

**HARNETT FORWARD TOGETHER COMMITTEE AND RELATED ENTITIES**

CONSOLIDATED FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULES

JUNE 30, 2011 AND 2010

**HARNETT FORWARD TOGETHER COMMITTEE AND RELATED ENTITIES**

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JUNE 30, 2011 AND 2010

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TRP CPAs, PLLC  
certified public accountants  
INDEPENDENT AUDITORS' REPORT

Board of Directors  
Harnett Forward Together Committee and related entities  
Lillington, North Carolina

We have audited the accompanying consolidated statements of financial position of Harnett Forward Together Committee and related entities (not-for-profit organizations) as of June 30, 2011 and 2010, and the related consolidated statements of activities, and cash flows for the years then ended. These consolidated financial statements are the responsibility of the Organizations' management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Harnett Forward Together Committee and related entities as of June 30, 2011 and 2010, and their cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplemental schedules shown in the table of contents are presented for purposes of additional analysis and are not required parts of the consolidated financial statements. Such information is the responsibility of management and has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

February 2, 2012

*TRP CPAs, PLLC*

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**HARNETT FORWARD TOGETHER COMMITTEE AND RELATED ENTITIES**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
AS OF JUNE 30, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
ASSETS:		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 769,577	\$ 1,081,936
Prepaid interest	-	2,261
Current portion of notes receivable, less allowance for bad debts	79,458	61,742
Other receivables	6,856	1,091
Total current assets	<u>855,891</u>	<u>1,147,030</u>
PROPERTY AND EQUIPMENT - NET	6,213,777	6,293,530
OTHER NON-CURRENT ASSETS:		
Land and buildings, available for sale	10,265,948	9,857,645
Deferred loan fees - net	14,660	22,470
Long-term portion of notes receivable	167,828	145,424
Total other non-current assets	<u>10,448,436</u>	<u>10,025,539</u>
TOTAL ASSETS	<u>\$ 17,518,104</u>	<u>\$ 17,466,099</u>
LIABILITIES AND NET ASSETS:		
CURRENT LIABILITIES:		
Accounts payable	\$ 33,770	\$ 8,873
Accrued interest payable on long-term debt	58,061	49,703
Current portion of long-term debt	2,606,192	5,595,609
Deferred rent income	52,083	-
Total current liabilities	<u>2,750,106</u>	<u>5,654,185</u>
LONG-TERM LIABILITIES:		
Long-term debt - net of current portion	6,988,542	4,617,246
Total long-term liabilities	<u>6,988,542</u>	<u>4,617,246</u>
NET ASSETS:		
Unrestricted	<u>7,779,456</u>	<u>7,194,668</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 17,518,104</u>	<u>\$ 17,466,099</u>

See Independent Auditors' Report  
and Accompanying Notes to the Consolidated Financial Statements

**HARNETT FORWARD TOGETHER COMMITTEE AND RELATED ENTITIES**

CONSOLIDATED STATEMENTS OF ACTIVITIES  
FOR THE YEARS ENDED JUNE 30, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
PUBLIC SUPPORT AND REVENUE:		
PUBLIC SUPPORT:		
Harnett County	<b>\$ 807,656</b>	\$ 970,914
Memberships	<b>17,700</b>	16,300
Total public support	<b><u>825,356</u></b>	<u>987,214</u>
REVENUE:		
Rental income	<b>542,151</b>	672,612
Interest	<b>17,904</b>	27,318
Discount on note redemption	-	310,000
Contributed assets	-	166,847
Weave Plant - maintenance reimbursement	<b>54,129</b>	39,806
Miscellaneous	<b>1,046</b>	4,408
Total revenue	<b><u>615,230</u></b>	<u>1,220,991</u>
 TOTAL PUBLIC SUPPORT AND REVENUE	 <b>1,440,586</b>	 2,208,205
 EXPENSES:		
Program services	<b>596,345</b>	610,866
Support services	<b>259,453</b>	297,531
 TOTAL EXPENSES	 <b><u>855,798</u></b>	 <u>908,397</u>
 INCREASE IN NET ASSETS	 <b>584,788</b>	 1,299,808
 NET ASSETS - BEGINNING OF YEAR	 <b><u>7,194,668</u></b>	 <u>5,894,860</u>
 NET ASSETS - END OF YEAR	 <b><u><u>\$ 7,779,456</u></u></b>	 <u><u>\$ 7,194,668</u></u>

See Independent Auditors' Report  
and Accompanying Notes to the Consolidated Financial Statements

**HARNETT FORWARD TOGETHER COMMITTEE AND RELATED ENTITIES**CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED JUNE 30, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
CASH FLOWS - OPERATING ACTIVITIES:		
Increase in net assets	<b>\$ 584,788</b>	\$ 1,299,808
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation and amortization	<b>87,562</b>	176,350
Decrease (increase) in:		
Prepaid interest	<b>2,261</b>	117
Notes receivable	<b>(40,120)</b>	69,692
Other receivables	<b>(5,765)</b>	906
Deferred loan fees - net	-	(19,480)
Land and buildings, available for sale	<b>(408,303)</b>	(478,973)
Deferred rent asset	-	49,912
Increase (decrease) in:		
Accounts payable	<b>24,897</b>	(101,551)
Accrued interest payable on long-term debt	<b>8,358</b>	49,703
Deferred rent income	<b>52,083</b>	(170,954)
Net cash provided by operating activities	<b>305,761</b>	875,530
CASH FLOWS - INVESTING ACTIVITIES:		
Purchases of depreciable property and equipment	-	(2,311)
Net cash used by investing activities	-	(2,311)
CASH FLOWS - FINANCING ACTIVITIES:		
Payments on long-term debt	<b>(618,120)</b>	(995,715)
Net cash used by financing activities	<b>(618,120)</b>	(995,715)
DECREASE IN CASH AND CASH EQUIVALENTS	<b>(312,359)</b>	(122,496)
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<b>1,081,936</b>	1,204,432
CASH AND CASH EQUIVALENTS - END OF YEAR	<b>\$ 769,577</b>	\$ 1,081,936
SUPPLEMENTAL DISCLOSURES:		
Cash paid during the fiscal year for interest	<b>\$ 568,713</b>	\$ 473,926

See Independent Auditors' Report  
and Accompanying Notes to the Consolidated Financial Statements

# HARNETT FORWARD TOGETHER COMMITTEE AND RELATED ENTITIES

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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### **1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

#### ORGANIZATION

Harnett Forward Together Committee ("HFTC") is a private, not-for-profit corporation made up of volunteers dedicated to making Harnett County, North Carolina, a better place to live and work. HFTC consists of a group of government, political, and business leaders, as well as individuals focused on a variety of economic development efforts. Western Harnett Industrial Park, Inc. ("WHIP") and Emmett Edgerton Industrial Properties, Inc. ("EEIP") were organized to support the mission of HFTC. HFTC and related entities derive their revenue primarily from county funding, rental income and grants.

#### SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

##### Reporting Entity

The consolidated financial statements include all funds which are under the control of the Board of Directors of each of the respective entities.

##### Basis of Accounting

The accompanying consolidated financial statements have been prepared on the accrual basis of accounting whereby revenues are recognized when earned and expenses are recognized when incurred. This basis of accounting conforms to accounting principles generally accepted in the United States of America.

##### Basis of Presentation

HFTC is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. HFTC is also required to provide a statement of financial position, a statement of activities, and a statement of cash flows.

##### Basis of Consolidation

The consolidated financial statements include the accounts of WHIP and EEIP. There is an element of economic interest since HFTC holds significant resources in both WHIP and EEIP. HFTC provides funding that is used by the two entities. All material inter-organizational transactions have been eliminated in consolidation.

Contributions

Gifts of cash and other assets are reported as restricted support if they are pledged or received with donor stipulations that limit the use of the donation. When a donor restriction expires, that is when a stipulated time ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the consolidated statement of activities as net assets released from restriction. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as unrestricted contributions.

Cash and Cash Equivalents

For the purpose of the consolidated statements of cash flows, cash and cash equivalents are defined as demand deposits at banks and all highly liquid debt instruments purchased with an original maturity of three months or less.

Notes Receivable

Notes receivable for HFTC are carried at unpaid principal balances. HFTC's practice is to charge off any loan or portion of a loan when the loan is determined by management to be uncollectible due to the borrower's failure to meet repayment terms, the borrower's deteriorating or deteriorated financial condition, the depreciation of the underlying collateral, or for other reasons. Management believes all notes receivable are collectible and therefore has not established an allowance for bad debts.

Property and Equipment

The costs of property and equipment purchased in excess of \$1,000 are capitalized. Donations of property and equipment are recorded at their estimated fair value. Depreciation is provided in amounts sufficient to amortize the cost of the property and equipment over the estimated useful lives of the assets on a straight-line basis as follows:

Buildings and improvements	40 years
Machinery and equipment	7-15 years
Computers	5 years

When items of property and equipment are sold or otherwise disposed of, the cost and accumulated depreciation are removed from the respective accounts and the resulting gain or loss is reflected in income.



Land and Buildings Available-for-Sale

At June 30, 2011 and 2010, HFTC and related entities had the following land and buildings available for sale:

	<u>2011</u>	<u>2010</u>
HFTC	<b>\$ 6,968,973</b>	\$ 6,560,670
WHIP	<b>2,665,166</b>	2,665,166
EEIP	<b>631,809</b>	631,809
TOTAL	<b><u>\$ 10,265,948</u></b>	<b><u>\$ 9,857,645</u></b>

As of June 30, 2011, HFTC had land available for sale in the amount of \$6,968,973 related to the Brightwater Science & Technology Campus and Business Park. While this property is classified as available for sale, engineering fees, interest expense and other direct costs continue to be capitalized as they are incurred. The property is being actively marketed by commercial real estate broker, however, costs continued to be incurred to prepare the property for prospective buyers and investors.

Interest expense on the Brightwater property has been capitalized and totaled \$311,577 and \$299,870 for the years ended June 30, 2011 and 2010, respectively.

Net Assets

Net assets are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of HFTC and related entities are classified and reported as follows:

Unrestricted net assets - Net assets that are not subject to donor imposed stipulations.

Temporarily restricted net assets - Net assets subject to donor-imposed stipulations that may or will be met, either by actions of HFTC or related entities and/or the passage of time. When a restriction of time expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. At June 30, 2011 and 2010, there were no temporarily restricted funds.

Permanently restricted net assets - Net assets subject to donor-imposed stipulations requiring that they be maintained permanently by HFTC or related entities. At June 30, 2011 and 2010 there were no permanently restricted funds.

#### In-Kind Contributions and Contributed Services

In-kind contributions are reflected as contributions at their fair value at the date of donation and are reported as unrestricted support unless explicit donor stipulations specify how donated assets must be used. HFTC and related entities benefited from donated facilities and services which were valued by Harnett County at \$4,884 and \$136,157, respectively, during the year ended June 30, 2011. During the year ended June 30, 2010, the Organizations benefited from donated facilities and services which were valued by Harnett County at \$4,884 and \$117,431, respectively. These amounts have been reported as both Harnett County revenue and donated facilities and services expenses on the consolidated statement of activities. HFTC and related entities recognize the fair value of contributed services received if such services a.) create or enhance nonfinancial assets or b.) require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not contributed.

#### Income Taxes

HFTC and related entities are not-for-profit organizations exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. During the years ended June 30, 2011 and 2010, HFTC and related entities did not have an obligation for any unrelated business income tax.

HFTC and related entities file income tax returns in the U.S. federal jurisdiction. The income tax filings are subject to audit by various taxing authorities. HFTC and related entities believe their estimates are appropriate based on current facts and circumstances.

#### Estimates

The preparation of the consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting periods. Accordingly, actual results could differ from those estimates.

#### Reclassifications

Certain reclassifications have been made to the 2010 consolidated financial statement presentation to correspond to the current year's format. Net assets and changes in net assets are unchanged due to these reclassifications.

**2. DEPOSITS**

All deposits of HFTC and related entities are made in board designated official depositories. Funds are invested in checking, savings, and money market accounts with banks in Harnett County.

**3. CONCENTRATION OF CREDIT RISK**

Financial instruments which potentially subject HFTC to a concentration of credit risk consist of cash and cash equivalents. The Federal Deposit Insurance Corporation, (FDIC), insures interest bearing accounts for up to \$250,000 per institution and fully insures non-interest bearing accounts. At June 30, 2011 and 2010, HFTC's uninsured funds on deposit totaled \$28,038 and \$218,145, respectively. Management believes there is minimal credit risk relative to its cash.

**4. NOTES RECEIVABLE**

HFTC offers a business loan program whereby they loan funds for operating capital, capital acquisition and improvement, and land acquisition. The loans range from \$25,000 to \$75,000 and typically bear interest at prime rate at closing plus 0.25%. Funds are granted based on the applicant's ability to pay and the soundness of the business opportunity. Businesses will receive funding priority if they have revenue of \$1,000,000 or less in a calendar year, they are creating or retaining tax paying jobs within Harnett County, and have fifty employees or less. These loans are all payable to HFTC with varying due dates through 2018, and are shown on the consolidated statements of financial position. At June 30, 2011, HFTC had six loans outstanding with a net value of \$247,286. At June 30, 2010, HFTC had five loans outstanding with a net value of \$207,166.

**5. PROPERTY AND EQUIPMENT**

Property and equipment at June 30, 2011 and 2010 consisted of the following:

	<u>2011</u>	<u>2010</u>
Buildings and improvements	<b>\$ 3,104,991</b>	\$ 3,104,991
Land	<b>3,416,684</b>	3,416,684
Machinery and equipment	<b>13,543</b>	13,543
Computers	<b>1,740</b>	1,740
	<b><u>6,536,958</u></b>	<u>6,536,958</u>
Accumulated depreciation	<b>(323,181)</b>	(243,428)
Property and equipment - net	<b><u>\$ 6,213,777</u></b>	<u>\$ 6,293,530</u>

Depreciation expense for the years ended June 30, 2011 and 2010 totaled \$79,752 and \$79,095, respectively.

**6. LONG-TERM DEBT**

	Original Loan Amount	<b>2011</b>	2010
Note payable in annual installments of \$70,000 with interest at 5.5%. Secured by a deed of trust. A balloon payment of all principal and interest is due in July 2012.	\$ 700,000	<b>\$ 279,957</b>	\$ 350,000
Note payable in monthly installments of \$25,854 with interest at 6.1%. Secured by land. A balloon payment of all principal and interest is due in March 2014.	\$ 2,460,450	<b>2,228,236</b>	2,396,843
Note payable in monthly installments of \$23,533 with interest at 7.3%. Secured by land and buildings. A balloon payment of all principal and interest is due in April 2012.	\$ 2,338,429	<b>2,108,844</b>	2,222,624
Note payable in quarterly installments of \$135,317 with interest at the prime rate with a floor of 6%. Secured by a deed of trust. A balloon payment of all principal and interest is due in February 2014.	\$ 5,600,000	<b>4,977,697</b>	5,243,388
Total debt		<b>9,594,734</b>	10,212,855
Less current maturities		<b>(2,606,192)</b>	(5,595,609)
Long-term debt		<b>\$ 6,988,542</b>	\$ 4,617,246
Future scheduled maturities of long-term debt:			

Year	Amount
2012	\$ 2,606,192
2013	663,774
2014	6,324,768
	<u>\$ 9,594,734</u>

**7. LEASES**

HFTC owns a commercial building that it leases to third parties. The current building lease commenced in September 2010 and expires in September 2012. The lease calls for an annual rental of \$250,000 to be paid in advance of each lease year.

HFTC also owns 1,013 acres of undeveloped land in Harnett County. This land is leased to Harnett County under a lease that began in July 2006 and expires in March 2023. Current monthly lease payments are \$28,686.

The following is a schedule, by year, of total minimum lease payments receivable as of June 30 under these two leases:

<u>Year</u>	<u>Amount</u>
2012	\$ 594,234
2013	344,234
2014	313,885
2015	283,536
2016	283,536
Total	<u><u>1,819,425</u></u>

**8. DEFERRED LOAN FEES**

HFTC and related entities amortize their loan fees over the lives of the loans. Amortization for the years ended June 30, 2011 and 2010 was \$7,810 and \$97,275, respectively. Remaining amortization expense for future years is as follows:

<u>Year</u>	<u>Amount</u>
2012	\$ 7,040
2013	4,439
2014	3,181
Total	<u><u>14,660</u></u>

**9. CONCENTRATIONS OF SUPPORT**

Approximately 98% and 99% of the public support for HFTC and related entities for the 2011 and 2010 fiscal years was derived from Harnett County, respectively. A change in the level of support from Harnett County would have a significant impact on HFTC and the related entities.

**10. FUNCTIONAL EXPENSES**

The costs of providing the various programs and other activities of HFTC and related entities have been summarized on a functional basis in the consolidated statement of activities and the supplemental consolidated schedules of functional expenses. Accordingly, certain costs have been allocated among programs and support services based on estimates provided by management.

**11. CONTRIBUTED ASSETS**

HFTC owns a commercial building which it leases to area businesses (see note 7). During 2007, the lessee of the building installed a specialized sprinkler system which was required due to the nature of the lessee's business. HFTC agreed to reduce the monthly lease payments to help offset the lessee's cost of installing the system. During the year ended June 30, 2010, the lessee terminated their lease and in effect contributed the sprinkler system to HFTC. This contribution is valued at \$166,847 and is classified as contributed assets for the year ended June 30, 2010.

**12. SUBSEQUENT EVENTS**

As of June 30, 2011, HFTC committed to donating a portion of land, approximately 204 acres, to Harnett County Parks and Recreation Department to match the Parks and Recreation Trust Fund Grant awarded to Harnett County in the amount of \$500,000. The transfer of this land, however, was not complete as of June 30, 2011. Management has estimated the value of this land is sufficient to meet the matching requirement of the grant.

HFTC and related entities have evaluated subsequent events through February 2, 2011, the date at which the consolidated financial statements were available to be issued.

## **SUPPLEMENTAL SCHEDULES**

**HARNETT FORWARD TOGETHER COMMITTEE AND RELATED ENTITIES**

CONSOLIDATED SCHEDULE OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2011

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	<u>Program Services</u>	<u>Support Services</u>	<u>Total</u>
EXPENSES:			
Interest	\$ 314,720	\$ -	\$ 314,720
Donated services and facilities	141,041	-	141,041
Real estate taxes	119,891	-	119,891
Depreciation and amortization	-	87,562	87,562
Utilities	-	73,362	73,362
Professional services	-	42,064	42,064
Site maintenance	-	38,007	38,007
Real estate marketing	15,000	-	15,000
Insurance	-	12,819	12,819
Contributions	4,700	-	4,700
Miscellaneous	-	3,805	3,805
Management fees	-	1,006	1,006
Newsletter publications	993	-	993
Loan service fees	-	828	828
Donated land	-	-	-
Dues	-	-	-
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TOTAL EXPENSES	<u>\$ 596,345</u>	<u>\$ 259,453</u>	<u>\$ 855,798</u>

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See Independent Auditors' Report and  
Accompanying Notes to the Consolidated Financial Statements



**HARNETT FORWARD TOGETHER COMMITTEE AND RELATED ENTITIES**

CONSOLIDATED SCHEDULE OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2010

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	<u>Program Services</u>	<u>Support Services</u>	<u>Total</u>
EXPENSES:			
Interest	\$ 321,756	\$ -	\$ 321,756
Donated services and facilities	122,315	-	122,315
Real estate taxes	99,389	-	99,389
Depreciation and amortization	-	176,350	176,350
Utilities	-	36,388	36,388
Professional services	-	39,525	39,525
Site maintenance	-	23,207	23,207
Real estate marketing	16,000	-	16,000
Insurance	-	14,633	14,633
Contributions	2,808	-	2,808
Miscellaneous	-	4,507	4,507
Management fees	-	710	710
Newsletter publications	4,075	-	4,075
Loan service fees	-	1,286	1,286
Donated land	44,523	-	44,523
Dues	-	925	925
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TOTAL EXPENSES	<u>\$ 610,866</u>	<u>\$ 297,531</u>	<u>\$ 908,397</u>

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See Independent Auditors' Report and  
Accompanying Notes to the Consolidated Financial Statements

**HARNETT FORWARD TOGETHER COMMITTEE AND RELATED ENTITIES**

CONSOLIDATING SCHEDULE OF REVENUES AND EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2011

	HFTC	WHIP	EEIP	Eliminating Entries	Consolidated Total
<b>PUBLIC SUPPORT AND REVENUE:</b>					
<b>PUBLIC SUPPORT:</b>					
Harnett County	\$ 748,980	\$ 29,338	\$ 29,338	\$ -	\$ 807,656
Memberships	17,700	-	-	-	17,700
Harnett Forward Together Committee	-	213,000	23,000	(236,000)	-
Total public support	<u>766,680</u>	<u>242,338</u>	<u>52,338</u>	<u>(236,000)</u>	<u>825,356</u>
<b>REVENUE:</b>					
Rental income	542,151	-	-	-	542,151
Interest	25,130	28	16,929	(24,183)	17,904
Weave Plant-maintenance reimbursement	54,129	-	-	-	54,129
Miscellaneous	-	46	1,000	-	1,046
Total revenue	<u>621,410</u>	<u>74</u>	<u>17,929</u>	<u>(24,183)</u>	<u>615,230</u>
<b>TOTAL PUBLIC SUPPORT AND REVENUE</b>	<b>1,388,090</b>	<b>242,412</b>	<b>70,267</b>	<b>(260,183)</b>	<b>1,440,586</b>
<b>EXPENSES:</b>					
Interest	298,785	40,118	-	(24,183)	314,720
Donated services and facilities	82,365	29,338	29,338	-	141,041
Real estate taxes	81,236	32,703	5,952	-	119,891
Depreciation and amortization	85,405	1,056	1,101	-	87,562
Utilities	67,676	4,773	913	-	73,362
Professional services	27,724	7,103	7,237	-	42,064
Site maintenance	23,370	7,797	6,840	-	38,007
Real estate marketing	15,000	-	-	-	15,000
Insurance	8,656	3,980	183	-	12,819

**HARNETT FORWARD TOGETHER COMMITTEE AND RELATED ENTITIES**

CONSOLIDATING SCHEDULE OF REVENUES AND EXPENSES - CONCLUDED  
FOR THE YEAR ENDED JUNE 30, 2011

	HFTC	WHIP	EEIP	Eliminating Entries	Consolidated Total
EXPENSES - CONTINUED					
Contributions	4,700	-	-	-	4,700
Miscellaneous	3,805	-	-	-	3,805
Management fees	1,006	-	-	-	1,006
Newsletter publication	993	-	-	-	993
Loan service fees	813	15	-	-	828
Western Harnett Industrial Park	213,000	-	-	(213,000)	-
Emmett Edgerton Industrial Properties	23,000	-	-	(23,000)	-
Dues	-	-	-	-	-
TOTAL EXPENSES	<u>937,534</u>	<u>126,883</u>	<u>51,564</u>	<u>(260,183)</u>	<u>855,798</u>
INCREASE IN NET ASSETS	<u>\$ 450,556</u>	<u>\$ 115,529</u>	<u>\$ 18,703</u>	<u>\$ -</u>	<u>\$ 584,788</u>

See Independent Auditors' Report and  
Accompanying Notes to the Consolidated Financial Statements

**HARNETT FORWARD TOGETHER COMMITTEE AND RELATED ENTITIES**

CONSOLIDATING SCHEDULE OF REVENUES AND EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2010

	HFTC	WHIP	EEIP	Eliminating Entries	Consolidated Total
<b>PUBLIC SUPPORT AND REVENUE:</b>					
<b>PUBLIC SUPPORT:</b>					
Harnett County	\$ 917,692	\$ 26,611	\$ 26,611	\$ -	\$ 970,914
Memberships	16,300	-	-	-	16,300
Harnett Forward Together Committee	-	122,970	87,368	(210,338)	-
Total public support	933,992	149,581	113,979	(210,338)	987,214
<b>REVENUE:</b>					
Rental income	672,612	-	-	-	672,612
Interest	33,253	144	16,065	(22,144)	27,318
Weave Plant-maintenance reimbursement	39,806	-	-	-	39,806
Miscellaneous	4,408	-	-	-	4,408
Discount on note redemption	310,000	-	-	-	310,000
Relief of debt	166,847	-	-	-	166,847
Total revenue	1,226,926	144	16,065	(22,144)	1,220,991
<b>TOTAL PUBLIC SUPPORT AND REVENUE</b>	<b>2,160,918</b>	<b>149,725</b>	<b>130,044</b>	<b>(232,482)</b>	<b>2,208,205</b>
<b>EXPENSES:</b>					
Interest	328,801	-	15,099	(22,144)	321,756
Donated services and facilities	69,093	26,611	26,611	-	122,315
Real estate taxes	81,236	12,200	5,953	-	99,389
Depreciation and amortization	174,193	1,056	1,101	-	176,350
Utilities	32,859	2,652	877	-	36,388
Professional services	31,060	4,090	4,375	-	39,525
Site maintenance	10,911	5,656	6,640	-	23,207
Real estate marketing	16,000	-	-	-	16,000
Insurance	14,100	365	168	-	14,633

**HARNETT FORWARD TOGETHER COMMITTEE AND RELATED ENTITIES**

CONSOLIDATING SCHEDULE OF REVENUES AND EXPENSES - CONCLUDED  
FOR THE YEAR ENDED JUNE 30, 2010

	HFTC	WHIP	EEIP	Eliminating Entries	Consolidated Total
EXPENSES - CONTINUED					
Contributions	2,808	-	-	-	2,808
Miscellaneous	4,507	-	-	-	4,507
Management fees	710	-	-	-	710
Newsletter publication	4,075	-	-	-	4,075
Loan service fees	1,149	120	17	-	1,286
Western Harnett Industrial Park	122,970	-	-	(122,970)	-
Emmett Edgerton Industrial Properties	87,368	-	-	(87,368)	-
Donated land	44,523	-	-	-	44,523
Dues	925	-	-	-	925
TOTAL EXPENSES	<u>1,027,288</u>	<u>52,750</u>	<u>60,841</u>	<u>(232,482)</u>	<u>908,397</u>
INCREASE IN NET ASSETS	<u>\$ 1,133,630</u>	<u>\$ 96,975</u>	<u>\$ 69,203</u>	<u>\$ -</u>	<u>\$ 1,299,808</u>

See Independent Auditors' Report and  
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