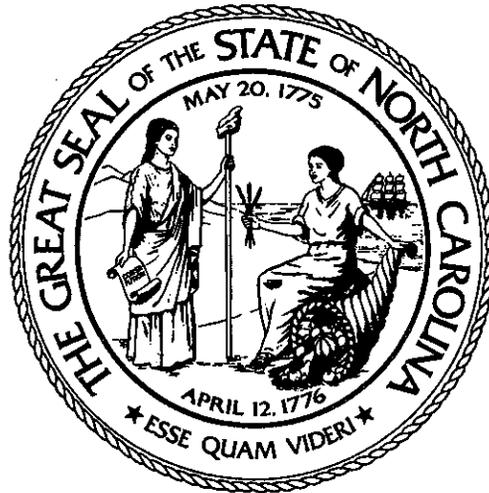




COMPONENT UNITS



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.
- N.C. Turnpike Authority

**COMBINING STATEMENT OF NET ASSETS
NONMAJOR COMPONENT UNITS**

June 30, 2005

(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
Assets						
Cash and cash equivalents.....	\$ 2,949	\$ 5,679	\$ 7,116	\$ 36	\$ 2,248	\$ 24,418
Investments.....	6,248	—	7,820	3,855	770	—
Receivables, net.....	6,812	226	195	1,703	104	668
Due from component units.....	—	—	—	—	473	—
Inventories.....	852	3	—	—	—	—
Prepaid items.....	465	—	—	48	—	47
Notes receivable, net.....	—	10,061	—	—	—	—
Deferred charges.....	789	—	—	—	—	—
Capital assets-nondepreciable.....	29,372	172	26,745	—	67	20,615
Capital assets-depreciable, net.....	116,198	—	49,729	99	834	11,666
Total Assets.....	163,685	16,141	91,605	5,741	4,496	57,414
Liabilities						
Accounts payable and accrued liabilities...	4,204	1	759	126	61	1,828
Interest payable.....	16	—	—	—	—	—
Due to primary government.....	—	1	7,193	1,251	—	—
Unearned revenue.....	511	—	23	—	493	—
Advance from primary government.....	—	—	21,742	—	—	—
Deposits payable.....	—	—	—	—	—	3
Funds held for others.....	—	—	—	1,131	—	—
Long-term liabilities:						
Due within one year.....	1,816	4	56	22	49	—
Due in more than one year.....	13,381	39	1,310	186	—	—
Total Liabilities.....	19,928	45	31,083	2,716	603	1,831
Net Assets						
Invested in capital assets, net of related debt.....	131,448	172	61,260	99	901	32,281
Restricted for:						
Expendable:						
Health and human services.....	—	—	—	762	—	—
Other purposes.....	—	—	24	—	—	—
Unrestricted.....	12,309	15,924	(762)	2,164	2,992	23,302
Total Net Assets.....	\$ 143,757	\$ 16,096	\$ 60,522	\$ 3,025	\$ 3,893	\$ 55,583

Exhibit G-1

N.C. Phase II Tobacco Certification Entity, Inc.	N.C. Turnpike Authority	Total
\$ 249	\$ —	\$ 42,695
—	—	18,693
—	—	9,708
—	—	473
—	—	855
2	—	562
—	—	10,061
—	—	789
—	—	76,971
17	—	178,543
<u>268</u>	<u>—</u>	<u>339,350</u>
—	6	6,985
—	—	16
—	—	8,445
—	—	1,027
—	58	21,800
—	—	3
59	—	1,190
—	—	1,947
—	—	14,916
<u>59</u>	<u>64</u>	<u>56,329</u>
17	—	226,178
—	—	762
—	—	24
192	(64)	56,057
<u>\$ 209</u>	<u>\$ (64)</u>	<u>\$ 283,021</u>

**COMBINING STATEMENT OF ACTIVITIES
NONMAJOR COMPONENT UNITS**

For the Fiscal Year Ended June 30, 2005

(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
Total expenses	\$ 43,755	\$ 1,192	\$ 6,496	\$ 120,083	\$ 6,624	\$ 13,022
Program revenues:						
Charges for services	35,016	764	878	—	271	13,009
Operating grants and contributions	6,802	604	1,140	381	2,475	427
Capital grants and contributions	—	—	300	—	—	—
Net program (expense) revenue	(1,937)	176	(4,178)	(119,702)	(3,878)	414
Non-tax general revenues:						
State operating aid	—	—	1,600	117,874	4,066	—
State capital aid	4,968	—	—	—	—	10,017
Total non-tax general revenues	4,968	—	1,600	117,874	4,066	10,017
Change in net assets	3,031	176	(2,578)	(1,828)	188	10,431
Net assets — July 1, as restated	140,726	15,920	63,100	4,853	3,705	45,152
Net assets — June 30	<u>\$ 143,757</u>	<u>\$ 16,096</u>	<u>\$ 60,522</u>	<u>\$ 3,025</u>	<u>\$ 3,893</u>	<u>\$ 55,583</u>

Exhibit G-2

N.C. Phase II Tobacco Certification Entity, Inc.	N.C. Turnpike Authority	Total
\$ 3,498	\$ 58	\$ 194,728
—	—	49,938
3,044	—	14,873
—	—	300
<u>(454)</u>	<u>(58)</u>	<u>(129,617)</u>
—	—	123,540
—	—	14,985
—	—	138,525
<u>(454)</u>	<u>(58)</u>	<u>8,908</u>
663	(6)	274,113
<u>\$ 209</u>	<u>\$ (64)</u>	<u>\$ 283,021</u>