NONMAJOR COMPONENT UNITS – DISCRETELY PRESENTED

Component units are legally separate entities for which the State is financially accountable. Accountability is defined as the State's substantive appointment of a majority of the component unit's governing board. Furthermore, the State must be able to impose its will upon the component unit or there must be a possibility that the component unit may provide specific benefits to, or impose specific financial burdens on the State. The State has applied the criteria outlined in GASB Statement No. 14, The Financial Reporting Entity, in determining financial accountability. These component units are included in the financial reporting entity because of the significance of their operational or financial relationships with the State.

Nonmajor component units are comprised of the following entities:

N.C. State Ports Authority
N.C. Agricultural Finance Authority
N.C. Global TransPark Authority
N.C. Partnership for Children, Inc.
Regional Economic Development Commissions
North Carolina Railroad Company
N.C. Phase II Tobacco Certification Entity, Inc.

COMBINING STATEMENT OF NET ASSETS
NONMAJOR COMPONENT UNITS

June 30, 2004 *Exhibit G-1*

(Dollars in Thousands)

	N.C. State Ports Authority	N.C. Agricultural Finance Authority	N.C. Global TransPark Authority	N.C. Partnership for Children, Inc.	Regional Economic Development Commissions	North Carolina Railroad Company	N.C. Phase II Tobacco Certification Entity, Inc.	Total
ASSETS								
Cash and cash equivalents	$ 2,414	$ 4,330	$ 15,671	$ 403	$ 2,770	$ 24,335	$ 717	$ 50,640
Investments	3,261	—	10,362	4,738	156	—	—	18,517
Receivables, net	4,409	280	227	2,474	355	109	—	7,854
Due from component units	—	—	—	—	204	—	—	204
Inventories	1,087	1	—	—	—	—	—	1,088
Prepaid items	916	—	—	52	6	48	1	1,023
Notes receivable, net	—	11,191	—	—	—	—	—	11,191
Deferred charges	612	—	—	—	—	—	—	612
Capital assets-nondepreciable	33,172	172	17,022	—	505	15,867	—	66,738
Capital assets-depreciable, net	120,186	—	51,624	141	188	5,268	20	177,427
Total Assets	166,057	15,974	94,906	7,808	4,184	45,627	738	335,294
LIABILITIES								
Accounts payable and accrued liabilities	2,486	153	372	123	161	472	6	3,773
Interest payable	11	—	—	—	—	—	—	11
Due to primary government	—	1	5,777	2,432	—	—	—	8,210
Unearned revenue	711	—	21	—	234	—	—	966
Advance from primary government	—	—	24,242	—	—	—	—	24,242
Deposits payable	—	—	—	—	—	3	—	3
Funds held for others	—	—	—	191	—	—	69	260
Long-term liabilities:								
Due within one year	3,527	4	60	—	84	—	—	3,675
Due in more than one year	18,596	37	1,334	209	—	—	—	20,176
Total Liabilities	25,331	195	31,806	2,955	479	475	75	61,316
NET ASSETS								
Invested in capital assets, net of related debt	132,239	172	52,696	141	693	21,135	20	207,096
Restricted for:								
Expendable:								
Health and human services	—	—	—	2,176	—	—	—	2,176
Other purposes	1,513	—	16	—	—	—	—	1,529
Unrestricted	6,974	15,607	10,388	2,536	3,012	24,017	643	63,177
Total Net Assets	$ 140,726	$ 15,779	$ 63,100	$ 4,853	$ 3,705	$ 45,152	$ 663	$ 273,978

COMBINING STATEMENT OF ACTIVTIES
NONMAJOR COMPONENT UNITS

For the Fiscal Year Ended June 30, 2004 *Exhibit G-2*

(Dollars in Thousands)

	N.C. State Ports Authority	N.C. Agricultural Finance Authority	N.C. Global TransPark Authority	N.C. Partnership for Children, Inc.	Regional Economic Development Commissions	North Carolina Railroad Company	N.C. Phase II Tobacco Certification Entity, Inc.	Total
Total expenses	$ 33,471	$ 2,765	$ 7,287	$ 114,951	$ 5,335	$ 13,495	$ 3,406	$ 180,710
Program revenues:								
Charges for services	29,246	779	779	—	18	12,812	—	43,634
Operating grants and contributions	202	2,411	1,703	661	1,407	233	3,283	9,900
Capital grants and contributions	—	—	77	—	—	—	—	77
Net program (expense) revenue	(4,023)	425	(4,728)	(114,290)	(3,910)	(450)	(123)	(127,099)
Non-tax general revenues:								
State operating aid	—	—	1,600	112,941	3,913	—	—	118,454
State capital aid	—	—	—	—	—	22,528	—	22,528
Miscellaneous	—	—	—	—	7	—	—	7
Total non-tax general revenues	—	—	1,600	112,941	3,920	22,528	—	140,989
Change in net assets	(4,023)	425	(3,128)	(1,349)	10	22,078	(123)	13,890
Net assets — July 1, as restated	144,749	15,354	66,228	6,202	3,695	23,074	786	260,088
Net assets — June 30	$ 140,726	$ 15,779	$ 63,100	$ 4,853	$ 3,705	$ 45,152	$ 663	$ 273,978