	_____	_____
D. Research, Development, Test & Evaluation			
Intragovernmental Gross Costs		\$ 2,795.4	
(Less: Intragovernmental Earned Revenue)		(452.9)	
Intragovernmental Net Costs		\$ 2,342.5	
Gross Costs With the Public		13,521.5	
(Less: Earned Revenue From the Public)		25.2	
Net Costs With the Public		\$ 13,546.7	
Total Net Cost		\$ 15,889.2	
E. Military Construction/Family Housing			
Intragovernmental Gross Costs		\$ 55.1	
(Less: Intragovernmental Earned Revenue)		0.0	
Intragovernmental Net Costs		\$ 55.1	
Gross Costs With the Public		481.5	
(Less: Earned Revenue From the Public)		(0.1)	
Net Costs With the Public		\$ 481.4	
Total Net Cost		\$ 536.5	
F. Military Retirement Fund			
Intragovernmental Gross Costs	\$ 0.0		\$ 1,561.3
(Less: Intragovernmental Earned Revenue)	(48,812.2)		(28,412.4)
Intragovernmental Net Costs	\$ (48,812.2)		\$ (26,851.1)
Gross Costs With the Public	96,694.4		38,415.0
(Less: Earned Revenue From the Public)	0.0		0.0
Net Costs With the Public	\$ 96,694.4		\$ 38,415.0
Total Net Cost	\$ 47,882.2		\$ 11,563.9

Department of Defense

Agency Wide

CONSOLIDATING STATEMENT OF NET COST

For the periods ended September 30, 2005 and 2004

(\$ in Millions)

	Combined Total	Elimination	2005 Consolidated
D. Research, Development, Test & Evaluation			
Intragovernmental Gross Costs	\$ 15,091.3	\$ 5.9	\$ 15,085.4
(Less: Intragovernmental Earned Revenue)	(7,422.0)	(234.3)	(7,187.7)
Intragovernmental Net Costs	\$ 7,669.3	\$ (228.3)	\$ 7,897.6
Gross Costs With the Public	54,263.4	0.0	54,263.4
(Less: Earned Revenue From the Public)	(262.6)	0.0	(262.6)
Net Costs With the Public	\$ 54,000.8	\$ 0.0	\$ 54,000.8
Total Net Cost	\$ 61,670.1	\$ (228.3)	\$ 61,898.4
E. Military Construction/Family Housing			
Intragovernmental Gross Costs	\$ 3,977.7	\$ 10.1	\$ 3,967.6
(Less: Intragovernmental Earned Revenue)	(4,447.4)	0.0	(4,447.4)
Intragovernmental Net Costs	\$ (469.7)	\$ 10.1	\$ (479.8)
Gross Costs With the Public	5,305.3	0.0	5,305.3
(Less: Earned Revenue From the Public)	(2,102.4)	0.0	(2,102.4)
Net Costs With the Public	\$ 3,202.9	\$ 0.0	\$ 3,202.9
Total Net Cost	\$ 2,733.2	\$ 10.1	\$ 2,723.1
F. Military Retirement Fund			
Intragovernmental Gross Costs	\$ 1,561.3	\$ 1,561.3	\$ 0.0
(Less: Intragovernmental Earned Revenue)	(77,224.6)	(63,886.4)	(13,338.2)
Intragovernmental Net Costs	\$ (75,663.3)	\$ (62,325.1)	\$ (13,338.2)
Gross Costs With the Public	135,109.4	0.0	135,109.4
(Less: Earned Revenue From the Public)	0.0	0.0	0.0
Net Costs With the Public	\$ 135,109.4	\$ 0.0	\$ 135,109.4
Total Net Cost	\$ 59,446.1	\$ (62,325.1)	\$ 121,771.2



Department of Defense

Agency Wide

CONSOLIDATING STATEMENT OF NET COST

For the periods ended September 30, 2005 and 2004

(\$ in Millions)

2004 Consolidated

D. Research, Development, Test & Evaluation

Intragovernmental Gross Costs	\$	6,582.4
(Less: Intragovernmental Earned Revenue)		(5,981.1)
Intragovernmental Net Costs	\$	601.3
Gross Costs With the Public		56,536.7
(Less: Earned Revenue From the Public)		(293.4)
Net Costs With the Public	\$	56,243.3
Total Net Cost	\$	56,844.6

E. Military Construction/Family Housing

Intragovernmental Gross Costs	\$	2,716.3
(Less: Intragovernmental Earned Revenue)		(4,008.2)
Intragovernmental Net Costs	\$	(1,291.9)
Gross Costs With the Public		11,982.1
(Less: Earned Revenue From the Public)		(178.9)
Net Costs With the Public	\$	11,803.2
Total Net Cost	\$	10,511.3

F. Military Retirement Fund

Intragovernmental Gross Costs	\$	0.0
(Less: Intragovernmental Earned Revenue)		(11,288.3)
Intragovernmental Net Costs	\$	(11,288.4)
Gross Costs With the Public		164,796.6
(Less: Earned Revenue From the Public)		0.0
Net Costs With the Public	\$	164,796.6
Total Net Cost	\$	153,508.2

Department of Defense

Agency Wide

CONSOLIDATING STATEMENT OF NET COST

For the periods ended September 30, 2005 and 2004

(\$ in Millions)

	Army General Fund	Navy General Fund	Air Force General Fund
G. Civil Works			
Intragovernmental Gross Costs			
(Less: Intragovernmental Earned Revenue)			
Intragovernmental Net Costs			
Gross Costs With the Public			
(Less: Earned Revenue From the Public)			
Net Costs With the Public			
Total Net Cost			
H. Working Capital Funds			
Intragovernmental Gross Costs			
(Less: Intragovernmental Earned Revenue)			
Intragovernmental Net Costs			
Gross Costs With the Public			
(Less: Earned Revenue From the Public)			
Net Costs With the Public			
Total Net Cost			
I. Other			
Intragovernmental Gross Costs	\$ 23,412.7	\$ 29,316.8	\$ (16,814.9)
(Less: Intragovernmental Earned Revenue)	10,783.7	6,045.9	3,978.9
Intragovernmental Net Costs	<u>\$ 34,196.4</u>	<u>\$ 35,362.7</u>	<u>\$ (12,836.0)</u>
Gross Costs With the Public	(27,640.5)	(33,618.0)	10,845.9
(Less: Earned Revenue From the Public)	(2.7)	(2,132.4)	68.4
Net Costs With the Public	<u>\$ (27,643.2)</u>	<u>\$ (35,750.4)</u>	<u>\$ 10,914.3</u>
Total Net Cost	<u>\$ 6,553.2</u>	<u>\$ (387.7)</u>	<u>\$ (1,921.7)</u>

Department of Defense

Agency Wide

CONSOLIDATING STATEMENT OF NET COST

For the periods ended September 30, 2005 and 2004

(\$ in Millions)

	Army Working Capital Fund	Navy Working Capital Fund	Air Force Working Capital Fund
	_____	_____	_____
G. Civil Works			
Intragovernmental Gross Costs			
(Less: Intragovernmental Earned Revenue)			
Intragovernmental Net Costs			
Gross Costs With the Public			
(Less: Earned Revenue From the Public)			
Net Costs With the Public			
Total Net Cost			
H. Working Capital Funds			
Intragovernmental Gross Costs	\$ 2,016.2	\$ 5,567.5	\$ 5,312.7
(Less: Intragovernmental Earned Revenue)	(7,556.4)	(20,715.9)	(10,643.2)
Intragovernmental Net Costs	\$ (5,540.2)	\$ (15,148.4)	\$ (5,330.5)
Gross Costs With the Public	10,600.4	19,256.8	5,201.5
(Less: Earned Revenue From the Public)	(6,918.3)	(1,524.5)	(771.7)
Net Costs With the Public	\$ 3,682.1	\$ 17,732.3	\$ 4,429.8
Total Net Cost	\$ (1,858.1)	\$ 2,583.9	\$ (900.7)
I. Other			
Intragovernmental Gross Costs			
(Less: Intragovernmental Earned Revenue)			
Intragovernmental Net Costs			
Gross Costs With the Public			
(Less: Earned Revenue From the Public)			
Net Costs With the Public			
Total Net Cost			

Department of Defense

Agency Wide

CONSOLIDATING STATEMENT OF NET COST

For the periods ended September 30, 2005 and 2004

(\$ in Millions)

	US Army Corps of Engineers	Other Defense Organizations General Funds	Other Defense Organizations Working Capital Funds
G. Civil Works			
Intragovernmental Gross Costs	\$ 1,378.8		
(Less: Intragovernmental Earned Revenue)		(2,152.8)	
Intragovernmental Net Costs	\$ (774.0)		
Gross Costs With the Public	8,882.5		
(Less: Earned Revenue From the Public)		(428.8)	
Net Costs With the Public	\$ 8,453.7		
Total Net Cost	\$ 7,679.7		
H. Working Capital Funds			
Intragovernmental Gross Costs			\$ 3,450.3
(Less: Intragovernmental Earned Revenue)			(39,742.2)
Intragovernmental Net Costs			\$ (36,291.9)
Gross Costs With the Public			47,375.2
(Less: Earned Revenue From the Public)			(8,968.7)
Net Costs With the Public			\$ 38,406.5
Total Net Cost			\$ 2,114.6
I. Other			
Intragovernmental Gross Costs		\$ 38,324.9	
(Less: Intragovernmental Earned Revenue)		(1,419.6)	
Intragovernmental Net Costs		\$ 36,905.3	
Gross Costs With the Public		12,324.3	
(Less: Earned Revenue From the Public)		(1,284.6)	
Net Costs With the Public		\$ 11,039.7	
Total Net Cost		\$ 47,945.0	



Department of Defense

Agency Wide

CONSOLIDATING STATEMENT OF NET COST

For the periods ended September 30, 2005 and 2004

(\$ in Millions)

	Agency-Wide Component	Combined Total	Elimination
G. Civil Works			
Intragovernmental Gross Costs		\$ 1,378.8	\$ 433.7
(Less: Intragovernmental Earned Revenue)		(2,152.8)	(850.1)
Intragovernmental Net Costs		\$ (774.0)	\$ (416.4)
Gross Costs With the Public		8,882.5	0.0
(Less: Earned Revenue From the Public)		(428.8)	0.0
Net Costs With the Public		\$ 8,453.7	\$ 0.0
Total Net Cost		\$ 7,679.7	\$ (416.4)
H. Working Capital Funds			
Intragovernmental Gross Costs		\$ 16,346.7	\$ 12,762.7
(Less: Intragovernmental Earned Revenue)		(78,657.7)	(75,561.5)
Intragovernmental Net Costs		\$ (62,311.0)	\$ (62,798.9)
Gross Costs With the Public		82,433.9	0.0
(Less: Earned Revenue From the Public)		(18,183.2)	0.0
Net Costs With the Public		\$ 64,250.7	\$ 0.0
Total Net Cost		\$ 1,939.7	\$ (62,798.9)
I. Other			
Intragovernmental Gross Costs	\$ (6.3)	\$ 74,233.2	\$ 141,658.4
(Less: Intragovernmental Earned Revenue)	1,698.2	21,087.1	(16,432.3)
Intragovernmental Net Costs	\$ 1,691.9	\$ 95,320.3	\$ 125,226.1
Gross Costs With the Public	(1,698.2)	(39,786.5)	0.0
(Less: Earned Revenue From the Public)	0.0	(3,351.3)	0.0
Net Costs With the Public	\$ (1,698.2)	\$ (43,137.8)	\$ 0.0
Total Net Cost	\$ (6.3)	\$ 52,182.5	\$ 125,226.1

Department of Defense

Agency Wide

CONSOLIDATING STATEMENT OF NET COST

For the periods ended September 30, 2005 and 2004

(\$ in Millions)

	2005 Consolidated	2004 Consolidated
G. Civil Works		
Intragovernmental Gross Costs	\$ 945.1	\$ 893.3
(Less: Intragovernmental Earned Revenue)	(1,302.7)	(609.6)
Intragovernmental Net Costs	\$ (357.6)	\$ 283.7
Gross Costs With the Public	8,882.5	8,658.7
(Less: Earned Revenue From the Public)	(428.8)	(368.0)
Net Costs With the Public	\$ 8,453.7	\$ 8,290.7
Total Net Cost	\$ 8,096.1	\$ 8,574.4
H. Working Capital Funds		
Intragovernmental Gross Costs	\$ 3,584.0	\$ 3,380.9
(Less: Intragovernmental Earned Revenue)	(3,096.2)	(1,339.3)
Intragovernmental Net Costs	\$ 487.9	\$ 2,041.6
Gross Costs With the Public	82,433.9	74,938.5
(Less: Earned Revenue From the Public)	(18,183.2)	(13,788.4)
Net Costs With the Public	\$ 64,250.7	\$ 61,150.1
Total Net Cost	\$ 64,738.6	\$ 63,191.7
I. Other		
Intragovernmental Gross Costs	\$ (67,425.2)	\$ (46,117.9)
(Less: Intragovernmental Earned Revenue)	37,519.4	32,138.8
Intragovernmental Net Costs	\$ (29,905.8)	\$ (13,979.1)
Gross Costs With the Public	(39,786.5)	(46,772.3)
(Less: Earned Revenue From the Public)	(3,351.3)	(5,026.3)
Net Costs With the Public	\$ (43,137.8)	\$ (51,798.6)
Total Net Cost	\$ (73,043.6)	\$ (65,777.7)

Department of Defense

Agency Wide

CONSOLIDATING STATEMENT OF NET COST

For the periods ended September 30, 2005 and 2004

(\$ in Millions)

	Army General Fund	Navy General Fund	Air Force General Fund
J. Total Program Costs			
Intragovernmental Gross Costs	\$ 39,987.3	\$ 39,245.1	\$ 29,845.7
(Less: Intragovernmental Earned Revenue)	(8,491.1)	(3,480.2)	(4,207.6)
Intragovernmental Net Costs	\$ 31,496.2	\$ 35,764.9	\$ 25,638.1
Gross Costs With the Public	116,179.3	84,365.8	99,536.3
(Less: Earned Revenue From the Public)	(1,249.4)	(4,701.0)	(879.8)
Net Costs With the Public	\$ 114,929.9	\$ 79,664.8	\$ 98,656.5
Total Net Cost	\$ 146,426.1	\$ 115,429.7	\$ 124,294.6
Cost Not Assigned to Programs	0.0	0.0	0.0
(Less: Earned Revenue Not Attributable to Programs)	0.0	0.0	0.0
Net Cost of Operations	\$ 146,426.1	\$ 115,429.7	\$ 124,294.6

Department of Defense

Agency Wide

CONSOLIDATING STATEMENT OF NET COST

For the periods ended September 30, 2005 and 2004

(\$ in Millions)

	Army Working Capital Fund	Navy Working Capital Fund	Air Force Working Capital Fund
J. Total Program Costs			
Intragovernmental Gross Costs	\$ 2,016.2	\$ 5,567.5	\$ 5,312.7
(Less: Intragovernmental Earned Revenue)	(7,556.4)	(20,715.9)	(10,643.2)
Intragovernmental Net Costs	\$ (5,540.2)	\$ (15,148.4)	\$ (5,330.5)
Gross Costs With the Public	10,600.4	19,256.8	5,201.5
(Less: Earned Revenue From the Public)	(6,918.3)	(1,524.5)	(771.7)
Net Costs With the Public	\$ 3,682.1	\$ 17,732.3	\$ 4,429.8
Total Net Cost	\$ (1,858.1)	\$ 2,583.9	\$ (900.7)
Cost Not Assigned to Programs	0.0	0.0	0.0
(Less: Earned Revenue Not Attributable to Programs)	0.0	0.0	0.0
Net Cost of Operations	\$ (1,858.1)	\$ 2,583.9	\$ (900.7)

Department of Defense

Agency Wide

CONSOLIDATING STATEMENT OF NET COST

For the periods ended September 30, 2005 and 2004

(\$ in Millions)

	Military Retirement Fund	US Army Corps of Engineers	Other Defense Organizations General Funds
J. Total Program Costs			
Intragovernmental Gross Costs	\$ 0.0	\$ 1,378.8	\$ 54,949.6
(Less: Intragovernmental Earned Revenue)	(48,812.2)	(2,152.8)	(4,546.5)
Intragovernmental Net Costs	\$ (48,812.2)	\$ (774.0)	\$ 50,403.1
Gross Costs With the Public	96,694.4	8,882.5	130,767.6
(Less: Earned Revenue From the Public)	0.0	(428.8)	(1,500.8)
Net Costs With the Public	\$ 96,694.4	\$ 8,453.7	\$ 129,266.8
Total Net Cost	\$ 47,882.2	\$ 7,679.7	\$ 179,669.9
Cost Not Assigned to Programs	0.0	0.0	0.0
(Less: Earned Revenue Not Attributable to Programs)	0.0	0.0	0.0
Net Cost of Operations	\$ 47,882.2	\$ 7,679.7	\$ 179,669.9

Department of Defense

Agency Wide

CONSOLIDATING STATEMENT OF NET COST

For the periods ended September 30, 2005 and 2004

(\$ in Millions)

	Other Defense Organizations Working Capital Funds	DoD Medicare-Eligible Retiree Health Care Fund	Agency-Wide Component
J. Total Program Costs			
Intragovernmental Gross Costs	\$ 3,450.3	\$ 1,561.3	\$ (6.3)
(Less: Intragovernmental Earned Revenue)	(39,742.2)	(28,412.4)	1,698.2
Intragovernmental Net Costs	\$ (36,291.9)	\$ (26,851.1)	\$ 1,691.9
Gross Costs With the Public	47,375.2	38,415.0	(1,698.2)
(Less: Earned Revenue From the Public)	(8,968.7)	0.0	0.0
Net Costs With the Public	\$ 38,406.5	\$ 38,415.0	\$ (1,698.2)
Total Net Cost	\$ 2,114.6	\$ 11,563.9	\$ (6.3)
Cost Not Assigned to Programs	0.0	0.0	0.0
(Less: Earned Revenue Not Attributable to Programs)	0.0	0.0	0.0
Net Cost of Operations	\$ 2,114.6	\$ 11,563.9	\$ (6.3)

Department of Defense

Agency Wide

CONSOLIDATING STATEMENT OF NET COST

For the periods ended September 30, 2005 and 2004

(\$ in Millions)

	Combined Total	Elimination	2005 Consolidated
J. Total Program Costs			
Intragovernmental Gross Costs	\$ 183,308.2	\$ 158,798.2	\$ 24,510.0
(Less: Intragovernmental Earned Revenue)	(177,062.3)	(158,798.2)	(18,264.1)
Intragovernmental Net Costs	\$ 6,245.9	\$ 0.0	\$ 6,245.9
Gross Costs With the Public	655,576.6	0.0	655,576.6
(Less: Earned Revenue From the Public)	(26,943.0)	0.0	(26,943.0)
Net Costs With the Public	\$ 628,633.6	\$ 0.0	\$ 628,633.6
Total Net Cost	\$ 634,879.5	\$ 0.0	\$ 634,879.5
Cost Not Assigned to Programs	0.0	0.0	0.0
(Less: Earned Revenue Not Attributable to Programs)	0.0	0.0	0.0
Net Cost of Operations	\$ 634,879.5	\$ 0.0	\$ 634,879.5

Department of Defense

Agency Wide

CONSOLIDATING STATEMENT OF NET COST

For the periods ended September 30, 2005 and 2004

(\$ in Millions)

	2004 Consolidated
J. Total Program Costs	
Intragovernmental Gross Costs	\$ 23,574.5
(Less: Intragovernmental Earned Revenue)	(15,429.0)
Intragovernmental Net Costs	\$ 8,145.5
Gross Costs With the Public	619,573.8
(Less: Earned Revenue From the Public)	(22,354.4)
Net Costs With the Public	\$ 597,219.4
Total Net Cost	\$ 605,364.9
Cost Not Assigned to Programs	0.0
(Less: Earned Revenue Not Attributable to Programs)	0.0
Net Cost of Operations	\$ 605,364.9



Department of Defense

Agency Wide

CONSOLIDATING STATEMENT OF CHANGES IN NET POSITION

For the periods ended September 30, 2005 and 2004

(\$ in Millions)

	Army General Fund	Navy General Fund	Air Force General Fund
CUMULATIVE RESULTS OF OPERATIONS			
Beginning Balances	\$ 109,208.0	\$ 188,170.3	\$ 168,982.1
Adjustments (+/-)			
Changes in Accounting Principles (+/-)	(0.2)	0.0	0.0
Correction of Errors (+/-)	(0.1)	0.0	0.0
Beginning Balances, as adjusted	<u>109,207.7</u>	<u>188,170.3</u>	<u>168,982.1</u>
Budgetary Financing Sources:			
Appropriations received	0.0	0.0	0.0
Appropriations transferred-in/out (+/-)	0.0	0.0	0.0
Other adjustments (rescissions, etc) (+/-)	0.0	0.0	0.0
Appropriations used	150,048.8	119,015.7	114,970.0
Nonexchange revenue	9.5	0.2	0.9
Donations and forfeitures of cash and cash equivalents	5.4	29.6	1.9
Transfers-in/out without reimbursement (+/-)	3,721.7	150.0	967.4
Other budgetary financing sources (+/-)	2.1	0.0	0.0
Other Financing Sources:			
Donations and forfeitures of property	0.0	0.0	0.0
Transfers-in/out without reimbursement (+/-)	528.1	(1.7)	(25.6)
Imputed financing from costs absorbed by others	1,092.8	585.7	742.0
Other (+/-)	(2,947.4)	0.0	0.0
Total Financing Sources	<u>152,461.0</u>	<u>119,779.5</u>	<u>116,656.6</u>
Net Cost of Operations (+/-)	<u>146,426.1</u>	<u>115,429.7</u>	<u>124,294.6</u>
Net Change	<u>6,034.9</u>	<u>4,349.8</u>	<u>(7,638.0)</u>
Ending Balance	<u>\$ 115,242.6</u>	<u>\$ 192,520.1</u>	<u>\$ 161,344.1</u>
UNEXPENDED APPROPRIATIONS			
Beginning Balances	\$ 73,238.3	\$ 79,161.8	\$ 49,660.7
Prior period adjustments (+/-)			
Changes in Accounting Principles (+/-)	0.0	0.0	0.0
Correction of Errors (+/-)	0.0	0.0	0.0
Beginning Balances, as adjusted	<u>73,238.3</u>	<u>79,161.8</u>	<u>49,660.7</u>
Budgetary Financing Sources:			
Appropriations received	149,831.9	130,972.5	128,888.2
Appropriations transferred-in/out (+/-)	2,560.7	164.7	1,631.2
Other adjustments (rescissions, etc) (+/-)	(877.4)	(1,543.4)	(1,493.5)
Appropriations used	(150,048.8)	(119,015.7)	(114,970.0)
Nonexchange revenue	0.0	0.0	0.0
Donations and forfeitures of cash and cash equivalents	0.0	0.0	0.0
Transfers-in/out without reimbursement (+/-)	0.0	0.0	0.0
Other budgetary financing sources (+/-)	0.0	0.0	0.0
Other Financing Sources:			
Donations and forfeitures of property	0.0	0.0	0.0
Transfers-in/out without reimbursement (+/-)	0.0	0.0	0.0
Imputed financing from costs absorbed by others	0.0	0.0	0.0
Other (+/-)	0.0	0.0	0.0
Total Financing Sources	<u>1,466.4</u>	<u>10,578.1</u>	<u>14,055.9</u>
Net Cost of Operations (+/-)			
Net Change	<u>1,466.4</u>	<u>10,578.1</u>	<u>14,055.9</u>
Ending Balance	<u>\$ 74,704.7</u>	<u>\$ 89,739.9</u>	<u>\$ 63,716.6</u>

Department of Defense

Agency Wide

CONSOLIDATING STATEMENT OF CHANGES IN NET POSITION

For the periods ended September 30, 2005 and 2004

(\$ in Millions)

	Army Working Capital Fund	Navy Working Capital Fund	Air Force Working Capital Fund
CUMULATIVE RESULTS OF OPERATIONS			
Beginning Balances	\$ 15,370.8	\$ 16,021.9	\$ 21,890.4
Adjustments (+/-)			
Changes in Accounting Principles (+/-)	0.0	0.0	3,632.6
Correction of Errors (+/-)	0.0	0.0	7,256.6
Beginning Balances, as adjusted	<u>15,370.8</u>	<u>16,021.9</u>	<u>32,779.6</u>
Budgetary Financing Sources:			
Appropriations received	0.0	0.0	0.0
Appropriations transferred-in/out (+/-)	0.0	0.0	0.0
Other adjustments (rescissions, etc) (+/-)	0.0	0.0	0.0
Appropriations used	0.1	288.0	0.0
Nonexchange revenue	0.0	0.0	0.0
Donations and forfeitures of cash and cash equivalents	0.0	0.0	0.0
Transfers-in/out without reimbursement (+/-)	(516.0)	(84.8)	(73.9)
Other budgetary financing sources (+/-)	0.0	0.0	0.0
Other Financing Sources:			
Donations and forfeitures of property	0.0	0.0	0.0
Transfers-in/out without reimbursement (+/-)	0.0	0.0	0.0
Imputed financing from costs absorbed by others	147.1	552.6	168.4
Other (+/-)	230.9	(653.6)	0.0
Total Financing Sources	<u>(137.9)</u>	<u>102.2</u>	<u>94.5</u>
Net Cost of Operations (+/-)	<u>(1,858.1)</u>	<u>2,583.9</u>	<u>(900.7)</u>
Net Change	<u>1,720.2</u>	<u>(2,481.7)</u>	<u>995.2</u>
Ending Balance	<u>\$ 17,091.0</u>	<u>\$ 13,540.2</u>	<u>\$ 33,774.8</u>
UNEXPENDED APPROPRIATIONS			
Beginning Balances	\$ 0.1	\$ 0.0	\$ 0.0
Prior period adjustments (+/-)			
Changes in Accounting Principles (+/-)	0.0	0.0	0.0
Correction of Errors (+/-)	0.0	0.0	0.0
Beginning Balances, as adjusted	<u>0.1</u>	<u>0.0</u>	<u>0.0</u>
Budgetary Financing Sources:			
Appropriations received	0.0	298.0	0.0
Appropriations transferred-in/out (+/-)	0.0	(3.7)	0.0
Other adjustments (rescissions, etc) (+/-)	0.0	0.0	0.0
Appropriations used	(0.1)	(288.0)	0.0
Nonexchange revenue	0.0	0.0	0.0
Donations and forfeitures of cash and cash equivalents	0.0	0.0	0.0
Transfers-in/out without reimbursement (+/-)	0.0	0.0	0.0
Other budgetary financing sources (+/-)	0.0	0.0	0.0
Other Financing Sources:			
Donations and forfeitures of property	0.0	0.0	0.0
Transfers-in/out without reimbursement (+/-)	0.0	0.0	0.0
Imputed financing from costs absorbed by others	0.0	0.0	0.0
Other (+/-)	0.0	0.0	0.0
Total Financing Sources	<u>(0.1)</u>	<u>6.3</u>	<u>0.0</u>
Net Cost of Operations (+/-)			
Net Change	<u>(0.1)</u>	<u>6.3</u>	<u>0.0</u>
Ending Balance	<u>\$ 0.0</u>	<u>\$ 6.3</u>	<u>\$ 0.0</u>

Department of Defense

Agency Wide

CONSOLIDATING STATEMENT OF CHANGES IN NET POSITION

For the periods ended September 30, 2005 and 2004

(\$ in Millions)

	Military Retirement Fund	US Army Corps of Engineers	Other Defense Organizations General Funds
CUMULATIVE RESULTS OF OPERATIONS			
Beginning Balances	\$ (649,695.1)	\$ 32,276.3	\$ (199,854.0)
Adjustments (+/-)			
Changes in Accounting Principles (+/-)	0.0	0.0	0.0
Correction of Errors (+/-)	0.0	0.0	(1,290.6)
Beginning Balances, as adjusted	<u>(649,695.1)</u>	<u>32,276.3</u>	<u>(201,144.6)</u>
Budgetary Financing Sources:			
Appropriations received	0.0	0.0	0.0
Appropriations transferred-in/out (+/-)	0.0	0.0	0.0
Other adjustments (rescissions, etc) (+/-)	0.0	0.0	0.0
Appropriations used	0.0	4,009.7	101,789.8
Nonexchange revenue	0.0	1,632.7	0.3
Donations and forfeitures of cash and cash equivalents	0.0	0.0	5.7
Transfers-in/out without reimbursement (+/-)	0.0	326.3	5.6
Other budgetary financing sources (+/-)	0.0	0.3	(1.9)
Other Financing Sources:			
Donations and forfeitures of property	0.0	1.5	0.0
Transfers-in/out without reimbursement (+/-)	0.0	(3.0)	(692.2)
Imputed financing from costs absorbed by others	0.0	241.6	632.9
Other (+/-)	0.0	0.7	1,737.9
Total Financing Sources	<u>0.0</u>	<u>6,209.8</u>	<u>103,478.1</u>
Net Cost of Operations (+/-)	<u>47,882.2</u>	<u>7,679.7</u>	<u>179,669.9</u>
Net Change	<u>(47,882.2)</u>	<u>(1,469.9)</u>	<u>(76,191.8)</u>
Ending Balance	<u>\$ (697,577.3)</u>	<u>\$ 30,806.4</u>	<u>\$ (277,336.4)</u>
UNEXPENDED APPROPRIATIONS			
Beginning Balances	\$ 0.0	\$ 396.4	\$ 40,827.5
Prior period adjustments (+/-)			
Changes in Accounting Principles (+/-)	0.0	0.0	0.0
Correction of Errors (+/-)	0.0	0.0	1,290.6
Beginning Balances, as adjusted	<u>0.0</u>	<u>396.4</u>	<u>42,118.1</u>
Budgetary Financing Sources:			
Appropriations received	0.0	4,629.5	107,949.5
Appropriations transferred-in/out (+/-)	0.0	27.5	(4,881.3)
Other adjustments (rescissions, etc) (+/-)	0.0	(37.9)	(1,126.0)
Appropriations used	0.0	(4,009.7)	(101,789.8)
Nonexchange revenue	0.0	0.0	0.0
Donations and forfeitures of cash and cash equivalents	0.0	0.0	0.0
Transfers-in/out without reimbursement (+/-)	0.0	0.0	0.0
Other budgetary financing sources (+/-)	0.0	0.0	0.0
Other Financing Sources:			
Donations and forfeitures of property	0.0	0.0	0.0
Transfers-in/out without reimbursement (+/-)	0.0	0.0	0.0
Imputed financing from costs absorbed by others	0.0	0.0	0.0
Other (+/-)	0.0	0.0	0.0
Total Financing Sources	<u>0.0</u>	<u>609.4</u>	<u>152.4</u>
Net Cost of Operations (+/-)	<u>0.0</u>	<u>609.4</u>	<u>152.4</u>
Net Change	<u>0.0</u>	<u>609.4</u>	<u>152.4</u>
Ending Balance	<u>\$ 0.0</u>	<u>\$ 1,005.8</u>	<u>\$ 42,270.5</u>

Department of Defense

Agency Wide

CONSOLIDATING STATEMENT OF CHANGES IN NET POSITION

For the periods ended September 30, 2005 and 2004

(\$ in Millions)

	Other Defense Organizations Working Capital Funds	DoD Medicare-Eligible Retiree Health Care Fund	Agency-Wide Component
CUMULATIVE RESULTS OF OPERATIONS			
Beginning Balances	\$ 18,284.2	\$ (466,096.2)	\$ 0.0
Adjustments (+/-)			
Changes in Accounting Principles (+/-)	0.0	0.0	0.0
Correction of Errors (+/-)	1,290.6	0.0	0.0
Beginning Balances, as adjusted	<u>19,574.8</u>	<u>(466,096.2)</u>	<u>0.0</u>
Budgetary Financing Sources:			
Appropriations received	0.0	0.0	0.0
Appropriations transferred-in/out (+/-)	0.0	0.0	0.0
Other adjustments (rescissions, etc) (+/-)	0.0	0.0	0.0
Appropriations used	1,458.4	0.0	0.0
Nonexchange revenue	21.4	0.0	0.0
Donations and forfeitures of cash and cash equivalents	0.0	0.0	0.0
Transfers-in/out without reimbursement (+/-)	(1,319.9)	0.0	0.0
Other budgetary financing sources (+/-)	0.0	0.0	0.0
Other Financing Sources:			
Donations and forfeitures of property	0.0	0.0	0.0
Transfers-in/out without reimbursement (+/-)	180.1	0.0	0.0
Imputed financing from costs absorbed by others	308.5	0.0	(6.3)
Other (+/-)	(537.0)	0.0	0.0
Total Financing Sources	<u>111.5</u>	<u>0.0</u>	<u>(6.3)</u>
Net Cost of Operations (+/-)	<u>2,114.6</u>	<u>11,563.9</u>	<u>(6.3)</u>
Net Change	<u>(2,003.1)</u>	<u>(11,563.9)</u>	<u>0.0</u>
Ending Balance	<u>\$ 17,571.7</u>	<u>\$ (477,660.1)</u>	<u>\$ 0.0</u>
UNEXPENDED APPROPRIATIONS			
Beginning Balances	\$ 529.1	\$ 0.0	\$ 0.0
Prior period adjustments (+/-)			
Changes in Accounting Principles (+/-)	0.0	0.0	0.0
Correction of Errors (+/-)	(1,290.6)	0.0	0.0
Beginning Balances, as adjusted	<u>(761.5)</u>	<u>0.0</u>	<u>0.0</u>
Budgetary Financing Sources:			
Appropriations received	2,420.5	0.0	0.0
Appropriations transferred-in/out (+/-)	(150.8)	0.0	0.0
Other adjustments (rescissions, etc) (+/-)	0.0	0.0	0.0
Appropriations used	(1,458.4)	0.0	0.0
Nonexchange revenue	0.0	0.0	0.0
Donations and forfeitures of cash and cash equivalents	0.0	0.0	0.0
Transfers-in/out without reimbursement (+/-)	0.0	0.0	0.0
Other budgetary financing sources (+/-)	0.0	0.0	0.0
Other Financing Sources:			
Donations and forfeitures of property	0.0	0.0	0.0
Transfers-in/out without reimbursement (+/-)	0.0	0.0	0.0
Imputed financing from costs absorbed by others	0.0	0.0	0.0
Other (+/-)	0.0	0.0	0.0
Total Financing Sources	<u>811.3</u>	<u>0.0</u>	<u>0.0</u>
Net Cost of Operations (+/-)			
Net Change	<u>811.3</u>	<u>0.0</u>	<u>0.0</u>
Ending Balance	<u>\$ 49.8</u>	<u>\$ 0.0</u>	<u>\$ 0.0</u>

Department of Defense

Agency Wide

CONSOLIDATING STATEMENT OF CHANGES IN NET POSITION

For the periods ended September 30, 2005 and 2004

(\$ in Millions)

	Combined Total	Elimination	2005 Consolidated
CUMULATIVE RESULTS OF OPERATIONS			
Beginning Balances	\$ (745,441.3)	\$ 0.0	\$ (745,441.3)
Adjustments (+/-)			
Changes in Accounting Principles (+/-)	3,632.4	0.0	3,632.4
Correction of Errors (+/-)	7,256.5	0.0	7,256.5
Beginning Balances, as adjusted	<u>(734,552.4)</u>	<u>0.0</u>	<u>(734,552.4)</u>
Budgetary Financing Sources:			
Appropriations received	0.0	0.0	0.0
Appropriations transferred-in/out (+/-)	0.0	0.0	0.0
Other adjustments (rescissions, etc) (+/-)	0.0	0.0	0.0
Appropriations used	491,580.5	0.0	491,580.5
Nonexchange revenue	1,665.0	0.0	1,665.0
Donations and forfeitures of cash and cash equivalents	42.6	0.0	42.6
Transfers-in/out without reimbursement (+/-)	3,176.4	0.0	3,176.4
Other budgetary financing sources (+/-)	0.5	0.0	0.5
Other Financing Sources:			
Donations and forfeitures of property	1.5	0.0	1.5
Transfers-in/out without reimbursement (+/-)	(14.3)	0.0	(14.3)
Imputed financing from costs absorbed by others	4,465.3	0.0	4,465.3
Other (+/-)	(2,168.5)	0.0	(2,168.5)
Total Financing Sources	<u>498,749.0</u>	<u>0.0</u>	<u>498,749.0</u>
Net Cost of Operations (+/-)	<u>634,879.5</u>	<u>0.0</u>	<u>634,879.5</u>
Net Change	<u>(136,130.5)</u>	<u>0.0</u>	<u>(136,130.5)</u>
Ending Balance	<u>\$ (870,682.9)</u>	<u>\$ 0.0</u>	<u>\$ (870,682.9)</u>
UNEXPENDED APPROPRIATIONS			
Beginning Balances	\$ 243,813.9	\$ 0.0	\$ 243,813.9
Prior period adjustments (+/-)			
Changes in Accounting Principles (+/-)	0.0	0.0	0.0
Correction of Errors (+/-)	0.0	0.0	0.0
Beginning Balances, as adjusted	<u>243,813.9</u>	<u>0.0</u>	<u>243,813.9</u>
Budgetary Financing Sources:			
Appropriations received	524,990.1	0.0	524,990.1
Appropriations transferred-in/out (+/-)	(651.7)	0.0	(651.7)
Other adjustments (rescissions, etc) (+/-)	(5,078.2)	0.0	(5,078.2)
Appropriations used	(491,580.5)	0.0	(491,580.5)
Nonexchange revenue	0.0	0.0	0.0
Donations and forfeitures of cash and cash equivalents	0.0	0.0	0.0
Transfers-in/out without reimbursement (+/-)	0.0	0.0	0.0
Other budgetary financing sources (+/-)	0.0	0.0	0.0
Other Financing Sources:			
Donations and forfeitures of property	0.0	0.0	0.0
Transfers-in/out without reimbursement (+/-)	0.0	0.0	0.0
Imputed financing from costs absorbed by others	0.0	0.0	0.0
Other (+/-)	0.0	0.0	0.0
Total Financing Sources	<u>27,679.7</u>	<u>0.0</u>	<u>27,679.7</u>
Net Cost of Operations (+/-)			
Net Change	<u>27,679.7</u>	<u>0.0</u>	<u>27,679.7</u>
Ending Balance	<u>\$ 271,493.6</u>	<u>\$ 0.0</u>	<u>\$ 271,493.6</u>



Department of Defense

Agency Wide

CONSOLIDATING STATEMENT OF CHANGES IN NET POSITION

For the periods ended September 30, 2005 and 2004

(\$ in Millions)

	2004 Consolidated Restated
CUMULATIVE RESULTS OF OPERATIONS	
Beginning Balances	\$ (621,610.7)
Adjustments (+/-)	
Changes in Accounting Principles (+/-)	699.5
Correction of Errors (+/-)	(8,301.8)
Beginning Balances, as adjusted	<u>(629,213.0)</u>
Budgetary Financing Sources:	
Appropriations received	0.0
Appropriations transferred-in/out (+/-)	0.0
Other adjustments (rescissions, etc) (+/-)	0.0
Appropriations used	478,621.1
Nonexchange revenue	1,469.7
Donations and forfeitures of cash and cash equivalents	7.0
Transfers-in/out without reimbursement (+/-)	10,568.6
Other budgetary financing sources (+/-)	4,511.5
Other Financing Sources:	
Donations and forfeitures of property	0.4
Transfers-in/out without reimbursement (+/-)	(2,848.6)
Imputed financing from costs absorbed by others	4,092.5
Other (+/-)	0.6
Total Financing Sources	<u>496,422.8</u>
Net Cost of Operations (+/-)	<u>605,364.9</u>
Net Change	<u>(108,942.1)</u>
Ending Balance	<u>\$ (738,155.1)</u>
UNEXPENDED APPROPRIATIONS	
Beginning Balances	\$ 192,955.8
Prior period adjustments (+/-)	
Changes in Accounting Principles (+/-)	0.0
Correction of Errors (+/-)	25,913.7
Beginning Balances, as adjusted	<u>218,869.5</u>
Budgetary Financing Sources:	
Appropriations received	512,194.5
Appropriations transferred-in/out (+/-)	485.6
Other adjustments (rescissions, etc) (+/-)	(9,114.6)
Appropriations used	(478,621.1)
Nonexchange revenue	0.0
Donations and forfeitures of cash and cash equivalents	0.0
Transfers-in/out without reimbursement (+/-)	0.0
Other budgetary financing sources (+/-)	0.0
Other Financing Sources:	
Donations and forfeitures of property	0.0
Transfers-in/out without reimbursement (+/-)	0.0
Imputed financing from costs absorbed by others	0.0
Other (+/-)	0.0
Total Financing Sources	<u>24,944.4</u>
Net Cost of Operations (+/-)	
Net Change	<u>24,944.4</u>
Ending Balance	<u>\$ 243,813.9</u>

Department of Defense
Agency Wide
COMBINING STATEMENT OF BUDGETARY RESOURCES
For the periods ended September 30, 2005 and 2004
(\$ in Millions)

	Army General Fund	Navy General Fund	Air Force General Fund
BUDGETARY FINANCING ACCOUNTS			
BUDGETARY RESOURCES			
Budget Authority:			
Appropriations received	\$ 149,846.9	\$ 131,002.4	\$ 128,891.0
Borrowing authority	0.0	0.0	0.0
Contract authority	0.0	0.0	0.0
Net transfers (+/-)	1,046.6	361.3	638.2
Other	0.0	0.0	0.0
Unobligated balance:			
Beginning of period	22,880.9	18,027.9	9,043.4
Net transfers, actual (+/-)	2,369.2	(46.6)	1,960.3
Anticipated Transfers Balances	0.0	0.0	0.0
Spending authority from offsetting collections:			
Earned	0.0	0.0	0.0
Collected	20,948.2	8,830.6	8,923.5
Receivable from Federal sources	(415.1)	696.7	142.9
Change in unfilled customer orders	0.0	0.0	0.0
Advance received	77.7	147.7	349.7
Without advance from Federal sources	2,159.9	(636.4)	388.5
Anticipated for the rest of year, without advances	0.0	0.0	0.0
Previously unavailable	0.0	0.0	0.0
Transfers for trust funds	0.0	0.0	0.0
Subtotal	22,770.7	9,038.6	9,804.6
Recoveries of prior year obligations	17,033.4	11,446.4	1,300.2
Temporarily not available pursuant to Public Law	0.0	0.0	0.0
Permanently not available	(877.5)	(1,543.4)	(1,493.5)
Total Budgetary Resources	\$ 215,070.2	\$ 168,286.6	\$ 150,144.2
STATUS OF BUDGETARY RESOURCES			
Obligations incurred:			
Direct	\$ 175,086.2	\$ 137,694.4	\$ 124,689.4
Reimbursable	24,506.7	13,463.8	12,448.6
Subtotal	199,592.9	151,158.2	137,138.0
Unobligated balance:			
Apportioned	13,665.5	15,607.5	11,756.9
Exempt from apportionment	12.0	0.0	3.2
Other available	(0.1)	(0.1)	0.0
Unobligated Balances Not Available	1,799.9	1,521.0	1,246.1
Total, Status of Budgetary Resources	\$ 215,070.2	\$ 168,286.6	\$ 150,144.2
Relationship of Obligations to Outlays:			
Obligated Balance, Net - beginning of period	\$ 57,022.4	\$ 63,856.2	\$ 51,504.1
Obligated Balance transferred, net (+/-)	0.0	0.0	0.0
Obligated Balance, Net - end of period:			
Accounts receivable	(1,478.3)	(1,234.2)	(1,619.6)
Unfilled customer order from Federal sources	(14,873.1)	(2,166.6)	(1,215.9)
Undelivered orders	66,772.3	68,731.0	42,643.7
Accounts payable	13,948.6	3,362.2	9,197.1
Outlays:			
Disbursements	173,467.6	134,815.3	137,805.1
Collections	(21,026.0)	(8,978.3)	(9,273.2)
Subtotal	152,441.6	125,837.0	128,531.9
Less: Offsetting receipts	(195.2)	(115.8)	(123.2)
Net Outlays	\$ 152,246.4	\$ 125,721.2	\$ 128,408.7



Department of Defense
Agency Wide
COMBINING STATEMENT OF BUDGETARY RESOURCES
For the periods ended September 30, 2005 and 2004
(\$ in Millions)

	Army Working Capital Fund	Navy Working Capital Fund	Air Force Working Capital Fund
BUDGETARY FINANCING ACCOUNTS			
BUDGETARY RESOURCES			
Budget Authority:			
Appropriations received	\$ 0.0	\$ 298.0	\$ 0.0
Borrowing authority	0.0	0.0	0.0
Contract authority	10,951.9	865.3	9,744.3
Net transfers (+/-)	0.0	(3.8)	0.0
Other	0.0	0.0	0.0
Unobligated balance:			
Beginning of period	1,530.1	2,749.8	134.4
Net transfers, actual (+/-)	(515.9)	(84.6)	(73.9)
Anticipated Transfers Balances	0.0	0.0	0.0
Spending authority from offsetting collections:			
Earned	0.0	0.0	0.0
Collected	14,180.3	23,151.3	16,559.4
Receivable from Federal sources	(29.4)	(233.7)	50.4
Change in unfilled customer orders	0.0	0.0	0.0
Advance received	19.3	8.2	(121.4)
Without advance from Federal sources	(774.2)	250.0	692.7
Anticipated for the rest of year, without advances	0.0	0.0	0.0
Previously unavailable	0.0	0.0	0.0
Transfers for trust funds	0.0	0.0	0.0
Subtotal	<u>13,396.0</u>	<u>23,175.8</u>	<u>17,181.1</u>
Recoveries of prior year obligations	1,435.6	0.0	0.0
Temporarily not available pursuant to Public Law	0.0	0.0	0.0
Permanently not available	(8,798.8)	(247.8)	(10,801.2)
Total Budgetary Resources	<u>\$ 17,998.9</u>	<u>\$ 26,752.7</u>	<u>\$ 16,184.7</u>
STATUS OF BUDGETARY RESOURCES			
Obligations incurred:			
Direct	\$ 0.0	\$ 0.0	\$ 0.0
Reimbursable	16,822.4	23,936.0	15,892.1
Subtotal	<u>16,822.4</u>	<u>23,936.0</u>	<u>15,892.1</u>
Unobligated balance:			
Apportioned	1,176.5	2,768.1	292.7
Exempt from apportionment	0.0	(143.7)	0.0
Other available	0.0	0.0	(0.1)
Unobligated Balances Not Available	0.0	192.3	0.0
Total, Status of Budgetary Resources	<u>\$ 17,998.9</u>	<u>\$ 26,752.7</u>	<u>\$ 16,184.7</u>
Relationship of Obligations to Outlays:			
Obligated Balance, Net - beginning of period	\$ 3,968.1	\$ 4,238.7	\$ 4,756.0
Obligated Balance transferred, net (+/-)	0.0	0.0	0.0
Obligated Balance, Net - end of period:			
Accounts receivable	(433.2)	(356.8)	(1,009.2)
Unfilled customer order from Federal sources	(3,748.5)	(7,281.4)	(3,958.2)
Undelivered orders	9,775.6	7,468.9	6,461.7
Accounts payable	555.9	5,198.4	2,159.6
Outlays:			
Disbursements	14,008.7	23,129.3	16,251.0
Collections	(14,199.6)	(23,159.5)	(16,438.0)
Subtotal	<u>(190.9)</u>	<u>(30.2)</u>	<u>(187.0)</u>
Less: Offsetting receipts	0.0	0.0	0.0
Net Outlays	<u>\$ (190.9)</u>	<u>\$ (30.2)</u>	<u>\$ (187.0)</u>



Department of Defense

Agency Wide

COMBINING STATEMENT OF BUDGETARY RESOURCES

For the periods ended September 30, 2005 and 2004

(\$ in Millions)

	Military Retirement Fund	US Army Corps of Engineers	Other Defense Organizations General Funds
BUDGETARY FINANCING ACCOUNTS			
BUDGETARY RESOURCES			
Budget Authority:			
Appropriations received	\$ 49,172.0	\$ 5,987.9	\$ 109,222.0
Borrowing authority	0.0	0.0	0.0
Contract authority	0.0	0.0	367.0
Net transfers (+/-)	0.0	265.0	(2,376.4)
Other	0.0	0.0	0.0
Unobligated balance:			
Beginning of period	(0.1)	1,693.3	15,374.9
Net transfers, actual (+/-)	0.0	(7.6)	(2,504.9)
Anticipated Transfers Balances	0.0	0.0	0.0
Spending authority from offsetting collections:			
Earned	0.0	0.0	0.0
Collected	0.0	6,471.7	7,215.4
Receivable from Federal sources	0.0	11.1	(313.0)
Change in unfilled customer orders	0.0	0.0	0.0
Advance received	0.0	(34.3)	44.3
Without advance from Federal sources	0.0	3,306.3	(94.8)
Anticipated for the rest of year, without advances	0.0	0.0	0.0
Previously unavailable	0.0	0.0	0.0
Transfers for trust funds	0.0	0.0	0.0
Subtotal	0.0	9,754.8	6,851.9
Recoveries of prior year obligations	0.0	0.0	5,072.5
Temporarily not available pursuant to Public Law	(10,005.7)	(10.0)	(20.2)
Permanently not available	0.0	(38.4)	(1,497.5)
Total Budgetary Resources	\$ 39,166.2	\$ 17,645.0	\$ 130,489.3
STATUS OF BUDGETARY RESOURCES			
Obligations incurred:			
Direct	\$ 39,166.2	\$ 5,739.5	\$ 111,600.4
Reimbursable	0.0	6,902.4	5,447.4
Subtotal	39,166.2	12,641.9	117,047.8
Unobligated balance:			
Apportioned	0.0	4,421.1	9,462.2
Exempt from apportionment	0.0	582.0	81.6
Other available	0.0	(0.1)	0.1
Unobligated Balances Not Available	0.0	0.1	3,897.6
Total, Status of Budgetary Resources	\$ 39,166.2	\$ 17,645.0	\$ 130,489.3
Relationship of Obligations to Outlays:			
Obligated Balance, Net - beginning of period	\$ 3,120.2	\$ 1,038.7	\$ 32,929.2
Obligated Balance transferred, net (+/-)	0.0	0.0	0.0
Obligated Balance, Net - end of period:			
Accounts receivable	0.0	(235.8)	(753.7)
Unfilled customer order from Federal sources	0.0	(5,214.2)	(1,272.4)
Undelivered orders	0.0	2,862.4	31,136.1
Accounts payable	3,321.1	1,083.0	4,635.0
Outlays:			
Disbursements	38,965.4	11,867.7	111,567.4
Collections	0.0	(6,437.4)	(7,259.7)
Subtotal	38,965.4	5,430.3	104,307.7
Less: Offsetting receipts	(22,897.0)	(1,744.7)	(1,617.6)
Net Outlays	\$ 16,068.4	\$ 3,685.6	\$ 102,690.1

Department of Defense
Agency Wide
COMBINING STATEMENT OF BUDGETARY RESOURCES
For the periods ended September 30, 2005 and 2004
(\$ in Millions)

	Other Defense Organizations Working Capital Funds	DoD Medicare-Eligible Retiree Health Care Fund	Agency-Wide Component
BUDGETARY FINANCING ACCOUNTS			
BUDGETARY RESOURCES			
Budget Authority:			
Appropriations received	\$ 2,420.5	\$ 28,128.8	\$ 0.0
Borrowing authority	0.0	0.0	0.0
Contract authority	34,824.6	0.0	0.0
Net transfers (+/-)	(150.9)	0.0	0.0
Other	0.0	0.0	0.0
Unobligated balance:			
Beginning of period	1,641.7	206.6	0.0
Net transfers, actual (+/-)	(611.5)	0.0	0.0
Anticipated Transfers Balances	0.0	0.0	0.0
Spending authority from offsetting collections:			
Earned	0.0	0.0	0.0
Collected	52,647.6	0.0	0.0
Receivable from Federal sources	71.9	0.0	0.0
Change in unfilled customer orders	0.0	0.0	0.0
Advance received	150.8	0.0	0.0
Without advance from Federal sources	(226.1)	0.0	0.0
Anticipated for the rest of year, without advances	0.0	0.0	0.0
Previously unavailable	0.0	0.0	0.0
Transfers for trust funds	0.0	0.0	0.0
Subtotal	52,644.2	0.0	0.0
Recoveries of prior year obligations	88.6	0.0	0.0
Temporarily not available pursuant to Public Law	0.0	(21,839.5)	0.0
Permanently not available	(33,001.6)	0.0	0.0
Total Budgetary Resources	\$ 57,855.6	\$ 6,495.9	\$ 0.0
STATUS OF BUDGETARY RESOURCES			
Obligations incurred:			
Direct	\$ 1,142.0	\$ 6,398.7	\$ 0.0
Reimbursable	56,563.7	0.0	0.0
Subtotal	57,705.7	6,398.7	0.0
Unobligated balance:			
Apportioned	(40.8)	97.2	0.0
Exempt from apportionment	190.8	0.0	0.0
Other available	(0.1)	0.0	0.0
Unobligated Balances Not Available	0.0	0.0	0.0
Total, Status of Budgetary Resources	\$ 57,855.6	\$ 6,495.9	\$ 0.0
Relationship of Obligations to Outlays:			
Obligated Balance, Net - beginning of period	\$ 10,538.4	\$ 262.1	\$ 0.0
Obligated Balance transferred, net (+/-)	0.0	0.0	0.0
Obligated Balance, Net - end of period:			
Accounts receivable	(2,997.9)	0.0	0.0
Unfilled customer order from Federal sources	(4,737.7)	0.0	0.0
Undelivered orders	14,155.3	146.2	0.0
Accounts payable	6,589.7	241.7	0.0
Outlays:			
Disbursements	55,300.2	6,272.9	0.0
Collections	(52,798.4)	0.0	0.0
Subtotal	2,501.8	6,272.9	0.0
Less: Offsetting receipts	0.0	(28,379.4)	0.0
Net Outlays	\$ 2,501.8	\$ (22,106.5)	\$ 0.0



Department of Defense
Agency Wide
COMBINING STATEMENT OF BUDGETARY RESOURCES
For the periods ended September 30, 2005 and 2004
(\$ in Millions)

	2005 Combined	2004 Combined
BUDGETARY FINANCING ACCOUNTS		
BUDGETARY RESOURCES		
Budget Authority:		
Appropriations received	\$ 604,969.5	\$ 582,010.7
Borrowing authority	0.0	0.1
Contract authority	56,753.1	34,855.8
Net transfers (+/-)	(220.0)	(519.3)
Other	0.0	0.0
Unobligated balance:		
Beginning of period	73,282.9	256,659.0
Net transfers, actual (+/-)	484.5	782.0
Anticipated Transfers Balances	0.0	0.0
Spending authority from offsetting collections:		
Earned	0.0	0.0
Collected	158,928.0	146,274.3
Receivable from Federal sources	(18.2)	(79.7)
Change in unfilled customer orders	0.0	0.0
Advance received	642.0	360.5
Without advance from Federal sources	5,065.9	980.0
Anticipated for the rest of year, without advances	0.0	0.0
Previously unavailable	0.0	0.0
Transfers for trust funds	0.0	0.0
Subtotal	<u>164,617.7</u>	<u>147,535.1</u>
Recoveries of prior year obligations	36,376.7	33,681.9
Temporarily not available pursuant to Public Law	(31,875.4)	(10.0)
Permanently not available	(58,299.7)	(40,338.0)
Total Budgetary Resources	<u><u>\$ 846,089.3</u></u>	<u><u>\$ 1,014,657.3</u></u>
STATUS OF BUDGETARY RESOURCES		
Obligations incurred:		
Direct	\$ 601,516.8	\$ 568,053.7
Reimbursable	175,983.1	152,658.9
Subtotal	<u>777,499.9</u>	<u>720,712.6</u>
Unobligated balance:		
Apportioned	59,206.9	58,631.0
Exempt from apportionment	725.9	183,488.1
Other available	(0.4)	0.3
Unobligated Balances Not Available	8,657.0	51,825.3
Total, Status of Budgetary Resources	<u><u>\$ 846,089.3</u></u>	<u><u>\$ 1,014,657.3</u></u>
Relationship of Obligations to Outlays:		
Obligated Balance, Net - beginning of period	\$ 233,234.1	\$ 214,371.9
Obligated Balance transferred, net (+/-)	0.0	(14.1)
Obligated Balance, Net - end of period:		
Accounts receivable	(10,118.7)	(10,136.8)
Unfilled customer order from Federal sources	(44,468.0)	(39,402.0)
Undelivered orders	250,153.2	228,801.3
Accounts payable	50,292.3	53,470.6
Outlays:		
Disbursements	723,450.6	667,755.1
Collections	(159,570.1)	(146,634.7)
Subtotal	<u>563,880.5</u>	<u>521,120.4</u>
Less: Offsetting receipts	(55,072.9)	(46,546.4)
Net Outlays	<u><u>\$ 508,807.6</u></u>	<u><u>\$ 474,574.0</u></u>

Department of Defense
Agency Wide
COMBINING STATEMENT OF BUDGETARY RESOURCES
For the periods ended September 30, 2005 and 2004
(\$ in Millions)

Army General Fund

NONBUDGETARY FINANCING ACCOUNTS

BUDGETARY RESOURCES

Budget Authority:

Appropriations received	\$	0.0
Borrowing authority		0.0
Contract authority		0.0
Net transfers (+/-)		0.0
Other		0.0

Unobligated balance:

Beginning of period		1.4
Net transfers, actual (+/-)		0.0
Anticipated Transfers Balances		0.0

Spending authority from offsetting collections:

Eamed		0.0
Collected		0.1
Receivable from Federal sources		0.0
Change in unfilled customer orders		0.0
Advance received		0.0
Without advance from Federal sources		0.0
Anticipated for the rest of year, without advances		0.0
Previously unavailable		0.0
Transfers from trust funds		0.0

Subtotal		0.1
----------	--	-----

Recoveries of prior year obligations		0.0
Temporarily not available pursuant to Public Law		0.0
Permanently not available		0.0
Total Budgetary Resources	\$	1.5

STATUS OF BUDGETARY RESOURCES

Obligations incurred:

Direct	\$	0.0
Reimbursable		0.0
Subtotal		0.0

Unobligated balance:

Apportioned		1.5
Exempt from apportionment		0.0
Other available		0.0

Unobligated Balances Not Available		0.0
------------------------------------	--	-----

Total, Status of Budgetary Resources	\$	1.5
---	-----------	------------

Relationship of Obligations to Outlays:

Obligated Balance, Net ? beginning of period	\$	0.0
--	----	-----

Obligated Balance transferred, net (+/-)		0.0
--	--	-----

Obligated Balance, Net - end of period:

Accounts receivable		0.0
Unfilled customer order from Federal sources		0.0
Undelivered orders		0.0
Accounts payable		0.0

Outlays:

Disbursements		0.0
Collections		(0.1)
Subtotal		(0.1)

Less: Offsetting receipts		0.0
---------------------------	--	-----

Net Outlays	\$	(0.1)
--------------------	-----------	--------------



Department of Defense

Agency Wide

COMBINING STATEMENT OF BUDGETARY RESOURCES

For the periods ended September 30, 2005 and 2004

(\$ in Millions)

	Military Retirement Fund	US Army Corps of Engineers	Other Defense Organizations General Funds
NONBUDGETARY FINANCING ACCOUNTS			
BUDGETARY RESOURCES			
Budget Authority:			
Appropriations received	\$ 0.0	\$ 0.0	\$ 0.0
Borrowing authority	0.0	0.0	170.3
Contract authority	0.0	0.0	0.0
Net transfers (+/-)	0.0	0.0	0.0
Other	0.0	0.0	0.0
Unobligated balance:			
Beginning of period	0.0	0.0	23.2
Net transfers, actual (+/-)	0.0	0.0	0.0
Anticipated Transfers Balances	0.0	0.0	0.0
Spending authority from offsetting collections:			
Earned	0.0	0.0	0.0
Collected	0.0	0.0	16.8
Receivable from Federal sources	0.0	0.0	0.0
Change in unfilled customer orders	0.0	0.0	0.0
Advance received	0.0	0.0	0.0
Without advance from Federal sources	0.0	0.0	40.6
Anticipated for the rest of year, without advances	0.0	0.0	0.0
Previously unavailable	0.0	0.0	0.0
Transfers from trust funds	0.0	0.0	0.0
Subtotal	0.0	0.0	57.4
Recoveries of prior year obligations	0.0	0.0	0.0
Temporarily not available pursuant to Public Law	0.0	0.0	0.0
Permanently not available	0.0	0.0	(2.2)
Total Budgetary Resources	\$ 0.0	\$ 0.0	\$ 248.7
STATUS OF BUDGETARY RESOURCES			
Obligations incurred:			
Direct	\$ 0.0	\$ 0.0	\$ 215.2
Reimbursable	0.0	0.0	0.0
Subtotal	0.0	0.0	215.2
Unobligated balance:			
Apportioned	0.0	0.0	0.0
Exempt from apportionment	0.0	0.0	0.0
Other available	0.0	0.0	0.0
Unobligated Balances Not Available	0.0	0.0	33.5
Total, Status of Budgetary Resources	\$ 0.0	\$ 0.0	\$ 248.7
Relationship of Obligations to Outlays:			
Obligated Balance, Net ? beginning of period	\$ 0.0	\$ 0.0	\$ 155.7
Obligated Balance transferred, net (+/-)	0.0	0.0	0.0
Obligated Balance, Net - end of period:			
Accounts receivable	0.0	0.0	0.0
Unfilled customer order from Federal sources	0.0	0.0	(123.7)
Undelivered orders	0.0	0.0	446.3
Accounts payable	0.0	0.0	0.0
Outlays:			
Disbursements	0.0	0.0	7.7
Collections	0.0	0.0	(16.8)
Subtotal	0.0	0.0	(9.1)
Less: Offsetting receipts	0.0	0.0	0.0
Net Outlays	\$ 0.0	\$ 0.0	\$ (9.1)



Department of Defense
Agency Wide
COMBINING STATEMENT OF BUDGETARY RESOURCES
For the periods ended September 30, 2005 and 2004
(\$ in Millions)

	2005 Combined	2004 Combined
NONBUDGETARY FINANCING ACCOUNTS		
BUDGETARY RESOURCES		
Budget Authority:		
Appropriations received	\$ 0.0	\$ 0.0
Borrowing authority	170.3	114.6
Contract authority	0.0	0.0
Net transfers (+/-)	0.0	0.0
Other	0.0	0.0
Unobligated balance:		
Beginning of period	24.6	21.8
Net transfers, actual (+/-)	0.0	0.0
Anticipated Transfers Balances	0.0	0.0
Spending authority from offsetting collections:		
Earned	0.0	0.0
Collected	16.9	17.4
Receivable from Federal sources	0.0	(0.6)
Change in unfilled customer orders	0.0	0.0
Advance received	0.0	0.0
Without advance from Federal sources	40.6	47.2
Anticipated for the rest of year, without advances	0.0	0.0
Previously unavailable	0.0	0.0
Transfers from trust funds	0.0	0.0
Subtotal	<u>57.5</u>	<u>64.0</u>
Recoveries of prior year obligations	0.0	0.0
Temporarily not available pursuant to Public Law	0.0	0.0
Permanently not available	(2.2)	20.7
Total Budgetary Resources	\$ <u>250.2</u>	\$ <u>221.1</u>
STATUS OF BUDGETARY RESOURCES		
Obligations incurred:		
Direct	\$ 215.2	\$ 196.6
Reimbursable	0.0	0.0
Subtotal	<u>215.2</u>	<u>196.6</u>
Unobligated balance:		
Apportioned	1.5	1.4
Exempt from apportionment	0.0	0.0
Other available	0.0	0.0
Unobligated Balances Not Available	33.5	23.1
Total, Status of Budgetary Resources	\$ <u>250.2</u>	\$ <u>221.1</u>
Relationship of Obligations to Outlays:		
Obligated Balance, Net ? beginning of period	\$ 155.7	\$ 29.9
Obligated Balance transferred, net (+/-)	0.0	0.0
Obligated Balance, Net - end of period:		
Accounts receivable	0.0	0.0
Unfilled customer order from Federal sources	(123.7)	(83.1)
Undelivered orders	446.3	238.8
Accounts payable	0.0	0.0
Outlays:		
Disbursements	7.7	24.1
Collections	(16.9)	(17.4)
Subtotal	<u>(9.2)</u>	<u>6.7</u>
Less: Offsetting receipts	0.0	0.0
Net Outlays	\$ <u>(9.2)</u>	\$ <u>6.7</u>



Department of Defense
Agency Wide
CONSOLIDATING STATEMENT OF FINANCING
For the periods ended September 30, 2005 and 2004
(\$ in Millions)

	Army General Fund	Navy General Fund	Air Force General Fund
Resources Used to Finance Activities:			
Budgetary Resources Obligated			
Obligations incurred	\$ 199,592.9	\$ 151,158.2	\$ 137,138.0
Less: Spending authority from offsetting collections and recoveries (-)	(39,804.4)	(20,485.1)	(11,104.9)
Obligations net of offsetting collections and recoveries	159,788.5	130,673.1	126,033.1
Less: Offsetting receipts (-)	(195.2)	(115.8)	(123.2)
Net obligations	159,593.3	130,557.3	125,909.9
Other Resources			
Donations and forfeitures of property	0.0	0.0	0.0
Transfers in/out without reimbursement (+/-)	528.1	(1.7)	(25.6)
Imputed financing from costs absorbed by others	1,092.8	585.7	742.0
Other (+/-)	(2,947.4)	0.0	0.0
Net other resources used to finance activities	(1,326.5)	584.0	716.4
Total resources used to finance activities	158,266.8	131,141.3	126,626.3
Resources Used to Finance Items not Part of the Net Cost of Operations			
Change in budgetary resources obligated for goods, services and benefits ordered but not yet provided			
Undelivered Orders (-)	(10,942.9)	(13,332.3)	(11,681.8)
Unfilled Customer Orders	2,237.7	(488.7)	738.2
Resources that fund expenses recognized in prior periods	(1,282.3)	(269.7)	(606.5)
Budgetary offsetting collections and receipts that do not affect net cost of operations	195.3	0.0	123.2
Resources that finance the acquisition of assets	(26,752.5)	(14,697.5)	(18,029.6)
Other resources or adjustments to net obligated resources that do not affect net cost of operations	0.0	0.0	0.0
Less: Trust or Special Fund Receipts Related to Exchange in the Entity's Budget (-)	2,419.3	1.7	25.6
Other (+/-)	(34,125.4)	(28,786.5)	(29,430.9)
Total resources used to finance items not part of the net cost of operations	124,141.4	102,354.8	97,195.4
Components of the Net Cost of Operations that will not Require or Generate Resources in the Current Period:			
Components Requiring or Generating Resources in Future Period:			
Increase in annual leave liability	91.4	170.0	81.0
Increase in environmental and disposal liability	(0.3)	1,028.8	0.0
Upward/Downward reestimates of credit subsidy expense (+/-)	0.0	0.0	0.0
Increase in exchange revenue receivable from the the public (-)	0.0	0.0	0.0
Other (+/-)	54.9	69.1	13.7
Total components of Net Cost of Operations that will require or generate resources in future periods	146.0	1,267.9	94.7
Components not Requiring or Generating Resources:			
Depreciation and amortization	16,965.2	15,844.3	11,743.1
Revaluation of assets or liabilities (+/-)	1.1	(1,785.3)	787.8
Other (+/-)	(0.1)	0.0	0.0
Trust Fund Exchange Revenue	0.0	0.0	0.0
Cost of Goods Sold	0.0	(2,244.2)	2,037.8
Operating Material & Supplies Used	5,172.5	(7.8)	12,435.8
Other	22,138.7	11,807.0	27,004.5
Total components of Net Cost of Operations that will not require or generate resources	22,284.7	13,074.9	27,099.2
Total components of net cost of operations that will not require or generate resources in the current period	146,426.1	115,429.7	124,294.6
Net Cost of Operations	146,426.1	115,429.7	124,294.6



Department of Defense
Agency Wide
CONSOLIDATING STATEMENT OF FINANCING
For the periods ended September 30, 2005 and 2004
(\$ in Millions)

	Army Working Capital Fund	Navy Working Capital Fund	Air Force Working Capital Fund
Resources Used to Finance Activities:			
Budgetary Resources Obligated			
Obligations incurred	\$ 16,822.4	\$ 23,936.0	\$ 15,892.1
Less: Spending authority from offsetting collections and recoveries (-)	(14,831.6)	(23,175.8)	(17,181.1)
Obligations net of offsetting collections and recoveries	1,990.8	760.2	(1,289.0)
Less: Offsetting receipts (-)	0.0	0.0	0.0
Net obligations	1,990.8	760.2	(1,289.0)
Other Resources			
Donations and forfeitures of property	0.0	0.0	0.0
Transfers in/out without reimbursement (+/-)	0.0	0.0	0.0
Imputed financing from costs absorbed by others	147.1	552.6	168.4
Other (+/-)	230.9	(653.6)	0.0
Net other resources used to finance activities	378.0	(101.0)	168.4
Total resources used to finance activities	2,368.8	659.2	(1,120.6)
Resources Used to Finance Items not Part of the Net Cost of Operations			
Change in budgetary resources obligated for goods, services and benefits ordered but not yet provided			
Undelivered Orders (-)	(1,514.9)	(684.7)	180.3
Unfilled Customer Orders	(754.9)	258.2	571.3
Resources that fund expenses recognized in prior periods	(21.3)	0.0	(5.8)
Budgetary offsetting collections and receipts that do not affect net cost of operations	0.0	0.0	0.0
Resources that finance the acquisition of assets	(7,999.0)	(4,342.3)	(5,376.8)
Other resources or adjustments to net obligated resources that do not affect net cost of operations			
Less: Trust or Special Fund Receipts Related to Exchange in the Entity's Budget (-)	0.0	0.0	0.0
Other (+/-)	(230.9)	653.6	0.0
Total resources used to finance items not part of the net cost of operations	(10,521.0)	(4,115.2)	(4,631.0)
Total resources used to finance the net cost of operations	(8,152.2)	(3,456.0)	(5,751.6)
Components of the Net Cost of Operations that will not Require or Generate Resources in the Current Period:			
Components Requiring or Generating Resources in Future Period:			
Increase in annual leave liability	28.9	0.0	0.0
Increase in environmental and disposal liability	0.0	0.0	0.0
Upward/Downward reestimates of credit subsidy expense (+/-)	0.0	0.0	0.0
Increase in exchange revenue receivable from the the public (-)	0.0	0.0	0.0
Other (+/-)	0.0	24.3	6.0
Total components of Net Cost of Operations that will require or generate resources in future periods	28.9	24.3	6.0
Components not Requiring or Generating Resources:			
Depreciation and amortization	95.9	205.2	190.7
Revaluation of assets or liabilities (+/-)	699.9	1,236.0	3.2
Other (+/-)			
Trust Fund Exchange Revenue	0.0	0.0	0.0
Cost of Goods Sold	6,025.4	4,574.4	5,026.6
Operating Material & Supplies Used	0.0	0.0	416.0
Other	(556.0)	0.0	(791.6)
Total components of Net Cost of Operations that will not require or generate resources	6,265.2	6,015.6	4,844.9
Total components of net cost of operations that will not require or generate resources in the current period	6,294.1	6,039.9	4,850.9
Net Cost of Operations	(1,858.1)	2,583.9	(900.7)



Department of Defense
Agency Wide
CONSOLIDATING STATEMENT OF FINANCING
For the periods ended September 30, 2005 and 2004
(\$ in Millions)

	Military Retirement Fund	US Army Corps of Engineers	Other Defense Organizations General Funds
Resources Used to Finance Activities:			
Budgetary Resources Obligated			
Obligations incurred	\$ 39,166.2	\$ 12,641.9	\$ 117,263.0
Less: Spending authority from offsetting collections and recoveries (-)	0.0	(9,754.9)	(11,981.8)
Obligations net of offsetting collections and recoveries	39,166.2	2,887.0	105,281.2
Less: Offsetting receipts (-)	(22,897.0)	(1,744.7)	(1,617.6)
Net obligations	16,269.2	1,142.3	103,663.6
Other Resources			
Donations and forfeitures of property	0.0	1.5	0.0
Transfers in/out without reimbursement (+/-)	0.0	(3.0)	(692.2)
Imputed financing from costs absorbed by others	0.0	241.6	632.9
Other (+/-)	0.0	0.7	1,737.9
Net other resources used to finance activities	0.0	240.8	1,678.6
Total resources used to finance activities	16,269.2	1,383.1	105,342.2
Resources Used to Finance Items not Part of the Net Cost of Operations			
Change in budgetary resources obligated for goods, services and benefits ordered but not yet provided			
Undelivered Orders (-)	0.0	(839.1)	(721.1)
Unfilled Customer Orders	0.0	3,272.0	(9.9)
Resources that fund expenses recognized in prior periods	0.0	(25.8)	(257.0)
Budgetary offsetting collections and receipts that do not affect net cost of operations	0.0	1,744.7	1,261.9
Resources that finance the acquisition of assets	0.0	(13.1)	(3,879.1)
Other resources or adjustments to net obligated resources that do not affect net cost of operations			
Less: Trust or Special Fund Receipts Related to Exchange in the Entity's Budget (-)	0.0	(10.0)	5.8
Other (+/-)	0.0	1.6	(1,045.7)
Total resources used to finance items not part of the net cost of operations	0.0	4,130.3	(4,645.1)
Total resources used to finance the net cost of operations	16,269.2	5,513.4	100,697.1
Components of the Net Cost of Operations that will not Require or Generate Resources in the Current Period:			
Components Requiring or Generating Resources in Future Period:			
Increase in annual leave liability	0.0	0.0	243.8
Increase in environmental and disposal liability	0.0	0.0	31.4
Upward/Downward reestimates of credit subsidy expense (+/-)	0.0	0.0	0.0
Increase in exchange revenue receivable from the the public (-)	0.0	0.0	(14.6)
Other (+/-)	57,529.6	540.6	76,232.8
Total components of Net Cost of Operations that will require or generate resources in future periods	57,529.6	540.6	76,493.4
Components not Requiring or Generating Resources:			
Depreciation and amortization	0.0	1,195.6	2,107.6
Revaluation of assets or liabilities (+/-)	0.0	1,046.7	129.0
Other (+/-)			
Trust Fund Exchange Revenue	(25,915.2)	0.0	(58.7)
Cost of Goods Sold	0.0	2.8	156.9
Operating Material & Supplies Used	0.0	0.0	0.0
Other	(1.4)	(619.4)	144.6
Total components of Net Cost of Operations that will not require or generate resources	(25,916.6)	1,625.7	2,479.4
Total components of net cost of operations that will not require or generate resources in the current period	31,613.0	2,166.3	78,972.8
Net Cost of Operations	47,882.2	7,679.7	179,669.9



Department of Defense
Agency Wide
CONSOLIDATING STATEMENT OF FINANCING
For the periods ended September 30, 2005 and 2004
(\$ in Millions)

	Other Defense Organizations Working Capital Funds	DoD Medicare-Eligible Retiree Health Care Fund	Agency-Wide Component
Resources Used to Finance Activities:			
Budgetary Resources Obligated			
Obligations incurred	\$ 57,705.7	\$ 6,398.7	\$ 0.0
Less: Spending authority from offsetting collections and recoveries (-)	(52,732.9)	0.0	0.0
Obligations net of offsetting collections and recoveries	4,972.8	6,398.7	0.0
Less: Offsetting receipts (-)	0.0	(28,379.4)	0.0
Net obligations	4,972.8	(21,980.7)	0.0
Other Resources			
Donations and forfeitures of property	0.0	0.0	0.0
Transfers in/out without reimbursement (+/-)	180.1	0.0	0.0
Imputed financing from costs absorbed by others	308.5	0.0	(6.3)
Other (+/-)	(537.0)	0.0	0.0
Net other resources used to finance activities	(48.4)	0.0	(6.3)
Total resources used to finance activities	4,924.4	(21,980.7)	(6.3)
Resources Used to Finance Items not Part of the Net Cost of Operations			
Change in budgetary resources obligated for goods, services and benefits ordered but not yet provided			
Undelivered Orders (-)	(2,841.7)	(13.3)	0.0
Unfilled Customer Orders	(75.3)	0.0	0.0
Resources that fund expenses recognized in prior periods	(141.6)	0.0	0.0
Budgetary offsetting collections and receipts that do not affect net cost of operations	0.0	0.0	0.0
Resources that finance the acquisition of assets	(31,624.8)	0.0	0.0
Other resources or adjustments to net obligated resources that do not affect net cost of operations			
Less: Trust or Special Fund Receipts Related to Exchange in the Entity's Budget (-)	(5.8)	0.0	0.0
Other (+/-)	351.1	0.0	0.0
Total resources used to finance items not part of the net cost of operations	(34,338.1)	(13.3)	0.0
Total resources used to finance the net cost of operations	(29,413.7)	(21,994.0)	(6.3)
Components of the Net Cost of Operations that will not Require or Generate Resources in the Current Period:			
Components Requiring or Generating Resources in Future Period:			
Increase in annual leave liability	0.0	0.0	0.0
Increase in environmental and disposal liability	40.4	0.0	0.0
Upward/Downward reestimates of credit subsidy expense (+/-)	0.0	0.0	0.0
Increase in exchange revenue receivable from the the public (-)	55.1	0.0	0.0
Other (+/-)	4.3	33,594.1	0.0
Total components of Net Cost of Operations that will require or generate resources in future periods	99.8	33,594.1	0.0
Components not Requiring or Generating Resources:			
Depreciation and amortization	596.4	0.0	0.0
Revaluation of assets or liabilities (+/-)	(343.3)	0.0	0.0
Other (+/-)			
Trust Fund Exchange Revenue	0.0	(33.0)	0.0
Cost of Goods Sold	30,386.3	0.0	0.0
Operating Material & Supplies Used	37.2	0.0	0.0
Other	751.9	(3.2)	0.0
Total components of Net Cost of Operations that will not require or generate resources	31,428.5	(36.2)	0.0
Total components of net cost of operations that will not require or generate resources in the current period	31,528.3	33,557.9	0.0
Net Cost of Operations	2,114.6	11,563.9	(6.3)



Department of Defense
Agency Wide
CONSOLIDATING STATEMENT OF FINANCING
For the periods ended September 30, 2005 and 2004
(\$ in Millions)

	2005 Combined	2004 Combined
Resources Used to Finance Activities:		
Budgetary Resources Obligated		
Obligations incurred	\$ 777,715.1	\$ 720,909.2
Less: Spending authority from offsetting collections and recoveries (-)	(201,052.5)	(181,281.0)
Obligations net of offsetting collections and recoveries	576,662.6	539,628.2
Less: Offsetting receipts (-)	(55,072.9)	(46,546.4)
Net obligations	521,589.7	493,081.8
Other Resources		
Donations and forfeitures of property	1.5	0.4
Transfers in/out without reimbursement (+/-)	(14.3)	(2,848.6)
Imputed financing from costs absorbed by others	4,465.3	4,092.5
Other (+/-)	(2,168.5)	0.6
Net other resources used to finance activities	2,284.0	1,244.9
Total resources used to finance activities	523,873.7	494,326.7
Resources Used to Finance Items not Part of the Net Cost of Operations		
Change in budgetary resources obligated for goods, services and benefits ordered but not yet provided		
Undelivered Orders (-)	(42,391.5)	(13,925.6)
Unfilled Customer Orders	5,748.6	1,387.4
Resources that fund expenses recognized in prior periods	(2,610.0)	(2,637.4)
Budgetary offsetting collections and receipts that do not affect net cost of operations	3,325.1	2,645.4
Resources that finance the acquisition of assets	(112,714.7)	(86,943.6)
Other resources or adjustments to net obligated resources that do not affect net cost of operations		
Less: Trust or Special Fund Receipts Related to Exchange in the Entity's Budget (-)	(10.0)	(10.0)
Other (+/-)	2,176.3	2,855.5
Total resources used to finance items not part of the net cost of operations	(146,476.2)	(96,628.3)
Total resources used to finance the net cost of operations	377,397.5	397,698.4
Components of the Net Cost of Operations that will not Require or Generate Resources in the Current Period:		
Components Requiring or Generating Resources in Future Period:		
Increase in annual leave liability	615.1	514.8
Increase in environmental and disposal liability	1,100.3	3,864.6
Upward/Downward reestimates of credit subsidy expense (+/-)	0.0	14.9
Increase in exchange revenue receivable from the the public (-)	40.5	(73.8)
Other (+/-)	168,069.4	139,064.9
Total components of Net Cost of Operations that will require or generate resources in future periods	169,825.3	143,385.4
Components not Requiring or Generating Resources:		
Depreciation and amortization	48,944.0	42,249.2
Revaluation of assets or liabilities (+/-)	1,775.1	(5,712.6)
Other (+/-)		
Trust Fund Exchange Revenue	(26,007.0)	(24,285.4)
Cost of Goods Sold	46,172.4	41,421.8
Operating Material & Supplies Used	246.8	4,655.9
Other	16,525.4	5,952.2
Total components of Net Cost of Operations that will not require or generate resources	87,656.7	64,281.1
Total components of net cost of operations that will not require or generate resources in the current period	257,482.0	207,666.5
Net Cost of Operations	634,879.5	605,364.9

Department of Defense

Agency Wide

COMBINING STATEMENT OF CUSTODIAL ACTIVITY

For the periods ended September 30, 2005 and 2004

(\$ in Millions)

	Army General Fund	Navy General Fund	Air Force General Fund
SOURCE OF COLLECTIONS			
Deposits by Foreign Governments	\$ 136.0	\$ 0.0	\$ 0.0
Seized Iraqi Cash	0.0	0.0	0.0
Other Collections	0.0	0.0	0.0
Total Cash Collections	<u>\$ 136.0</u>	<u>\$ 0.0</u>	<u>\$ 0.0</u>
Accrual Adjustments (+/-)	\$ 0.0	\$ 0.0	\$ 0.0
Total Custodial Collections	<u>\$ 136.0</u>	<u>\$ 0.0</u>	<u>\$ 0.0</u>
DISPOSITION OF COLLECTIONS			
Disbursed on Behalf of Foreign Governments and International Organizations	\$ 82.6	\$ 0.0	\$ 0.0
Seized Assets Disbursed on behalf of Iraqi People	52.1	0.0	0.0
Increase (Decrease) in Amounts to be Transferred	53.4	0.0	0.0
Collections Used for Refunds and Other Payments	0.0	0.0	0.0
Retained by The Reporting Entity	0.0	0.0	0.0
Seized Assets Retained for Support of the Iraqi People	(52.1)	0.0	0.0
Total Disposition of Collections	<u>\$ 136.0</u>	<u>\$ 0.0</u>	<u>\$ 0.0</u>
NET CUSTODIAL COLLECTION ACTIVITY	<u><u>\$ 0.0</u></u>	<u><u>\$ 0.0</u></u>	<u><u>\$ 0.0</u></u>

Department of Defense

Agency Wide

COMBINING STATEMENT OF CUSTODIAL ACTIVITY

For the periods ended September 30, 2005 and 2004

(\$ in Millions)

	Military Retirement Fund	US Army Corps of Engineers	Other Defense Organizations General Funds
SOURCE OF COLLECTIONS			
Deposits by Foreign Governments	\$ 0.0	\$ 0.0	\$ 10,557.1
Seized Iraqi Cash	0.0	0.0	0.0
Other Collections	0.0	0.0	0.0
Total Cash Collections	<u>\$ 0.0</u>	<u>\$ 0.0</u>	<u>\$ 10,557.1</u>
Accrual Adjustments (+/-)	\$ 0.0	\$ 0.0	\$ 0.0
Total Custodial Collections	<u>\$ 0.0</u>	<u>\$ 0.0</u>	<u>\$ 10,557.1</u>
DISPOSITION OF COLLECTIONS			
Disbursed on Behalf of Foreign Governments and International Organizations	\$ 0.0	\$ 0.0	\$ 10,988.1
Seized Assets Disbursed on behalf of Iraqi People	0.0	0.0	0.0
Increase (Decrease) in Amounts to be Transferred	0.0	0.0	(431.0)
Collections Used for Refunds and Other Payments	0.0	0.0	0.0
Retained by The Reporting Entity	0.0	0.0	0.0
Seized Assets Retained for Support of the Iraqi People	0.0	0.0	0.0
Total Disposition of Collections	<u>\$ 0.0</u>	<u>\$ 0.0</u>	<u>\$ 10,557.1</u>
NET CUSTODIAL COLLECTION ACTIVITY	<u><u>\$ 0.0</u></u>	<u><u>\$ 0.0</u></u>	<u><u>\$ 0.0</u></u>

Department of Defense

Agency Wide

COMBINING STATEMENT OF CUSTODIAL ACTIVITY

For the periods ended September 30, 2005 and 2004

(\$ in Millions)

	2005 Combined	2004 Combined
SOURCE OF COLLECTIONS		
Deposits by Foreign Governments	\$ 10,693.1	\$ 11,237.5
Seized Iraqi Cash	0.0	118.3
Other Collections	0.0	0.0
Total Cash Collections	<u>\$ 10,693.1</u>	<u>\$ 11,355.8</u>
Accrual Adjustments (+/-)	<u>\$ 0.0</u>	<u>\$ 0.9</u>
Total Custodial Collections	<u>\$ 10,693.1</u>	<u>\$ 11,356.7</u>
DISPOSITION OF COLLECTIONS		
Disbursed on Behalf of Foreign Governments and International Organizations	\$ 11,070.7	\$ 9,998.8
Seized Assets Disbursed on behalf of Iraqi People	52.1	283.1
Increase (Decrease) in Amounts to be Transferred	(377.6)	1,239.5
Collections Used for Refunds and Other Payments	0.0	0.0
Retained by The Reporting Entity	0.0	0.0
Seized Assets Retained for Support of the Iraqi People	(52.1)	(164.7)
Total Disposition of Collections	<u>\$ 10,693.1</u>	<u>\$ 11,356.7</u>
NET CUSTODIAL COLLECTION ACTIVITY	<u>\$ 0.0</u>	<u>\$ 0.0</u>