

# Government-wide Financial Statements

## Statement of Net Assets

June 30, 2007

(Dollars in Thousands)

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
<b>Assets</b>				
Cash and Cash Equivalents (Notes 1 and 6)	\$ 3,776,216	\$ 1,172,024	\$ 4,948,240	\$ 2,246,040
Investments (Notes 1 and 6)	4,546,664	2,067,175	6,613,839	9,304,722
Receivables, Net (Notes 1 and 7)	2,081,411	469,179	2,550,590	9,889,812
Contributions Receivable, Net (Notes 1 and 8)	-	-	-	336,945
Internal Balances (Note 1)	50,039	(50,039)	-	-
Due from Primary Government (Note 9)	-	-	-	561,531
Due from Component Units (Note 9)	-	-	-	63,292
Due from External Parties (Fiduciary Funds) (Note 9)	78	-	78	-
Inventory (Note 1)	124,370	46,617	170,987	75,679
Prepaid Items (Note 1)	49,064	1,941	51,005	73,347
Other Assets (Notes 1 and 10)	25,401	380	25,781	133,724
Loans Receivable from Primary Government (Notes 1 and 9)	-	-	-	172,390
Loans Receivable from Component Units (Notes 1 and 9)	14,984	-	14,984	-
Restricted Cash and Cash Equivalents (Notes 6 and 11)	395,962	-	395,962	2,035,292
Restricted Investments (Notes 6 and 11)	-	-	-	4,178,712
Other Restricted Assets (Note 11)	-	-	-	170,205
Nondepreciable Capital Assets (Notes 1 and 12)	4,746,688	2,717	4,749,405	2,088,312
Depreciable Capital Assets, Net (Notes 1 and 12)	12,401,281	29,727	12,431,008	7,067,073
<b>Total Assets</b>	<b>28,212,158</b>	<b>3,739,721</b>	<b>31,951,879</b>	<b>38,397,076</b>
<b>Liabilities</b>				
Accounts Payable (Notes 1 and 21)	837,634	48,328	885,962	925,674
Amounts Due to Other Governments	438,290	13,930	452,220	74,375
Due to Component Units (Note 9)	561,531	-	561,531	63,292
Due to External Parties (Fiduciary Funds) (Note 9)	17,999	-	17,999	-
Unearned Revenue (Note 1)	141,121	5,757	146,878	243,694
Obligations Under Securities Lending Program (Notes 1 and 6)	1,976,490	391,415	2,367,905	547,057
Other Liabilities (Notes 1 and 22)	1,271,522	64,761	1,336,283	1,058,842
Loans Payable to Primary Government (Notes 1 and 9)	-	-	-	14,984
Loans Payable to Component Units (Notes 1 and 9)	172,390	-	172,390	-
Claims Payable:				
Due Within One Year (Notes 1 and 20)	142,103	21,625	163,728	-
Due in More Than One Year (Notes 1 and 20)	230,122	7,625	237,747	-
Long-term Liabilities:				
Due Within One Year (Notes 1, 19, and 23)	533,397	148,596	681,993	1,028,328
Due in More Than One Year (Notes 1, 19, and 23)	5,218,032	1,923,256	7,141,288	15,493,011
<b>Total Liabilities</b>	<b>11,540,631</b>	<b>2,625,293</b>	<b>14,165,924</b>	<b>19,449,257</b>

The accompanying notes are an integral part of this financial statement.

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
<b>Net Assets</b>				
Invested in Capital Assets, Net of Related Debt	13,834,236	29,834	13,864,070	5,721,707
Restricted For:				
Nonexpendable:				
Higher Education	-	-	-	2,036,434
Permanent Funds	50,304	-	50,304	-
Other	-	-	-	87,470
Expendable:				
Higher Education	-	-	-	4,697,026
Permanent Funds	2,914	-	2,914	-
Revenue Stabilization Fund	1,308,944	-	1,308,944	-
Literary Fund	300,364	-	300,364	-
Gifts and Grants	100,706	-	100,706	17,661
Unemployment Compensation	-	871,987	871,987	-
Virginia Pooled Investment Program	-	-	-	5,846
Capital Projects/Construction/Capital Acquisition	3,771	187	3,958	1,100,628
Debt Service	97,317	-	97,317	75,986
Bond Indenture	-	-	-	1,754,650
Unexpended Lottery Proceeds	28,600	-	28,600	-
Other	-	-	-	480,711
Unrestricted	944,371	212,420	1,156,791	2,969,700
<b>Total Net Assets</b>	<b>\$ 16,671,527</b>	<b>\$ 1,114,428</b>	<b>\$ 17,785,955</b>	<b>\$ 18,947,819</b>

## Statement of Activities

For the Fiscal Year Ended June 30, 2007

(Dollars in Thousands)

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary Government</b>				
Governmental Activities				
General Government	\$ 2,644,920	\$ 216,148	\$ 92,668	\$ -
Education	9,542,461	349,525	755,544	350
Transportation	2,255,720	583,266	34,079	841,429
Resources and Economic Development	840,722	299,100	205,388	441
Individual and Family Services	9,022,492	370,302	4,733,509	7,552
Administration of Justice	2,658,644	291,514	48,617	789
Interest and Charges on Long-term Debt	203,372	-	-	-
Total Governmental Activities	<u>27,168,331</u>	<u>2,109,855</u>	<u>5,869,805</u>	<u>850,561</u>
Business-type Activities				
State Lottery	929,369	1,366,262	-	-
Virginia College Savings Plan	179,530	328,042	-	-
Unemployment Compensation	381,660	438,355	35,166	-
Alcoholic Beverage Control	433,944	525,340	925	-
Local Choice Health Care	179,032	206,628	-	-
Other	109,261	127,026	-	-
Total Business-type Activities	<u>2,212,796</u>	<u>2,991,653</u>	<u>36,091</u>	<u>-</u>
Total Primary Government	<u>\$ 29,381,127</u>	<u>\$ 5,101,508</u>	<u>\$ 5,905,896</u>	<u>\$ 850,561</u>
<b>Component Units</b>				
Virginia Housing Development Authority	\$ 491,427	\$ 458,515	\$ 135,529	\$ -
Virginia Public School Authority	148,337	143,937	-	-
Higher Education:				
Major	5,171,189	3,569,940	1,269,754	360,854
Nonmajor	3,341,967	1,396,279	632,714	643,631
Other Nonmajor	635,846	501,829	10,293	48,302
Total Component Units	<u>\$ 9,788,766</u>	<u>\$ 6,070,500</u>	<u>\$ 2,048,290</u>	<u>\$ 1,052,787</u>

The accompanying notes are an integral part of this financial statement.

Net (Expense) Revenue and Changes in Net Assets			
Primary Government			
Governmental Activities	Business-type Activities	Total	Component Units
\$ (2,336,104)	\$ -	\$ (2,336,104)	\$ -
(8,437,042)	-	(8,437,042)	-
(796,946)	-	(796,946)	-
(335,793)	-	(335,793)	-
(3,911,129)	-	(3,911,129)	-
(2,317,724)	-	(2,317,724)	-
(203,372)	-	(203,372)	-
(18,338,110)	-	(18,338,110)	-
-	436,893	436,893	-
-	148,512	148,512	-
-	91,861	91,861	-
-	92,321	92,321	-
-	27,596	27,596	-
-	17,765	17,765	-
-	814,948	814,948	-
(18,338,110)	814,948	(17,523,162)	-
-	-	-	102,617
-	-	-	(4,400)
-	-	-	29,359
-	-	-	(669,343)
-	-	-	(75,422)
-	-	-	(617,189)

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**Statement of Activities** (Continued from previous page)

For the Fiscal Year Ended June 30, 2007

(Dollars in Thousands)

	Net (Expense) Revenue and Changes in Net Assets			
	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
General Revenues				
Taxes				
Individual and Fiduciary Income	9,639,024	-	9,639,024	-
Sales and Use	3,755,896	-	3,755,896	-
Corporation Income	905,852	-	905,852	-
Motor Fuel	929,723	-	929,723	-
Motor Vehicle Sales and Use	588,471	-	588,471	-
Deeds, Contracts, Wills, and Suits	583,782	-	583,782	-
Premiums of Insurance Companies	384,894	-	384,894	-
Alcoholic Beverage Sales Tax	100,160	-	100,160	-
Tobacco Products	187,726	-	187,726	-
Estate	140,379	-	140,379	-
Public Service Corporations	88,672	-	88,672	-
Beer and Beverage Excise	43,804	-	43,804	-
Wine and Spirits/ABC Liter	18,020	-	18,020	-
Bank Stock	12,624	-	12,624	-
Other Taxes	74,906	12,430	87,336	-
Operating Appropriations from Primary Government	-	-	-	1,873,811
Unrestricted Grants and Contributions	50,138	-	50,138	57,785
Investment Earnings	477,212	10,779	487,991	1,128,417
Miscellaneous	153,506	391	153,897	93,965
Tobacco Master Settlement and Securitization	-	-	-	657,578
Transfers	563,978	(563,978)	-	-
Contributions to Permanent Funds and Endowments	20,000	-	20,000	109,642
Extraordinary Items (Note 30)	-	-	-	(16,941)
Total General Revenues, Transfers, and Extraordinary Items	18,718,767	(540,378)	18,178,389	3,904,257
Change in Net Assets	380,657	274,570	655,227	3,287,068
Net Assets - July 1, as restated (Note 2)	16,290,870	839,858	17,130,728	15,660,751
Net Assets - June 30	\$ 16,671,527	\$ 1,114,428	\$ 17,785,955	\$ 18,947,819

The accompanying notes are an integral part of this financial statement.