

**HARNETT FORWARD TOGETHER COMMITTEE AND RELATED ENTITIES**

CONSOLIDATED FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULES

JUNE 30, 2012 AND 2011

**HARNETT FORWARD TOGETHER COMMITTEE AND RELATED ENTITIES**

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JUNE 30, 2012 AND 2011

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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, 2012 and 2011, 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, 2012 and 2011, 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 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 15, 2013

A handwritten signature in black ink that reads "TRP CPAs, PLLC". The signature is written in a cursive, flowing style.

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## HARNETT FORWARD TOGETHER COMMITTEE AND RELATED ENTITIES

### CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS OF JUNE 30, 2012 AND 2011

	<u>2012</u>	<u>2011</u>
ASSETS:		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 635,511	\$ 769,577
Prepaid expenses	2,304	-
Current portion of notes receivable	66,538	79,458
Grants receivable	65,862	-
Deferred loan fees	4,439	7,040
Other receivables	5,984	6,856
Total current assets	<u>780,638</u>	<u>862,931</u>
PROPERTY AND EQUIPMENT - NET	6,134,024	6,213,777
OTHER NON-CURRENT ASSETS:		
Land and buildings, available for sale	10,617,183	10,265,948
Deferred loan fees - net	3,181	7,620
Long-term portion of notes receivable	230,355	167,828
Total other non-current assets	<u>10,850,719</u>	<u>10,441,396</u>
TOTAL ASSETS	<u>\$ 17,765,381</u>	<u>\$ 17,518,104</u>
LIABILITIES AND NET ASSETS:		
CURRENT LIABILITIES:		
Accounts payable	\$ 36,959	\$ 33,770
Related party accounts payable	42,315	-
Accrued interest payable on long-term debt	50,135	58,061
Current portion of long-term debt	708,598	2,606,192
Deferred rent income	52,083	52,083
Total current liabilities	<u>890,090</u>	<u>2,750,106</u>
LONG-TERM LIABILITIES:		
Long-term debt - net of current portion	<u>7,530,149</u>	<u>6,988,542</u>
Total long-term liabilities	<u>7,530,149</u>	<u>6,988,542</u>
NET ASSETS:		
Unrestricted	<u>9,345,142</u>	<u>7,779,456</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 17,765,381</u>	<u>\$ 17,518,104</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, 2012 AND 2011

	<u>2012</u>	<u>2011</u>
PUBLIC SUPPORT AND REVENUE:		
PUBLIC SUPPORT:		
Harnett County	<b>\$ 1,527,644</b>	\$ 807,656
Grants	<b>410,596</b>	-
Memberships	<b>20,600</b>	17,700
Total public support	<b><u>1,958,840</u></b>	<u>825,356</u>
REVENUE:		
Rental income	<b>594,234</b>	543,197
First Choice - infrastructure reimbursement	<b>166,868</b>	-
Weave Plant - maintenance reimbursement	<b>62,292</b>	54,129
Interest	<b>21,616</b>	17,904
Miscellaneous	<b>1,000</b>	-
Total revenue	<b><u>846,010</u></b>	<u>615,230</u>
 TOTAL PUBLIC SUPPORT AND REVENUE	 <b>2,804,850</b>	 1,440,586
 EXPENSES:		
Program services	<b>1,000,310</b>	596,345
Support services	<b>238,854</b>	259,453
 TOTAL EXPENSES	 <b><u>1,239,164</u></b>	 <u>855,798</u>
 INCREASE IN NET ASSETS	 <b>1,565,686</b>	 584,788
 NET ASSETS - BEGINNING OF YEAR	 <b><u>7,779,456</u></b>	 <u>7,194,668</u>
 NET ASSETS - END OF YEAR	 <b><u><u>\$ 9,345,142</u></u></b>	 <u><u>\$ 7,779,456</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, 2012 AND 2011

	<u>2012</u>	<u>2011</u>
CASH FLOWS - OPERATING ACTIVITIES:		
Increase in net assets	<b>\$ 1,565,686</b>	\$ 584,788
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation and amortization	<b>86,793</b>	87,562
Decrease (increase) in:		
Prepaid interest	<b>(2,304)</b>	2,261
Notes receivable	<b>(49,607)</b>	(40,120)
Grants receivable	<b>(65,862)</b>	-
Other receivables	<b>872</b>	(5,765)
Land and buildings, available for sale	<b>(351,235)</b>	(408,303)
Increase (decrease) in:		
Accounts payable	<b>45,504</b>	24,897
Accrued interest payable on long-term debt	<b>(7,926)</b>	8,358
Deferred rent income	<b>-</b>	52,083
Net cash provided by operating activities	<b><u>1,221,921</u></b>	<u>305,761</u>
CASH FLOWS - FINANCING ACTIVITIES:		
Payments on long-term debt	<b><u>(1,355,987)</u></b>	<u>(618,120)</u>
Net cash used by financing activities	<b><u>(1,355,987)</u></b>	<u>(618,120)</u>
DECREASE IN CASH AND CASH EQUIVALENTS	<b>(134,066)</b>	(312,359)
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<b><u>769,577</u></b>	<u>1,081,936</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<b><u>\$ 635,511</u></b>	<u>\$ 769,577</u>
SUPPLEMENTAL DISCLOSURES:		
Cash paid during the fiscal year for interest	<b><u>\$ 588,207</u></b>	<u>\$ 617,939</u>

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 consist primarily of cash on deposit, certificates of deposit, money market accounts, and investment grade commercial paper that are readily convertible into cash and are 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. Interest income on notes receivable is recognized on the accrual basis.

### 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.

### Advertising

HFTC and related entities charge the costs of advertising to expense in the period incurred.



### 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, 2012 and 2011, 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, 2012 and 2011 there were no permanently restricted funds.

### Use of Estimates

Preparing the HFTC and related entities consolidated financial statements in conformity with generally accepted accounting principles ("GAAP") 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. Actual results could differ from those estimates. The most significant estimates relate to depreciation and contributed facilities and services.

### Income Taxes

HFTC and related entities file form 990-Return of Organization Exempt from Income Tax on a fiscal year basis beginning July 1 and ending June 30. 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, 2012 and 2011, HFTC and related entities did not have any income subject to taxation as unrelated business income. Therefore, no provision for income taxes has been made in the accompanying financial statements.

HFTC and related entities file income tax returns in the U.S. federal jurisdiction. With few exceptions, HFTC and related entities are no longer subject to U.S. federal income tax examinations by tax authorities for years before 2006. HFTC and related entities believe their estimates are appropriate based on current facts and circumstances.

Reclassifications

Certain reclassifications have been made to the 2011 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. CONCENTRATION OF CREDIT RISK**

Financial instruments which potentially subject HFTC and related entities to a concentration of credit risk consist of demand deposits in financial institutions. 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, 2012 and 2011, HFTC's uninsured funds on deposit totaled \$0 and \$28,038, respectively. Management believes there is minimal credit risk relative to its cash.

**3. 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 5%. 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 2019, and are shown on the consolidated statements of financial position. At June 30, 2012, HFTC had seven loans outstanding with a net value of \$296,893. At June 30, 2011, HFTC had six loans outstanding with a net value of \$247,286.

**4. PROPERTY AND EQUIPMENT**

Property and equipment at June 30, 2012 and 2011 consisted of the following:

	<u>2012</u>	<u>2011</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
	<u><b>6,536,958</b></u>	<u>6,536,958</u>
Accumulated depreciation	<u><b>(402,934)</b></u>	<u>(323,181)</u>
Property and equipment - net	<u><b>\$ 6,134,024</b></u>	<u>\$ 6,213,777</u>

Depreciation expense for the years ended June 30, 2012 and 2011 totaled \$80,045 and \$79,752, respectively.

**5. LAND AND BUILDINGS AVAILABLE-FOR-SALE**

At June 30, 2012 and 2011, HFTC and related entities had the following land and buildings available for sale:

	<u>2012</u>	<u>2011</u>
HFTC	<b>\$ 7,320,208</b>	\$ 6,968,973
WHIP	<b>2,665,166</b>	2,665,166
EEIP	<b>631,809</b>	631,809
TOTAL	<b><u>\$ 10,617,183</u></b>	<b><u>\$ 10,265,948</u></b>

As of June 30, 2012, HFTC had land available for sale in the amount of \$7,320,208 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 a commercial real estate broker, however, costs continue to be incurred to prepare the property for prospective buyers and investors.

Interest expense on the Brightwater property has been capitalized and totaled \$285,806 and \$311,577 for the years ended June 30, 2012 and 2011, respectively.

**6. LEASES**

HFTC owns a commercial building that it leases to third parties. The current building lease commenced in September 2010 and expires in September 2013. 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>
2013	\$ 594,234
2014	313,885
2015	283,536
2016	283,536
2017	283,536
Total	<b><u>\$ 1,758,727</u></b>

**7. LONG-TERM DEBT**

	Original Loan Amount	<b>2012</b>	2011
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 2014.	\$ 700,000	<b>\$ 209,957</b>	\$ 279,957
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>2,048,958</b>	2,228,236
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 July 2013.	\$ 2,338,429	<b>1,976,187</b>	2,108,844
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>4,003,645</b>	4,977,697
Total debt		<b>8,238,747</b>	9,594,734
Less current maturities		<b>(708,598)</b>	(2,606,192)
Long-term debt		<b>\$ 7,530,149</b>	<b>\$ 6,988,542</b>

Subsequent to June 30, 2012, HFTC renegotiated maturity dates on two of its notes. The current maturities listed below reflect the modified due dates. Future scheduled maturities of long-term debt are as follows:

Year	Amount
2013	\$ 708,598
2014	7,530,149
	<b>\$ 8,238,747</b>

**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, 2012 and 2011 was \$6,748 and \$7,810, respectively. Remaining amortization expense for future years is as follows:

<u>Year</u>	<u>Amount</u>
2013	\$ 4,439
2014	3,181
Total	<u>\$ 7,620</u>

**9. CONCENTRATIONS OF SUPPORT**

Approximately 91% and 98% of the public support for HFTC and related entities for the 2012 and 2011 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. 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 \$2,930 and \$118,862, respectively, during the year ended June 30, 2012. During the year ended June 30, 2011, HFTC and related entities benefited from donated facilities and services which were valued by Harnett County at \$2,930 and \$138,110, 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.

**11. 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.

**12. RELATED PARTY TRANSACTIONS**

HFTC has a note payable to a bank where the Senior Vice President of the bank is a board member of HFTC. HFTC capitalized \$284,790 and \$311,577 of interest expense from this loan during the years ended June 30, 2012 and 2011, respectively.

A member of the board of directors was awarded a construction contract for Autumn Fern in Brightwater Business Park. The total contract amount was \$310,695. The total transactions in the year ended June 30, 2012 were \$173,312. HFTC had \$33,670 of accounts payable and \$8,645 of retainage payable due to the company owned by the board member as of June 30, 2012.

**13. DONATED LAND**

For the year ended June 30, 2012, HFTC donated 2.58 acres of land to the North Carolina Department of Transportation to use for right of way. The land was valued at \$164,932 and has been recorded in the financial statements as a reduction to the land available for sale and an increase to donation expense.

**14. LETTER OF CREDIT**

HFTC has issued a letter of credit to the Town of Lillington in the amount of \$101,762, secured by a money market account for the year ended June 30, 2012. The full amount of the loan, plus interest calculated at 4.5% annually, is due April 10, 2013.

**15. 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 until July 24, 2012. 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 15, 2013, the date at which the consolidated financial statements were available to be issued. There were no other material subsequent events that required recognition or additional disclosure in these financial statements.

## **SUPPLEMENTAL SCHEDULES**

**HARNETT FORWARD TOGETHER COMMITTEE AND RELATED ENTITIES**

CONSOLIDATED SCHEDULE OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2012

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	<u>Program Services</u>	<u>Support Services</u>	<u>Total</u>
EXPENSES:			
Interest	\$ 294,475	\$ -	\$ 294,475
Reimbursement to Harnett County	280,000	-	280,000
Donated land	164,932	-	164,932
Donated services and facilities	121,792	-	121,792
Real estate taxes	120,411	-	120,411
Depreciation and amortization	-	86,793	86,793
Utilities	-	63,414	63,414
Professional services	-	35,577	35,577
Site maintenance	-	33,016	33,016
Insurance	-	15,774	15,774
Real estate marketing	15,000	-	15,000
Contributions	3,700	-	3,700
Miscellaneous	-	3,068	3,068
Loan service fees	-	1,212	1,212
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TOTAL EXPENSES	<u>\$ 1,000,310</u>	<u>\$ 238,854</u>	<u>\$ 1,239,164</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, 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
Insurance	-	12,819	12,819
Real estate marketing	15,000	-	15,000
Contributions	4,700	-	4,700
Miscellaneous	-	3,805	3,805
Loan service fees	-	828	828
Management fees	-	1,006	1,006
Newsletter publications	993	-	993
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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**

CONSOLIDATING SCHEDULE OF REVENUES AND EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2012

	<u>HFTC</u>	<u>WHIP</u>	<u>EEIP</u>	<u>Eliminating Entries</u>	<u>Consolidated Total</u>
PUBLIC SUPPORT AND REVENUE:					
PUBLIC SUPPORT:					
Harnett County	\$ 1,478,826	\$ 24,409	\$ 24,409	\$ -	\$ 1,527,644
Grant income	410,596	-	-	-	410,596
Memberships	20,600	-	-	-	20,600
Harnett Forward Together Committee	-	140,250	17,750	(158,000)	-
Total public support	<u>1,910,022</u>	<u>164,659</u>	<u>42,159</u>	<u>(158,000)</u>	<u>1,958,840</u>
REVENUE:					
Rental income	594,234	-	-	-	594,234
First Choice-infrastructure reimbursement	166,868	-	-	-	166,868
Interest	26,038	21	17,699	(22,142)	21,616
Weave Plant-maintenance reimbursement	62,292	-	-	-	62,292
Miscellaneous	-	-	1,000	-	1,000
Total revenue	<u>849,432</u>	<u>21</u>	<u>18,699</u>	<u>(22,142)</u>	<u>846,010</u>
TOTAL PUBLIC SUPPORT AND REVENUE	2,759,454	164,680	60,858	(180,142)	2,804,850
EXPENSES:					
Interest	279,147	37,470	-	(22,142)	294,475
Reimbursement to Harnett County	280,000	-	-	-	280,000
Donated land	164,932	-	-	-	164,932
Donated services and facilities	72,974	24,409	24,409	-	121,792
Real estate taxes	81,345	33,114	5,952	-	120,411
Depreciation and amortization	84,636	1,056	1,101	-	86,793
Utilities	57,514	4,959	941	-	63,414
Professional services	25,972	5,173	4,432	-	35,577
Site maintenance	17,174	9,391	6,451	-	33,016
Insurance	11,058	4,296	420	-	15,774

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 - CONCLUDED  
FOR THE YEAR ENDED JUNE 30, 2012

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	<u>HFTC</u>	<u>WHIP</u>	<u>EEIP</u>	<u>Eliminating Entries</u>	<u>Consolidated Total</u>
EXPENSES - CONTINUED					
Real estate marketing	15,000	-	-	-	15,000
Contributions	3,700	-	-	-	3,700
Miscellaneous	3,068	-	-	-	3,068
Loan service fees	1,212	-	-	-	1,212
Western Harnett Industrial Park	140,250	-	-	(140,250)	-
Emmett Edgerton Industrial Properties	17,750	-	-	(17,750)	-
TOTAL EXPENSES	<u>1,255,732</u>	<u>119,868</u>	<u>43,706</u>	<u>(180,142)</u>	<u>1,239,164</u>
INCREASE IN NET ASSETS	<u>\$ 1,503,722</u>	<u>\$ 44,812</u>	<u>\$ 17,152</u>	<u>\$ -</u>	<u>\$ 1,565,686</u>

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**HARNETT FORWARD TOGETHER COMMITTEE AND RELATED ENTITIES**

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

	<u>HFTC</u>	<u>WHIP</u>	<u>EEIP</u>	<u>Eliminating Entries</u>	<u>Consolidated Total</u>
PUBLIC SUPPORT AND REVENUE:					
PUBLIC SUPPORT:					
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>
REVENUE:					
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>
TOTAL PUBLIC SUPPORT AND REVENUE	1,388,090	242,412	70,267	(260,183)	1,440,586
EXPENSES:					
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

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**HARNETT FORWARD TOGETHER COMMITTEE AND RELATED ENTITIES**

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

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	<u>HFTC</u>	<u>WHIP</u>	<u>EEIP</u>	<u>Eliminating Entries</u>	<u>Consolidated Total</u>
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)	-
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>

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