**Intragovernmental Transactions**

**Capital Asset Buy/Sell Transactions**

**Effective Date Fiscal Year 2016**

**Prepared By:**

**Financial and Budgetary Reports Division**

**Governmentwide Accounting**

**Bureau of the Fiscal Service**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Version Number | Date | Description of Change | Effective USSGL TFM | Effective Date |
| 1.0 | 7/01/2015 | Initial Version | XX-XX | FY2016 |

***Introduction***

This scenario focuses on intragovernmental activities related to the buy/sell transactions of capitalized assets.

The purpose of consolidated statements are to show the result of operations and the financial position of the related entities as **one entity.** According to ARB 51, Consolidated Financial Statements, “the complete elimination of the intercompany profit or loss is consistent with the underlying assumption that consolidated statements represent the financial position and operating results of a single business enterprise.” Therefore, from the consolidated perspective, changing hands of capitalized assets should not impact the overall net position of the consolidated entity. Any profit or loss associated from these transactions should be eliminated as well on the Financial Report of the U.S. Government (FR).

Within GTAS, memorandum accounts 880100-880400 are used to eliminate intragovernmental asset transactions as stated in the June 2015 TFM 2-4700. However, the memo accounts are not crosswalked into GFRS at year end causing elimination issues as well as an overstatement of expenses and revenues at year-end on the FR.

This scenario proposes changes to the Reclassified Statement of Net Cost, a new USSGL account, and modifying domain values for the Federal Non-Federal Attribute in GTAS for various USSGL accounts. By making these changes, and agencies following the guidance to follow, it will eliminate current intragovernmental elimination issues (currently in the billions) and accurately reflect the Reclassified Statement of Net Cost at the governmentwide level for Capital Asset Buy/Sell Transactions.

***Proposed New USSGL Accounts***

Account Title: Expensed Capitalized Asset

Account Number: 615000

Normal Balance: Debit

Transaction Codes: Add to B402 and F336

Definition: The amount of expenses recognized when the capitalized asset acquired does not meet agency’s capitalization threshold.

Justification: This account was established to separate activity out of account 610000 pertaining to an asset purchase, not capitalized. This will allow for proper presentation of the FR, reflecting this expense at the governmentwide level.

**USSGL Proprietary Account Reporting**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **USSGL Acct.** | **USSGL Account Title** | **Budg/Prop** | **Normal Balance** | **Begin/**  **End** | **Debit/**  **Credit** | **Apport**  **Cat** | **Reimb.**  **Flag** |
| 615000 | Expensed Capitalized Asset | P | D | E | D/C |  |  |

**Bulk File Proprietary Account Reporting**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **USSGL**  **Acct** | **USSGL**  **Account**  **Title** | **Fed/NonFed** | **Trading Ptnr** | **Trading Ptnr Main** |
| 615000 | Expensed  Capitalized  Asset |  |  |  |

**Draft USSGL Proprietary and Budgetary Account Attribute Table**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  |  | **TAS Attributes** | | | |
| **USSGL**  **Account**  **Number** | **USSGL Account Title** | **Fund**  **Type** | **Reporting**  **Type**  **Code** | **TAS**  **Status** | **Trans**  **Code** |
| 615000 | Expensed Capitalized Asset | CF/DF/EC/EG/EM/  EP/ER/ES/ET/GA/  TR/UG/US/UT | E/F/U | U/E | X/K/N |

**Impact on Crosswalks**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **USSGL**  **Account**  **Number** | **Balance**  **Sheet** | **Net Cost** | **Net**  **Position** | **Custodial**  **Activity** | **Reclassified**  **Balance**  **Sheet** | **Reclassified**  **Net Cost** | **Reclassified**  **Net**  **Position** |
| 615000 | Line 32, 33 | Line 1 | N/A | N/A | Line 9.1, 9.2 | Line 2, 7.3 | N/A |

***Proposed USSGL Account Domain Value Modification***

Account Title: Cost of Goods Sold

Account Number: 650000

Definition: The total cost of inventory sold including raw materials, direct labor, and overhead.

Attribute: Fed/Non

Domain Values: Current “N”, Proposed “F/N”

Justification: The current process recognizes Cost of Goods Sold (COGS) as “N” activity only. The reason “N” domain value was assigned to account 650000 is because by definition the inventory is an “N” account, therefore any cost associated with the inventory should also be treated as “N” activity. The same methodology applies to gains and losses on deposition of assets. After reviewing the current process, the determination of “N” is causing the COGS to not be eliminated at year-end on the FR. According to ARB 51, Consolidated Financial Statements, “the complete elimination of the intercompany profit or loss is consistent with the underlying assumption that consolidated statements represent the financial position and operating results of a single business enterprise.” Therefore, from the consolidated perspective, changing hands of capitalized assets should not impact the overall net position of the consolidated entity. Any profit or lost associated should be eliminated when reconciling all “F” accounts. The consolidated entity still has the ownership of the same asset throughout the transfer between government entities. Including an F attribute to 650000 will allow the account to eliminate with 880100 (offset to Purchase) and properly reflect the Net Position of the FR.

Account Title: General Property, Plant, and Equipment and Inventory and Related Property

Account Number: 171100-189900 and 151100-152900

Attribute: Current Fed/NonFed, proposed elimination of attributes

Domain Value: Current “N”, Proposed “ “

Justification: All inventory accounts are non-fed accounts for consolidation purposes and should be reflected on the Balance Sheet. To avoid any confusion with eliminations or possible system issues, the attribute was removed.

***Proposed USSGL account Crosswalk Modifications***

Account Title: Memorandum Accounts

Account Number: 880100-880400

Normal Balance: 880100 Credit, 880200-880400 Debit

Definition:

880100: The amount recorded to offset activity in USSGL accounts 880200-880400 which close into this account at yearend. This account does not close at yearend.

880200: The amount of capitalized property, plant, and equipment purchased during the fiscal year.

880300: The amount of inventory and related property purchased during the fiscal year.

880400: The amount of other assets purchased during the fiscal year, not otherwise

classified in the USSGL accounts 880200 & 880300.

Crosswalks: Currently Not Crosswalked, see proposal below

Justification: Currently, COGS and Revenue are being overstated at yearend because accounts 880100-880400 are not crosswalked into GFRS. These accounts will be added to RC24 affecting lines 7.4 (Purchase of Assets) and 7.5(Purchase of Assets Offsets) of the Reclassified Statement of Net Cost. These lines will be associated with the Federal Gross Cost section of the statement that will offset each other having no effect on the overall Net Cost. However, they will be used for elimination purposes.

Impact on Crosswalks

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **USSGL**  **Account**  **Number** | **Balance**  **Sheet** | **Net Cost** | **Net**  **Position** | **Custodial**  **Activity** | **Reclassified**  **Balance**  **Sheet** | **Reclassified**  **Net Cost** | **Reclassified**  **Net**  **Position** |
| 880200-880400 (F) | Line 32, 33 | Line 1 | N/A | N/A | Line 9.1, 9.2 | \*Line 7.4 | Line 9 |
| 880100 (F) | Line 32, 33 | Line 1 | N/A | N/A | Line 9.1, 9.2 | \*Line 7.5 | Line 9 |

**\*Proposed New lines being added to TFM 2-4700 guidance, other line numbers were adjusted accordingly**

**Listing of USSGL accounts used in this scenario:**

|  |  |
| --- | --- |
| **Account Number** | **Account Titles** |
|  |  |
| **Budgetary** |  |
| 411900 | Other Appropriations Realized |
| 421000 | Anticipated Reimbursements and Other Income |
| 422100 | Unfilled Customer Orders Without Advance |
| 425100 | Reimbursements and Other Income Earned-Receivable |
| 445000 | Unapportioned Authority |
| 459000 | Apportionments – Anticipated Resources – Programs Subject to Apportionment |
| 461000 | Allotments – Realized Resources |
| 480100 | Undelivered Orders – Obligations, Unpaid |
| 490100 | Delivered Orders – Obligations, Unpaid |
| **Proprietary** |  |
| 101000 | Fund Balance with Treasury |
| 131000 | Accounts Receivable |
| 152100 | Inventory Purchased for Resale |
| 152700 | Inventory – Finished Goods |
| 175000 | Equipment |
| 175900 | Accumulated Depreciation on Equipment |
| 211000 | Accounts Payable |
| 310100 | Unexpanded Appropriations – Appropriations Received |
| 310700 | Unexpanded Appropriations – Used |
| 331000 | Cumulative Results of Operations |
| 510000 | Revenue From Goods Sold |
| 570000 | Expended Appropriations |
| 615000 | Expensed Capitalized Asset |
| 650000 | Cost of Goods Sold |
| 671000 | Depreciation, Amortization, and Depletion |
| 880100 | Offset for Purchases of Assets |
| 880200 | Purchases of Property, Plant and Equipment |
| 880300 | Purchases of Inventory and Related Property |

**Proposed Buy/Sell Process of Capitalized Assets**

**Assumptions:**

* **Buying Agency 1: Asset meets capitalization threshold and is recorded as PPE.**
* **Buying Agency 2: Asset did not meet capitalization threshold, therefore expensed.**
* **Buying Agency 3: Asset is recorded as inventory.**

**Beginning Trial Balance (Selling Agency Only)**

|  |  |  |
| --- | --- | --- |
| **Account** | **DR** | **CR** |
| 152100 Inventory Purchases for Resale | 5,000 |  |
| 331000 Cumulative Results of Operations |  | 5,000 |

**1. To record the funding, assume the resources are apportioned and allotted when applicable.**

**Selling Agency**

|  |  |  |  |
| --- | --- | --- | --- |
|  | **DR** | **CR** | **TC** |
| **Budgetary Entry**  To record anticipated reimbursement  421000 Anticipated Reimb & Other Inc  445000 Unapportioned Authority  To record apportioned of anticipated resource but not available for use  445000 Unapportioned Authority  459000 Apportionment – Ant Res  **Proprietary**  None | $5,000  $5,000 | $5,000  $5,000 | A702  A118 |

**Buying Agency 1, 2, and 3 – All transactions are the same**

|  |  |  |  |
| --- | --- | --- | --- |
|  | **DR** | **CR** | **TC** |
| **Budgetary Entry**  New budget authority is apportioned and allotted  411900 Other Appropriations Realized  445000 Unapportioned Authority  445000 Unapportioned Authority  451000 Apportionments  451000 Apportionments  461000 Allotments – Realized Resources  **Proprietary**  101000(G) FBWT  310100(G) Unexp Appropriation - Received | $5,000  $5,000  $5,000  $5,000 | $5,000  $5,000  $5,000  $5,000 | A104  A116  A120 |

**2. To record Reimbursable Agreement**

**Selling Agency**

|  |  |  |  |
| --- | --- | --- | --- |
|  | **DR** | **CR** | **TC** |
| **Budgetary Entry**  To Record Reimbursable agreement and to record realization of previously anticipated resource  422100 Unfilled Cust Ord w/o Advance  421000 Anticipated Reimb & Oth Income  459000 Apportionment – Ant Resources  461000 Allotment  **Proprietary**  None | $5,000  $5,000 | $5,000  $5,000 | A706  A122 |

**Buying Agency 1, 2, and 3 – All transactions are the same**

|  |  |  |  |
| --- | --- | --- | --- |
|  | **DR** | **CR** | **TC** |
| **Budgetary Entry**  To Record undelivered orders  461000 Allotment  480100 Undelivered Orders – Oblig, Unpaid  **Proprietary**  None | $5,000 | $5,000 | B306 |

**3. Under Economy Act, selling agency sells its inventory to buying agency (1, 2 & 3). The book value of the sold equipment is the same for seller and buyer.**

**Selling Agency ( Entry consistent regardless of Buying Agency entry)**

|  |  |  |  |
| --- | --- | --- | --- |
|  | **DR** | **CR** | **TC** |
| **Budgetary Entry**  To record revenue earned in the performing agency for goods or services performed on a reimbursable order without an advance and record cost of goods sold.  425100 Reimb and Oth Income Earned – Rec  422100 Unfilled Cust Ord Without Advance  **Proprietary**  131000(F) Accounts Receivable  510000(F) Revenue from Goods Sold  650000(F ) Cost of Goods Sold  152100 Inventory Purchased for Resale | $5,000  $5,000  $5,000 | $5,000  $5,000  $5,000 | A714  E408 |

**Buying Agency 1 – Meetings the capitalization threshold and is recorded as PPE**

|  |  |  |  |
| --- | --- | --- | --- |
|  | **DR** | **CR** | **TC** |
| **Budgetary Entry**  To record the delivery of goods or services and to accrue a liability.  480100 Undelivered Orders – Oblig, unpaid  490100 Delivered Orders – Oblig, unpaid  **Proprietary**  To record current year appropriations used and purchases of property, plant, and equipment.  175000 Equipment  211000(F) Accounts Payable  310700(G) Unexp App Used  570000(G) App Used  880200(F) Purchases of PPE  880100(F) Offset to Purchase | $5,000  $5,000  $5,000  $5,000 | $5,000  $5,000  $5,000  $5,000 | Mod B402  B134  G120 |
|  |  |  |  |
| **Proprietary**  To record depreciation, amortization, and depletion expense on assets other than investments.  671000(N) Deprec, Amort, and Depletion  175900(N) Accumulated Deprec on Equip | $1,000 | $1,000 | E120 |

**Buying Agency 2 – Asset did not meet capitalization threshold, therefore expensed**

|  |  |  |  |
| --- | --- | --- | --- |
|  | **DR** | **CR** | **TC** |
| **Budgetary Entry**  To record the delivery of goods or services and to accrue a liability.  480100 Undelivered Orders – Oblig, unpaid  490100 Delivered Orders – Oblig, unpaid  **Proprietary**  To record this fiscal year appropriations and purchases of property, plant and equipment activity.  615000 Expensed Capitalized Asset  211000(F) Accounts Payable  310700(G) Unexp App Used  570000(G) App Used  880200(F) Purchases of PPE  880100(F) Offset to Purchase | $5,000  $5,000  $5,000  $5,000 | $5,000  $5,000  $5,000  $5,000 | Mod B402  B134  G120 |

**Buying Agency 3 – Asset is recorded as inventory**

|  |  |  |  |
| --- | --- | --- | --- |
|  | **DR** | **CR** | **TC** |
| **Budgetary Entry**  To record the delivery of goods or services and to accrue a liability.  480100 Undelivered Orders – Oblig, unpaid  490100 Delivered Orders – Oblig, unpaid  **Proprietary**  To record this fiscal year appropriations and purchases of property, plant and equipment activity.  152700 Inventory – Finished Goods  211000(F) Accounts Payable  310700(G) Unexp App Used  570000(G) App Used  880300(F) Purchases of Inventory and Related Property  880100(F) Offset to Purchase | $5,000  $5,000  $5,000  $5,000 | $5,000  $5,000  $5,000  $5,000 | Mod B402  B134  G120 |

**Pre-Closing Trial Balance of Each Scenario**

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Account** | **Description** | **Selling Agency** | | **Buying Agency 1** | | **Buying Agency 2** | | **Buying Agency 3** | |
| **Budgetary** | | **Debit** | **Credit** | **Debit** | **Credit** | **Debit** | **Credit** | **Debit** | **Credit** |
| 411900 | Appropriation Realized |  |  | 5,000 |  | 5,000 |  | 5,000 |  |
| 421000 | Anticipated Reimb & Other Inc | 0 |  |  |  |  |  |  |  |
| 422100 | Unfilled Cust Ord w/o Advance | 0 |  |  |  |  |  |  |  |
| 425100 | Reim and Other Inc Earned - Receivable | 5,000 |  |  |  |  |  |  |  |
| 445000 | Unapportioned Authority |  | 0 |  |  |  |  |  |  |
| 451000 | Apportionments | 0 |  |  |  |  |  |  |  |
| 459000 | Apportionment – Ant Res |  | 0 |  |  |  |  |  |  |
| 461000 | Allotment |  | 5,000 |  | 0 |  | 0 |  | 0 |
| 480100 | Undelivered Orders – Oblig, unpaid |  |  |  | 0 |  | 0 |  | 0 |
| 490100 | Delivered Orders – Oblig, unpaid |  |  |  | 5,000 |  | 5,000 |  | 5,000 |
| **TOTAL** | | **5,000** | **5,000** | **5,000** | **5,000** | **5,000** | **5,000** | **5,000** | **5,000** |
| **Proprietary** | |  |  |  |  |  |  |  |  |
| 101000 (G) | FBWT |  |  | 5,000 |  | 5,000 |  | 5,000 |  |
| 131000 (F) | Accounts Receivable | 5,000 |  |  |  |  |  |  |  |
| 152100 | Inventory – Purchase for sale |  |  |  |  |  |  |  |  |
| 152700 | Inventory – Finished Good |  |  |  |  |  |  | 5,000 |  |
| 175000 | Equipment |  |  | 5000 |  |  |  |  |  |
| 175900 (N) | Accumulated Deprec |  |  |  | 1,000 |  |  |  |  |
| 211000 (F) | Accounts Payable |  |  |  | 5,000 |  | 5,000 |  | 5,000 |
| 310100 (G) | Unexp Approp – Received |  |  |  | 5,000 |  | 5,000 |  | 5,000 |
| 310700 (G) | Unexp Approp – Used |  |  | 5,000 |  | 5000 |  | 5,000 |  |
| 331000 | Cumulative Results of Operations |  | 5,000 |  |  |  |  |  |  |
| 510000 (F) | Revenue from Goods Sold |  | 5,000 |  |  |  |  |  |  |
| 570000 (G) | Approp. Used |  |  |  | 5,000 |  | 5,000 |  | 5,000 |
| 615000 | Expensed Capitalized Asset |  |  |  |  | 5000 |  |  |  |
| 650000 (F) | COGS | 5,000 |  |  |  |  |  |  |  |
| 671000 (N) | Depreciation |  |  | 1,000 |  |  |  |  |  |
| 880100 (F) | Offset of Purchase |  |  |  | 5,000 |  | 5,000 |  | 5,000 |
| 880200 (F) | Purchases of PPE |  |  | 5,000 |  | 5000 |  |  |  |
| 880300 (F) | Purchases of Inventory |  |  |  |  |  |  | 5,000 |  |
| **TOTAL** | | **10,000** | **10,000** | **21,000** | **21,000** | **20,000** | **20,000** | **20,000** | **20,000** |

**Closing Entry for End of Year (For Proprietary USSGL Accounts)**

**Selling Agency (Entry consistent regardless of Buying Agency entry)**

|  |  |  |  |
| --- | --- | --- | --- |
|  | **DR** | **CR** | **TC** |
| **Budgetary Entry**  None  **Proprietary**  To record the closing of revenue, expense, and other financing source accounts to cumulative results of operations.  510000(F) Revenue from Goods Sold  331000 Cumulative Results of Operations  331000 Cumulative Results of Operations  650000(F ) Cost of Goods Sold | $5,000  $5,000 | $5,000  $5,000 | Mod F336 |

**Buying Agency 1**

|  |  |  |  |
| --- | --- | --- | --- |
|  | **DR** | **CR** | **TC** |
| **Budgetary Entry**  None  **Proprietary**  To record the closing of revenue, expense, and other financing source accounts to cumulative results of operations and memorandum accounts for purchase.  331000 Cumulative Results of Operations  671000(N) Deprec, Amort, and Depletion  570000(G) App Used  331000 Cumulative Results of Operations  880100(F) Offset for Purchases of Assets  880200(F) Purchases of Property, Plant, and Equipment | $1,000  $5,000  $5,000 | $1,000  $5,000  $5,000 | Mod F336  F370 |

**Buying Agency 2**

|  |  |  |  |
| --- | --- | --- | --- |
|  | **DR** | **CR** | **TC** |
| **Budgetary Entry**  None  **Proprietary**  To record the closing of revenue, expense, and other financing source accounts to cumulative results of operations and memorandum accounts for purchase.  331000 Cumulative Results of Operations  615000 Expensed Capitalized Asset  570000(G) App Used  331000 Cumulative Results of Operations  880100(F) Offset for Purchases of Assets  880200(F) Purchases of Property, Plant, and Equipment | $5,000  $5,000  $5,000 | $5,000  $5,000  $5,000 | Mod F336  F370 |

**Buying Agency 3**

|  |  |  |  |
| --- | --- | --- | --- |
|  | **DR** | **CR** | **TC** |
| **Budgetary Entry**  None  **Proprietary**  To record the closing of revenue, expense, and other financing source accounts to cumulative results of operations and memorandum accounts for purchase.  570000(G) App Used  331000 Cumulative Results of Operations  880100(F) Offset for Purchases of Assets  880300(F) Purchase of Inventory and Related Property | $5,000  $5,000 | $5,000  $5,000 | Mod F336  F370 |

**Financial Statements:**

| **BALANCE SHEET** | | | | |
| --- | --- | --- | --- | --- |
|  | **Selling Agency** | **Buying Agency 1** | **Buying Agency 2** | **Buying Agency 3** |
| **Assets:** |  |  |  |  |
| Intragovernmental |  |  |  |  |
| 1 Fund Balance With Treasury (101000E) |  | 5,000 | 5,000 | 5,000 |
| 3 Accounts Receivable (131000E) | 5,000 |  |  |  |
| 6 Total Intragovernmental (calc.) | 5,000 | 5,000 | 5,000 | 5,000 |
|  |  |  |  |  |
| **Assets With the Public:** |  |  |  |  |
| 12 Inventory – Finished Goods (152700E) |  |  |  | 5,000 |
| 13 Equipment (175000E) |  | 5,000 |  |  |
| 13 Accum Deprec. on Equip (175900E) |  | -1,000 |  |  |
| 15 Total Assets (calc.) | **5,000** | **9,000** | **5,000** | **10,000** |
|  |  |  |  |  |
| **Liabilities:** |  |  |  |  |
| Intragovernmental |  |  |  |  |
| 17 Accounts Payable (211000E) |  | 5,000 | 5,000 | 5,000 |
| 19 Other |  |  |  |  |
| 20 Total Intragovernmental (calc.) |  | 5,000 | 5,000 | 5,000 |
|  |  |  |  |  |
| **Liabilities With Public:** |  |  |  |  |
| 28 Total Liabilities (calc.) | 0 | 5,000 | 5,000 | 5,000 |
|  |  |  |  |  |
| **Net Position:** |  |  |  |  |
| 31 Unexpended Appropriations – All Other Funds  ( 310100E, 310700E, 331000B) | 5,000 | 0 | 0 | 0 |
| 33 Cumulative Results of Operations – All Other Funds (510000E,570000E,615000E,650000E, 671000E,880100E,880200E, 880300E) | 0 | 4,000 | 0 | 5,000 |
| 35 Total Net Position – All Other Funds (calc.) | 0 | 4,000 | 0 | 5,000 |
| 36 Total Net Position (calc.) | 5,000 | 4,000 | 0 | 5,000 |
| 37 Total Liabilities and Net Position (calc.) | **5,000** | **9,000** | **5,000** | **10,000** |

| **STATEMENT OF NET COST** | | | | |
| --- | --- | --- | --- | --- |
|  | **Selling Agency** | **Buying Agency 1** | **Buying Agency 2** | **Buying Agency 3** |
| **Gross Program Costs:** |  |  |  |  |
| **Program A:** |  |  |  |  |
| 1 Gross costs (615000E, 650000E, 671000E, 880100E, 880200E, 880300E) | 5,000 | 1,000 | 5,000 | 0 |
| 2 Less: earned revenue (510000E). | 5,000 | 0 | 0 | 0 |
| 3 Net Program costs (calc. 1-2) | 0 | 1,000 | 5,000 | 0 |
| 4 (Gains)/Loss on premium, or ORB or OPEB Assumption Changes |  |  |  |  |
| 5 Net program costs including Assumption change: (calc. 3+4) | 0 | 1,000 | 5,000 | 0 |
| 6 Costs not assigned to programs | 0 | 0 | 0 | 0 |
| 7 Less: earned revenues not attributed to programs | 0 | 0 | 0 | 0 |
| 8 Net cost of operations (calc. 5+6-7) | **0** | **1,000** | **5,000** | **0** |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **STATEMENT OF CHANGES IN NET POSITION** | | | | |
|  | **Selling Agency** | **Buying Agency 1** | **Buying Agency 2** | **Buying Agency 3** |
| **Cumulative Results of Operations:** |  |  |  |  |
| 1 Beginning Balances (331000B) | 5,000 | 0 | 0 | 0 |
| 2 Adjustments (+/-) | 0 | 0 | 0 | 0 |
| 2b Correction of Errors (+/-) | 0 | 0 | 0 | 0 |
| 3 Beginning Balances, as Adjusted (calc. 1..2b) | 5,000 | 0 | 0 | 0 |
|  |  |  |  |  |
| **Budgetary Financing Sources:** |  |  |  |  |
| 5 Appropriations Used (570000E) | 0 | 5,000 | 5,000 | 5,000 |
| 14 Total Financing Sources (calc. 4..13) | 0 | 5,000 | 5,000 | 5,000 |
| 15 Net Cost of Operations (+/-) | 0 | 1,000 | 5000 | 0 |
| 16 Net Change (calc 14-15) | 0 | 4,000 | 0 | 5,000 |
| 17 Cumulative Results of Operations(calc. 3+16) | 5,000 | 4,000 | 0 | 5,000 |
|  |  |  |  |  |
| **Budgetary Financing Sources:** |  |  |  |  |
| 21 Appropriations Received (310100E) | 0 | 5,000 | 5,000 | 5,000 |
| 24…Unexpended Appropriations used (310700E) | 0 | -5,000 | -5,000 | -5,000 |
| 25 Total Budgetary Financing Sources (calc. 21..24) | 0 | 0 | 0 | 0 |
| 26 Total Unexpended Appropriations (calc. 20 + 25) | 0 | 0 | 0 | 0 |
| 27 Net Position (calc 17+26) | 5,000 | 4,000 | 0 | 5,000 |

**Reclassified Financial Statements:**

| **RECLASSIFIED BALANCE SHEET** | | | | |
| --- | --- | --- | --- | --- |
|  | **Selling Agency** | **Buying Agency 1** | **Buying Agency 2** | **Buying Agency 3** |
| **1 Assets** |  |  |  |  |
| **2 Non-Federal** |  |  |  |  |
| 2.1 Cash and Other Monetary Assets (110100E) |  | 5,000 | 5,000 | 5,000 |
| 2.5 Inventories and Related Property, Net (152100E, 152700E) | 0 |  |  | 5,000 |
| 2.6 Property, Plant, and Equipment, Net (175000E) |  | 4,000 |  |  |
| **2.10 Total Non-Federal Assets (calc. 2.1..2.9)** | **0** | **9,000** | **5,000** | **1,000** |
| **3 Federal** |  |  |  |  |
| 3.3 Accounts Receivable (RC 22) /1 (131000E) | 5,000 |  |  |  |
| **4 Total Assets (calc. 2.10..3.13)** | **5,000** | **9,000** | **5,000** | **1,000** |
| **5 Liabilities:** |  |  |  |  |
| **7 Federal** |  |  |  |  |
| 7.1 Accounts Payable (RC 22) /1 (211000E,) |  | 5,000 | 5,000 | 5,000 |
| 7.13 Total Federal Liabilities (calc. 7.1..7.12) |  | 5,000 | 5,000 | 5,000 |
| **8 Total Liabilities ( calc. 6.10..7.13)** |  | **5,000** | **5,000** | **5,000** |
| **9 Net Position:** |  |  |  |  |
| 9.2 Net Position– Funds Other Than Those From Dedicated Collections (310100E, 310700E, 510000E, 570000E, 615000E, 650000E,671000E, 880100E, 880200E) | 5,000 | 4,000 | 0 | 5,000 |
| **10 Total Net Position (calc. 9.1+9.2)** | **5,000** | **4,000** | **0** | **5,000** |
| **11 Total Liabilities and Net Position (calc. 8+10)** | **5,000** | **9,000** | **5,000** | **10,000** |

| **RECLASSIFIED STATEMENT OF NET COST** | | | | |
| --- | --- | --- | --- | --- |
|  | **Selling Agency** | **Buying Agency 1** | **Buying Agency 2** | **Buying Agency 3** |
| **1 Gross Costs** |  |  |  |  |
| 2 Non-Federal Gross Costs (615000E, 671000E) |  | 1,000 | 5,000 |  |
| 6 Total Non-Federal Gross Cost ( calc 2..5) |  | 1,000 | 5,000 |  |
| 7 Federal Gross Cost |  |  |  |  |
| 7.3 Buy/Sell Cost (RC 24) /2 (650000E, 610000E) | 5,000 |  |  |  |
| 7.4 Purchase of Assets – (RC 24) (880200E) |  | -5,000 | -5,000 | -5,000 |
| 7.5 Purchase of Assets Offset (RC 24) (880100E) |  | 5,000 | 5,000 | 5,000 |
| 8 Total Federal Gross Cost (calc. 7.1..7.9) | 5,000 | 0 | 0 | 0 |
| 9 Department Total Gross Cost (calc. 6+8) | 5,000 | 1,000 | 5,000 | 0 |
| 10 Earned Revenue |  |  |  |  |
| 12 Federal Earned Revenue |  |  |  |  |
| 12.1 Benefit Program Revenue (RC 26) /2 (540000E, 540900E) |  |  |  |  |
| 12.2 Buy/Sell Revenue (RC 24) /2 (510000E) | 5,000 |  |  |  |
| 13 Total Federal Earned Revenue (calc. 12.1..12.6) | 5,000 | 0 | 0 | 0 |
| 14 Department Total Earned Revenue (calc. 11+13) | 5,000 | 0 | 0 | 0 |
| **15 Net Cost of Operations (calc. 9-14)** | **0** | **1,000** | **5,000** | **0** |

| **RECLASSIFIED STATEMENT OF CHANGES IN NET POSITION** | | | | |
| --- | --- | --- | --- | --- |
|  | **Selling Agency** | **Buying Agency 1** | **Buying Agency 2** | **Buying Agency 3** |
| 1 Beginning Net Position (331000B) | 5,000 |  |  |  |
| 4 Adjusted Beginning Net Position Balance (calc. for current year 1,2.1,2.2,3.1, and 3.2) | 5,000 |  |  |  |
| **7 Budgetary Finance Sources:** |  |  |  |  |
| 7.1 Appropriation Received As Adjusted (Rescissions and Other Adjustments) (RC41)/1 (310100E) |  | 5,000 | 5,000 | 5,000 |
| 7.2 Appropriations Used (RC 39) (310700E) |  | -5,000 | -5,000 | -5,000 |
| 7.13 Other Budgetary Financing Sources (RC 29) /1,8 (570000E) |  | 5,000 | 5,000 | 5,000 |
| 7.15 Total Budgetary Financing Sources (calc. 7.1..7.13) |  | 5,000 | 5,000 | 5,000 |
| 9 Net Cost of Operations (+/-) |  | -1,000 | -5,000 | 0 |
| 10 Ending Net Position Balance (calc. 4, 7.15, 9) | 5,000 | 4,000 | 0 | 5,000 |

**Intragovernmental Eliminations:**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Agency** | **USSGL** | **RC** | **Financial Statement Line** | **Amount** |
| Selling Agency | 510000 | 24 | SNC Line 12.2 (Buy/Sell Revenue) | -12,000 |
| Buying Agency 1, 2, 3 | 880200 | 24 | SNC Line 7.4 (Purchase of Assets) | 12,000 |
|  |  |  |  |  |
| Selling Agency | 650000 | 24 | SNC Line 7.3 (Buy/Sell Cost) | 12,000 |
| Buying Agency 1, 2, 3 | 880100 | 24 | SNC Line 7.5 (Purchase of Assets Offset | -12,000 |
|  |  |  |  |  |
| Selling Agency | 131000 | 22 | BS Line 3.3 (Accounts Receivable) | 12,000 |
| Buying Agency 1, 2, 3 | 211000 | 22 | BS Line 7.1 (Accounts Payable) | -12,000 |