

To help readers understand the Department's principal financial statements, this section is organized as follows:

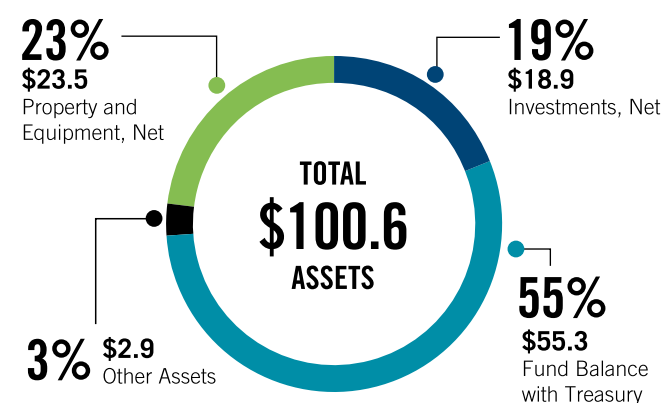
- Balance Sheet: Overview of Financial Position,
- Statement of Net Cost: Yearly Results of Operations,
- Statement of Changes in Net Position: Cumulative Overview,
- Combined Statement of Budgetary Resources: Promoting Peace Through Strength,
- The Department's Budgetary Position,
- Resource Management Systems Summary, and
- Limitation of Financial Statements.

BALANCE SHEET: OVERVIEW OF FINANCIAL POSITION

The Balance Sheet provides a snapshot of the Department's financial position. It displays, as of a specific time, amounts of future economic benefits owned or managed by the reporting entity (Assets), amounts owed (Liabilities), and amounts which comprise the difference (Net Position) at the end of the fiscal year.

Assets. The Department's total assets were \$100.6 billion at September 30, 2017, an increase of \$6.8 billion (7 percent) over the 2016 total. Fund Balance with Treasury increased \$4.6 billion (9 percent) as a result of increased appropriations for International Peacekeeping Activities; Embassy Security, Construction, and Maintenance; Diplomatic and Consular Programs; and Global Health and Child Survival. Property and Equipment increased by \$1.7 billion (8 percent) from September 30, 2016. New buildings, structures and improvements accounted for \$1.4 billion of this increase

ASSETS BY TYPE 2017 (dollars in billions)



with the top eight New Embassy Compound projects and two annex/chancery projects accounting for \$947 million of the increase (see "Real Property Projects – 2017 Cost Activity"). Additionally, as part of the Property and Equipment increase, land increased by \$64 million due to an acquisition in Guadalajara, Mexico for \$51 million.

Real Property Projects – 2017 Cost Activity (dollars in millions)

Project Name	Amount
Islamabad, Pakistan	\$ 162
London, United Kingdom	148
Kabul, Afghanistan (New Annex Facility and Housing)	138
Jakarta, Indonesia	116
Harare, Zimbabwe	95
Pristina, Kosovo	63
Matamoros, Mexico	58
Amman, Jordan	58
Niamey, Niger	55
Baghdad, Iraq (Office Building Chancery)	54
Total	\$ 947

Other assets decreased \$124 million (12 percent) as a result of a decrease in reimbursable agreements with USAID and the United States Postal Service. The decrease in Other Assets was offset by slight increases in reimbursable agreements with the Department of Energy and other Federal agencies; as well as, voluntary contributions for relief of refugees, real property rent, and advances on behalf of USAID. Investments increased \$470 million (3 percent) because contributions and appropriations received to support the Foreign Service Retirement and Disability Fund (FSRDF) were greater than benefit payments. There was also an increase due to an investment in the International Center.

Fund Balance with Treasury, Investments, and Property and Equipment comprise 97 percent of total assets for 2017 and 2016.

TREND IN TOTAL ASSETS (2012 – 2017) (dollars in billions)

