

**COUNTY OF CAROLINE, VIRGINIA**  
**Reconciliation of the Combining Balance Sheet of Discretely Presented Component**  
**Unit-Caroline County School Board To the Statement of Net Assets**  
**As Of June 30, 2007**

The amount reported as Net Assets for Component Unit-Caroline County Schools in the Statement of Net Assets is different than the amount reported as Fund Balance in the Combining Balance Sheet-Discretely Presented Component Unit-Caroline County School Board because:

Total Fund Equity as shown on the Combining Balance Sheet-Discretely Presented Component Unit-Caroline County School Board	\$ 2,428,935
Capital Assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds of the School Board	5,606,366
Long-term liabilities, including capital leases, are not an obligation of current financial resources and, therefore, are not reported in the governmental funds	<u>(1,365,371)</u>
 Total Net Assets-Component Unit-Caroline County Schools as shown on the Statement of Net Assets	 <u>\$ 6,669,930</u>