

AMERICAN BAPTIST CHURCHES IN THE U.S.A.

INDEPENDENT AUDITORS' REPORT

and

FINANCIAL STATEMENTS

For the years ended December 31, 2010 and 2009

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INDEPENDENT AUDITORS' REPORT

To the General Board of
American Baptist Churches in the U.S.A
Valley Forge, Pennsylvania

We have audited the accompanying statements of financial position of American Baptist Churches in the U.S.A. (ABC/USA) as of December 31, 2010 and 2009, and the related statements of activities and changes in net assets, and cash flows for the years then ended. These financial statements are the responsibility of ABC/USA's management. Our responsibility is to express an opinion on these 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 financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of ABC/USA's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes 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 financial statements referred to above present fairly, in all material respects, the financial position of ABC/USA as of December 31, 2010 and 2009, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental information on pages 19 through 25 is presented for the purpose of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the combined financial statements. The information has been subjected to the auditing procedures applied in the audits of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined 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 combined financial statements as a whole.

Milligan & Company, LLC

June 8, 2011
Philadelphia, PA

AMERICAN BAPTIST CHURCHES IN THE U.S.A.

Statements of Financial Position

December 31, 2010 and 2009

ASSETS

	<u>2010</u>	<u>2009</u>
Current assets:		
Cash and cash equivalents	\$ 3,163,837	\$ 3,169,259
Certificates of deposit	249,403	248,036
Accounts receivable from Baptist-related organizations, net of allowance for doubtful accounts of \$4,537 for 2010 and 2009	2,501,011	2,675,218
Prepaid expenses and other current assets	63,943	42,212
Note receivable, current portion (See Note 6)	<u>545,901</u>	<u>563,006</u>
Total current assets	6,524,095	6,697,731
Noncurrent assets:		
Investments, at fair value (See Note 3)	15,071,248	13,213,136
Investment in partnership (See Note 4)	7,085,549	7,078,137
Property, land and equipment, net (See Note 5)	660,739	752,546
Lease acquisition costs, net (See Note 7)	212,405	229,313
Note receivable, non-current portion (See Note 6)	8,133,375	8,636,669
Assets whose use is limited (See Note 3)	<u>122,724</u>	<u>98,337</u>
Total assets	<u>\$ 37,810,135</u>	<u>\$ 36,705,869</u>

LIABILITIES AND NET ASSETS

Current liabilities:		
Accounts payable and accrued liabilities	\$ 408,268	\$ 511,837
Funds of others	1,790,480	1,880,653
Funds held for others - mission support	1,109,853	1,167,701
Deferred lease revenue, current portion (See Note 7)	<u>96,476</u>	<u>96,476</u>
Total current liabilities	3,405,077	3,656,667
Noncurrent liabilities:		
Deferred lease revenue, non-current portion (See Note 7)	<u>2,170,555</u>	<u>2,267,031</u>
Total liabilities	<u>5,575,632</u>	<u>5,923,698</u>
Net assets:		
Unrestricted:		
Board designated	21,078,965	20,286,529
Board undesignated	<u>3,600,242</u>	<u>3,393,156</u>
Total unrestricted	24,679,207	23,679,685
Temporarily restricted	4,836,604	4,511,569 *
Permanently restricted	<u>2,718,692</u>	<u>2,590,917</u> *
Total net assets	<u>32,234,503</u>	<u>30,782,171</u>
Total liabilities and net assets	<u>\$ 37,810,135</u>	<u>\$ 36,705,869</u>

* Certain amounts in 2009 were reclassified to conform to present year presentation.

The accompanying notes are an integral part of the financial statements.

AMERICAN BAPTIST CHURCHES IN THE U.S.A.
Statement of Activities and Changes in Net Assets
for the year ended December 31, 2010
(with comparative totals for the year ended December 31, 2009)

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>2010 Total</u>	<u>2009 Total</u>
Revenues, gains, and other support:					
American Baptist mission support:					
Amounts received on behalf					
of others (See Note 9)	\$ 35,393,495				
Amounts remitted to others (See Note 9)	<u>33,231,467</u>				
Amounts retained by ABC/USA	\$ 2,162,028	\$ -	\$ -	\$ 2,162,028	\$ 2,459,662
Donations and other revenue	1,745,316	3,000	-	1,748,316	2,433,662
Investment income on estate gifts and endowments	53,784	207,840	-	261,624	331,696
Other investment income	442,530	-	105,687	548,217	283,415
Net realized and unrealized gain/(loss) on investments	494,766	333,505	93,324	921,595	1,028,467
Net change in value of investment in partnership	7,412	-	-	7,412	(64,408)
Mission Center building operations	926,348	-	-	926,348	1,363,206 *
Lease revenue (See Note 7)	96,476	-	-	96,476	96,476
Net assets released from restrictions:					
Satisfaction of program restrictions	<u>290,546</u>	<u>(219,310)</u>	<u>(71,236)</u>	<u>-</u>	<u>-</u>
Total revenues, gains and other support	<u>6,219,206</u>	<u>325,035</u>	<u>127,775</u>	<u>6,672,016</u>	<u>7,932,176</u>
Expenses:					
Mission Center building operations	923,883	-	-	923,883	1,466,833 *
Treasurer's office	895,863	-	-	895,863	733,728
Mission resource development	624,753	-	-	624,753	657,362
General secretary	458,886	-	-	458,886	423,177
Representative process	445,897	-	-	445,897	470,132
Office of travel and conference planning	335,966	-	-	335,966	358,924
Distribution to others	331,629	-	-	331,629	411,374
Regional operations	323,307	-	-	323,307	309,289
Human resource development	321,550	-	-	321,550	391,199
ABC information	213,329	-	-	213,329	224,650
General and administrative	179,423	-	-	179,423	487,687
Orientation to American Baptist Life	117,850	-	-	117,850	81,657
Ecumenical relations	99,330	-	-	99,330	123,680
Women in Ministry	82,179	-	-	82,179	114,863
Biennial	-	-	-	-	625,558
Total expenses	<u>5,353,845</u>	<u>-</u>	<u>-</u>	<u>5,353,845</u>	<u>6,880,113</u>
Changes in net assets before extraordinary items	865,361	325,035	127,775	1,318,171	1,052,063
Extraordinary items:					
Gain on sale of building	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,376,623</u>
Changes in net assets before transfers	865,361	325,035	127,775	1,318,171	17,428,686
Designated reserve transfers	<u>134,161</u>	<u>-</u>	<u>-</u>	<u>134,161</u>	<u>48,598</u>
Changes in net assets after transfers	999,522	325,035	127,775	1,452,332	17,477,284
Net assets, beginning of year	<u>23,679,685</u>	<u>4,511,569</u>	<u>2,590,917</u>	<u>30,782,171</u>	<u>13,304,887</u>
Net assets, end of year	<u>\$ 24,679,207</u>	<u>\$ 4,836,604</u>	<u>\$ 2,718,692</u>	<u>\$ 32,234,503</u>	<u>\$ 30,782,171</u>

* Certain amounts in 2009 were reclassified to conform to present year presentation

The accompanying notes are an integral part of the financial statements.

AMERICAN BAPTIST CHURCHES IN THE U.S.A.
Statement of Activities and Changes in Net Assets
for the year ended December 31, 2009

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>2009 Total</u>
Revenues, gains, and other support:				
American Baptist mission support:				
Amounts received on behalf of others (See Note 11)	\$ 33,688,346			
Amounts remitted to others (See Note 11)	<u>31,228,684</u>			
Amounts retained by ABC/USA	\$ 2,459,662	\$ -	\$ -	\$ 2,459,662
Donations and other revenue	2,410,242	23,420	-	2,433,662
Investment income on estate gifts and endowments	283,796	47,900	-	331,696
Other investment income	283,415	-	-	283,415
Net realized and unrealized gain/(loss) on investments	151,789	703,465	173,213	1,028,467
Net change in value of investment in partnership	(64,408)	-	-	(64,408)
Mission Center building operation	1,363,206	-	-	1,363,206 *
Amortization of deferred lease revenue (See Note 7)	96,476	-	-	96,476
Net assets released from restrictions:				
Satisfaction of program restrictions	<u>371,722</u>	<u>(291,337)</u>	<u>(80,385)</u>	<u>- *</u>
Total revenues, gains and other support	<u>7,355,900</u>	<u>483,448</u>	<u>92,828</u>	<u>7,932,176</u>
Expenses:				
Mission Center building operations	1,466,833	-	-	1,466,833 *
Treasurer's office	733,728	-	-	733,728
Mission resource development	657,362	-	-	657,362
Biennial	625,558	-	-	625,558
General and administrative	487,687	-	-	487,687
Representative process	470,132	-	-	470,132
General secretary	423,177	-	-	423,177
Distribution to others	411,374	-	-	411,374
Human resource development	391,199	-	-	391,199
Office of travel and conference planning	358,924	-	-	358,924
Regional operations	309,289	-	-	309,289
ABC information	224,650	-	-	224,650
Ecumenical relations	123,680	-	-	123,680
Women in Ministry	114,863	-	-	114,863
Orientation to American Baptist Life	<u>81,657</u>	<u>-</u>	<u>-</u>	<u>81,657</u>
Total expenses	<u>6,880,113</u>	<u>-</u>	<u>-</u>	<u>6,880,113</u>
Changes in net assets before extraordinary items	475,787	483,448	92,828	1,052,063
Extraordinary items:				
Gain on sale of building	<u>16,376,623</u>	<u>-</u>	<u>-</u>	<u>16,376,623</u>
Changes in net assets before transfers	16,852,410	483,448	92,828	17,428,686
OGS designated reserve transfers	<u>48,598</u>	<u>-</u>	<u>-</u>	<u>48,598</u>
Changes in net assets after transfers	16,901,008	483,448	92,828	17,477,284
Net assets, beginning of year	<u>6,778,677</u>	<u>4,028,121</u>	<u>2,498,089</u>	<u>13,304,887</u>
Net assets, end of year	<u>\$ 23,679,685</u>	<u>\$ 4,511,569</u>	<u>\$ 2,590,917</u>	<u>\$ 30,782,171</u>

* Certain amounts in 2009 were reclassified to conform to present year presentation.

The accompanying notes are an integral part of the financial statements.

AMERICAN BAPTIST CHURCHES IN THE U.S.A.
Statements of Cash Flows
for the years ended December 31, 2010 and 2009

	<u>2010</u>	<u>2009</u>
Cash flows from operating activities:		
Total change in net assets	\$ 1,452,332	\$ 17,477,284
Adjustments to reconcile total change in net assets to net cash provided/(used) in operating activities:		
Depreciation	103,409	225,197
Amortization of lease acquisition costs	16,908	38,094
Net realized and unrealized gain on investments	(921,595)	(1,028,467)
Net change in value of investment in partnership	(7,412)	64,408
Amortization of lease income	(96,476)	(96,476)
Gain on sale of building	-	(16,376,623)
Decrease (increase) in operating assets:		
Accounts receivable from Baptist related organizations	174,207	858,038
Prepaid expenses and other assets	(46,118)	102,726
Increase (decrease) in operating liabilities:		
Accounts payable/accrued expenses	(103,569)	(155,753)
Funds of others and funds held for others-mission support	(148,021)	114,096
Net cash provided by operating activities	<u>423,665</u>	<u>1,222,524</u>
Cash flows from investing activities:		
Purchases of equipment and software	(11,602)	(7,191)
Transfer of equipment in excess of proceeds received	-	105,259
Proceeds from sale of building and related equipment	-	3,045,567
Redemptions of certificates of deposit, net of purchases	(1,367)	16,453
Purchases of investments, net of proceeds from sales	(936,517)	(3,411,331)
Principal collections of notes receivable, net of note issuances	520,399	372,520
Net cash (used)/provided in investing activities	<u>(429,087)</u>	<u>121,277</u>
Cash flows from financing activities:		
Payment of notes payable	-	(610,616)
Net cash used in financing activities	<u>-</u>	<u>(610,616)</u>
Net increase/(decrease) in cash and cash equivalents	(5,422)	733,185
Cash and cash equivalents, beginning of year	<u>3,169,259</u>	<u>2,436,074</u>
Cash and cash equivalents, end of year	<u>\$ 3,163,837</u>	<u>\$ 3,169,259</u>
Supplemental disclosure of cash flow information for financing activities:		
Cash paid during the year for:		
Interest	\$ -	\$ 5,061

Supplemental disclosure of non-cash transaction:

During 2009, ABC/USA sold the Mission Center property to 588 Associates, LP (the "Partnership"), of which ABC/USA holds a 34.65% partnership interest and a 35% membership interest in 588 Associates, LLC (the "Company"), a limited liability company which serves as the General Partner of the Partnership and holds a 1% partnership interest, for a total cost of \$20,000,000. In addition to the cash received as disclosed above, ABC/USA received \$7,000,000 in partnership capital interest in exchange for the contributed property. ABC/USA holds notes obtained in exchange for the property totaling \$9,500,000 from the American Baptist Foreign Missions Society, the American Baptist Home Missions Society, and the Ministers and Missionaries Benefits Board. The remaining \$454,433 is consideration for the transfer of property taxes and settlement charges for the transaction. Property and equipment with a cost value of \$14,569,563 and accumulated depreciation totaling \$11,372,375, as well as deferred revenue totaling \$264,984, were included in the sale.

AMERICAN BAPTIST CHURCHES IN THE U.S.A.
NOTES TO FINANCIAL STATEMENTS
for the years ended December 31, 2010 and 2009

1. Background:

The accompanying financial statements comprise the accounts maintained for the American Baptist Churches in the U.S.A. (ABC/USA) and funds administered in a fiduciary capacity by ABC/USA for the benefit of others. ABC/USA is charged with a number of specific responsibilities which articulate the vision of the denomination as it seeks to share the Good News of Jesus Christ. ABC/USA provides servant leadership through vision, resources, training, administration and counsel for the whole denomination, so that American Baptists can effectively “carry out the common task of mission and ministry in our time” in fulfillment of the Great Commission.

ABC/USA is a not-for-profit religious organization exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code.

2. Summary of Significant Accounting Policies:

Basis of Accounting:

The accompanying financial statements of ABC/USA have been prepared using the accrual basis of accounting.

Financial Statement Presentation:

ABC/USA reports information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted net assets.

Use of Estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (“GAAP”) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities as of December 31, 2010 and 2009, and the reported amounts of revenues and expenses for the years then ended. Actual results can differ from those estimates.

Cash and Cash Equivalents:

Cash and cash equivalents include highly liquid investments with original maturities of three months or less at the time of purchase and are stated at cost, which approximates fair value. At times, these amounts may exceed federally insured limits.

AMERICAN BAPTIST CHURCHES IN THE U.S.A.
NOTES TO FINANCIAL STATEMENTS, Continued
for the years ended December 31, 2010 and 2009

2. Summary of Significant Accounting Policies, Continued:

Accounts Receivable from Baptist Related Organizations:

Accounts receivable consist of amounts due from Baptist related organizations and local churches for mission fund support and reimbursable costs, net of allowance for doubtful accounts. Allowance for doubtful accounts is determined by review of the aged accounts receivable listing for balances that are specifically identifiable as credit risk or uncollectible. Additionally, 10% of outstanding balances older than 180 days are included in the allowance amount.

Investments:

Investments consist of funds invested in mutual funds that are managed by the American Baptist Foundation (“ABF”) (an affiliate) and Merrill Lynch on behalf of ABC/USA. These mutual funds include investments held for assets with donor-imposed restrictions.

Investments are reported at fair value. Donated securities are recorded at fair value on the date of receipt. Realized and unrealized gains or losses on investments are recognized as increases or decreases in unrestricted net assets unless their use is temporarily or permanently restricted by explicit donor stipulations or law. Interest and dividend income is recorded on the accrual basis and investment transactions are recorded on trade date basis.

Investment in Partnership:

In 2008, ABC/USA entered into a limited partnership agreement with the American Baptist Foreign Missions Society (“ABFMS”), the American Baptist Home Missions Society (“ABHMS”), and the Ministers and Missionaries Benefits Board (“MMBB”) to form 588 Associates, LP (the “Partnership”), a Pennsylvania limited partnership for the purpose of the acquisition of the Mission Center (“the Sale”), and 588 Associates, LLC (the “Company”), a Pennsylvania limited liability company with the purpose of managing the activities and serving as the General Partner of the Partnership. ABC/USA holds a 34.65% interest in the Partnership and a 35% interest in the Company, which holds a 1% interest in the Partnership. ABC/USA reports its investment in the Partnership based on the equity method of accounting. See Note 4.

Property, Land, Equipment and Depreciation:

Property, land, and equipment are recorded at cost. Depreciation of these assets is computed on a straight-line basis and is charged to expense over the estimated useful lives of the assets. Gains and losses on the disposition of assets are recognized in operations in the period of disposition. Repair and maintenance costs are expensed when incurred, while improvements that extend the life of the assets are capitalized.

AMERICAN BAPTIST CHURCHES IN THE U.S.A.
NOTES TO FINANCIAL STATEMENTS, Continued
for the years ended December 31, 2010 and 2009

2. Summary of Significant Accounting Policies, Continued:

Property, Land, Equipment and Depreciation, continued:

ABC/USA reviews its assets for impairment whenever events or changes in circumstances indicate that the carrying value of the asset may not be recoverable.

Assets Whose Use Is Limited:

Assets whose use is limited consist of investments held for supplemental retirement benefits by the MMBB on behalf of ABC/USA.

Funds of Others:

ABC/USA collects and distributes funds for the benefit of others. ABC/USA holds these funds in a fiduciary capacity and its sole responsibility regarding these funds is in the capacity of acting as an agent. These funds represent donations, contributions and gifts which are disbursed to beneficiaries.

Funds Held for Others-Mission Support:

Funds held for others include the residual balances of American Baptist Mission Support (ABMS) funds administered by ABC/USA. These funds represent a liability of ABC/USA until spent for designated purposes in accordance with the budget covenant.

Deferred Lease Revenue:

Deferred lease revenue is amortized using the straight-line method over the term of the lease.

Net Assets:

A description of each net asset category is as follows:

- *Unrestricted Net Assets:* Represents assets that are available for the support of operations and whose use is not externally restricted, although their use may be limited by other factors such as board designations.
 - *Board Designated:* Includes reserves such as the Supplemental Retirement Benefit (TAS) Reserve, Biennial Reserve, the reserve for Representative Process, and the OGS Operating Reserve. In addition, this includes assets related to the sale of the Mission Center and the related investment fund. Although intended for specific use, these are not binding on the organization.

AMERICAN BAPTIST CHURCHES IN THE U.S.A.
NOTES TO FINANCIAL STATEMENTS, Continued
for the years ended December 31, 2010 and 2009

2. Summary of Significant Accounting Policies, Continued:

Net Assets, continued:

- *Board Undesignated:* These may be used for any purpose designated by management without restriction.
- *Temporarily Restricted Net Assets:* Temporarily restricted net assets are those whose use by ABC/USA has been limited by donors for a specific purpose or time period. These net assets consist of gifts for which donor-imposed restrictions have not been met.
- *Permanently Restricted Net Assets:* Permanently restricted net assets consist of permanent endowment fund investments to be held indefinitely, the income from which is expendable when the restrictions imposed by donors have been met. In addition, income from certain endowment investments is restricted for distribution to specified affiliated organizations.

Contributions:

Contributions are recognized when a donor makes a promise to ABC/USA that is, in substance, unconditional. Contributions restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the period in which the contributions are received. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

Reclassification:

Certain amounts in 2009 within the net asset balances were reclassified to conform to the current-year presentation. The overall net asset balance was not affected by the reclassification.

3. Fair Value Measurements:

In accordance with FASB ASC Topic 820, "Fair Value Measurements and Disclosures" (Topic 820), the fair value of investments is categorized into a three-tier hierarchy, which assigns priorities to inputs of valuation techniques used to measure fair value. Inputs refer to assumptions market participants would use when pricing an asset and are classified as observable (i.e. assumptions based on market prices obtained from independent sources) and unobservable (i.e. assumptions based on best information available or the reporting entity's own assumptions). The hierarchy of inputs is summarized below:

AMERICAN BAPTIST CHURCHES IN THE U.S.A.
NOTES TO FINANCIAL STATEMENTS, Continued
for the years ended December 31, 2010 and 2009

3. Fair Value Measurements, Continued:

- Level 1 – observable, represents assets with quoted market prices for identical assets (registered securities).
- Level 2 – other observable, not quoted market prices for identical assets. Inputs that are obtained from the utilization of models or other valuation methodologies.
- Level 3 – unobservable, reflects reporting entity’s own assumptions and significant management judgments that would be made by market participants.

The fair values of the investment securities, including assets whose use is limited, which ABC/USA held as of December 31, 2010 and 2009, are as follows:

	2010			
	Total Fair Value	<u>Fair Value Measurement at Reporting Date Using:</u>		
		Observable Inputs (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Investments - mutual funds	\$ 15,071,248	\$ 246,176	\$ 14,825,072	\$ -
Assets whose use is limited - mutual funds	122,724	-	122,724	-
	<u>\$ 15,193,972</u>	<u>\$ 246,176</u>	<u>\$ 14,947,796</u>	<u>\$ -</u>
	2009			
	Total Fair Value	<u>Fair Value Measurement at Reporting Date Using:</u>		
		Observable Inputs (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Investments - mutual funds	\$ 13,213,136	\$ 229,830	\$ 12,983,306	\$ -
Assets whose use is limited - mutual funds	98,337	-	98,337	-
	<u>\$ 13,311,473</u>	<u>\$ 229,830</u>	<u>\$ 13,081,643</u>	<u>\$ -</u>

AMERICAN BAPTIST CHURCHES IN THE U.S.A.
 NOTES TO FINANCIAL STATEMENTS, Continued
 for the years ended December 31, 2010 and 2009

3. Fair Value Measurements, Continued:

The Level 1 mutual fund investments as of December 31, 2010 represent registered mutual funds that are actively traded on an open market. The Level 2 mutual fund investments and assets whose use is limited as of December 31, 2010 represent pooled mutual fund investments managed by a third party. The net asset value (NAV) of the pooled investments is based on valuation techniques determined by the third party.

Included in investments are donated securities with a fair value of \$1,770,620 and \$1,780,911 as of December 31, 2010 and 2009, respectively.

4. Investment in Limited Partnership:

Summarized financial information for 588 Associates, LP for the year ended December 31, 2010 is as follows:

Balance Sheet (Accrual Basis)	
Total Assets	\$ <u>20,494,714</u>
Total Liabilities	250,283
Partnership Capital	<u>20,244,431</u> *
Total Liabilities and Partnership Capital	\$ <u>20,494,714</u>

* ABC/USA's 34.65% partnership interest of \$7,016,119 and 35% membership interest of \$69,430 (the Company's 1% partnership interest of \$198,372) as of December 31, 2010 is recorded as "Investment in partnership" in the statement of financial position. Its shares of the partnership gain/(loss) for 2010 and 2009 were \$7,412 and (\$64,408), respectively, which is disclosed as "net change in value of investment in partnership" in the statement of activities.

ABC/USA provides financial management services to the Partnership. During 2010, the fees collected for these services, including reimbursement of allocated personnel expenses, totaled \$294,887, which is included in the "Mission Center building operations" revenue and expense lines on the statement of activities.

AMERICAN BAPTIST CHURCHES IN THE U.S.A.
NOTES TO FINANCIAL STATEMENTS, Continued
for the years ended December 31, 2010 and 2009

5. Property, Land and Equipment:

Property, land and equipment as of December 31, 2010 and 2009 consist of the following:

	2010	2009
Computer software and equipment	2,523,520	2,510,650
Office equipment	626,705	626,705
Automobiles	39,385	39,385
Subtotal	3,189,610	3,176,740
Accumulated depreciation	(2,943,787)	(2,839,110)
Subtotal property and equipment, net	245,823	337,630
Tenant renovations-in-process		-
Land	414,916	414,916
Total property, land and equipment, net	\$ 660,739	\$ 752,546

Depreciation expense for the years ended December 31, 2010 and 2009 was \$103,409 and \$225,197, respectively.

On March 3, 2009, 588 Associates, LP purchased the ABC Mission Center property from ABC/USA located at 588-590 North Gulph Road, Upper Merion Township, Montgomery County, Pennsylvania for the purchase price of \$20,237,274. Approximately \$3,200,000 of the net book value of property, land and equipment was included in the sale.

6. Notes Receivable:

During 2008, ABC/USA entered into a loan agreement with American Baptist Historical Society (“ABHS”), an affiliate, to assist in the relocation of ABHS to another geographical location. The loan agreement with ABC/USA, ABFMS, ABHMS, and MMBB (collectively, the “lessors”) totaled \$464,970. ABC/USA contributed 15% of the principal totaling \$69,750.

The note bears 0% interest prior to October 1, 2009 and thereafter interest accrues at the prime rate. Beginning October 1, 2009 the annual interest rate was 5%. On November 3, 2010, the lessors agreed to allow ABHS to allow interest-only payments during 2011, deferring any principal payments due during that period. As of December 31, 2010, the principal balance due was \$42,607. The following is the schedule of future minimum principal payments as of December 31, 2010:

December 31,	
2011	\$ -
2012	14,811
2013	27,796
Total	\$ 42,607

AMERICAN BAPTIST CHURCHES IN THE U.S.A.
NOTES TO FINANCIAL STATEMENTS, Continued
for the years ended December 31, 2010 and 2009

6. Notes Receivable, continued:

During 2009, ABC/USA entered into loan agreements with ABFMS, ABHMS, and MMBB in conjunction with the Sale of the building. Beginning April 1, 2009 the annual interest rate for the notes was 7%. The notes for ABFMS and MMBB are payable in monthly installments over 10 years. The note for ABHMS is payable in monthly installments over 25 years. These notes are collateralized by each organization's interest in the Partnership. As of December 31, 2010, the principal balance due was \$8,636,669.

The following is the schedule of future minimum principal payments as of December 31, 2010:

December 31,	
2011	\$ 545,901
2012	585,364
2013	627,680
2014	673,055
2015	714,966
2016 and thereafter	<u>5,489,703</u>
Total	<u>\$ 8,636,669</u>

7. Lease of American Baptist Mission Center:

In July 1984, ABC/USA entered into an agreement to lease 24 acres of the building property to a third party. The initial lease term is for 50 years with renewal options for an additional 49 years at the lessee's discretion. In 1991, the lease was amended to provide the lessee with additional development considerations on the property. The lease has been classified as an operating lease.

Rent received for the initial lease term approximated \$4,690,000. This amount and subsequent rental revenues were deferred and are amortized using the straight-line method over various lease terms of up to 50 years. Amortization of deferred lease revenue for each of the years ended December 31, 2010 and 2009 was \$96,476.

Costs incurred in negotiating and consummating the lease transactions described above totaled \$624,496. These costs were deferred and are amortized using the straight-line method over various periods of up to 50 years. Amortization on these deferred lease acquisition costs for each of the years ended December 31, 2010 and 2009 was \$16,908. Accumulated amortization was \$412,091 and \$395,183 as of December 31, 2010 and 2009, respectively.

AMERICAN BAPTIST CHURCHES IN THE U.S.A.
NOTES TO FINANCIAL STATEMENTS, Continued
for the years ended December 31, 2010 and 2009

8. Retirement Plan:

Substantially all of ABC/USA full-time employees are covered by the American Baptist Churches Retirement Plan (the Plan), a multi-employer defined contribution plan in accordance with Section 403(b) of the Internal Revenue Code. ABC/USA contributes 13 percent of each participant's annual compensation. Plan expenses for the years ended December 31, 2010 and 2009 were \$262,429 and \$238,124, respectively.

Exempt employees are eligible to participate in the Plan immediately upon enrollment. Non-exempt employees are eligible to participate in the Plan upon completion of three years of service. Upon completion of ten years of service for non-exempt employees, a lump sum contribution will be made that is equivalent to contributions that would have been made during the participant's first three years of services. All participants are fully vested in the Plan upon enrollment.

9. Amounts Received on Behalf of and Remitted to Others:

Amounts received on behalf of and remitted to others during the years ended December 31, 2010 and 2009 were as follows:

	2010	2009
Amounts received through ABMS:		
ABC Offerings and Other Objectives	\$ 23,584,706	\$ 20,873,759
United Mission	11,225,797	12,351,496
Other campaigns	379,015	219,234
Gifts to other agencies	203,977	243,857
Total amounts received through ABMS	\$ 35,393,495	\$ 33,688,346
	2010	2009
The amounts above received on behalf of others were distributed as follows:		
National Related Boards	\$ 12,228,259	\$ 13,236,510
Regions, States, and Baptist Related Activities	13,117,292	13,985,805
Other organizations	7,450,051	3,559,231
Shared Support Services to Related Boards	323,576	323,576
Uncommitted Fund Disbursements	112,289	123,562
Total amounts distributed to others	33,231,467	31,228,684
Amounts retained by American Baptist Churches in the U.S.A. in accordance with budget covenant provisions	2,162,028	2,459,662
Total amounts distributed and retained by ABC/USA	\$ 35,393,495	\$ 33,688,346

AMERICAN BAPTIST CHURCHES IN THE U.S.A.
NOTES TO FINANCIAL STATEMENTS, Continued
for the years ended December 31, 2010 and 2009

10. Endowments:

ABC/USA's endowment funds consist of approximately 20 individual funds established for a variety of purposes. The endowments consist of both donor-restricted endowment funds and funds designated by the General Board to function as endowments. As required by generally accepted accounting principles in the United States, net assets associated with endowment funds, including funds designated by the Board to function as endowments, are classified and reported based upon the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

ABC/USA is incorporated in the state of New York. In 2010, New York enacted the Uniform Prudent Management of Institutional Funds Act ("UPMIFA"). ABC/USA has interpreted the applicable state standards and guidelines for the prudent management of an endowment fund as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, ABC/USA classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment; (b) the original value of subsequent gifts to the permanent endowment; and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund (i.e. the accumulated realized and unrealized gains/losses) that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by ABC/USA. ABC/USA considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (1) The duration and preservation of the fund
- (2) The purposes of ABC/USA and the donor-restricted endowment fund
- (3) General economic conditions
- (4) The possible effect of inflation and deflation
- (5) The expected total return from income and the appreciation of investments
- (6) Other resources of ABC/USA
- (7) The investment policies of ABC/USA.

Funds with Deficiencies:

From time to time, the fair value of assets associated with individual donor restricted endowment funds may fall below the level that the donor or state standards require ABC/USA to retain as a fund of perpetual duration. There were no such deficiencies as of December 31, 2010 and 2009.

AMERICAN BAPTIST CHURCHES IN THE U.S.A.
NOTES TO FINANCIAL STATEMENTS, Continued
for the years ended December 31, 2010 and 2009

10. Endowments, continued:

Return Objectives and Risk Parameters

ABC/USA's endowment funds are invested in its investments with ABF. According to policy approved by the General Board, ABF assets are invested in a manner to preserve the real purchasing power of the assets after all withdrawals and fees by earning a total rate of return over full market cycles of 3 to 5 years which will support the spending policy stated below. Additionally, the total rate of return (net of fees) is expected to equal or exceed a passive investment in commonly quoted market indices (benchmarks) based on a long-term optimal asset allocation.

Strategies Employed for Achieving Objectives:

To satisfy its long-term rate-of-return objectives, ABC/USA relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). ABC/USA targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Spending Policy

ABC/USA sets the draw from the endowment funds by approval of the Budget Review Committee annually. The percentage draw for operations and disbursements to related partners was 5.0% and 5.1% for 2010 and 2009, respectively. Effective January 1, 2004, ABC/USA was assigned American Baptist Women in Ministry (ABWIM) as a department within the Office of the General Secretary by the General Board, and thus, investments held in an endowment fund were transferred to ABC/USA to support the operations of the new department. ABWIM's percentage draw was 4.0% and 5.1% for 2010 and 2009, respectively. The maximum percentage allowable under terms of ABC/USA's Covenant Agreement with the Ministers & Missionaries Benefit Board (MMBB) is 8%. The expected draw in 2011 for ABCUSA is 5.0% and 4.0% for related partners and ABWIM, respectively.

AMERICAN BAPTIST CHURCHES IN THE U.S.A.
NOTES TO FINANCIAL STATEMENTS, Continued
for the years ended December 31, 2010 and 2009

10. Endowments, continued:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment Net Asset Composition by Type of Fund as of December 31, 2010:				
Donor restricted endowment funds	\$ -	\$ 4,836,604	\$ 2,718,692	\$ 7,555,296
Board-designated endowment funds	<u>5,703,046</u>	<u>-</u>	<u>-</u>	<u>5,703,046</u>
Total funds	<u>\$ 5,703,046</u>	<u>\$ 4,836,604</u>	<u>\$ 2,718,692</u>	<u>\$ 13,258,342</u>

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Changes in Endowment Net Assets for the Year Ended December 31, 2010:				
Endowment net assets, December 31, 2009	\$ 4,484,696	\$ 4,511,569	\$ 2,590,917	\$ 11,587,182
Investment return:				
Investment income	53,784	207,840	105,687	367,311
Net appreciation (realized and unrealized)	<u>413,045</u>	<u>333,505</u>	<u>93,324</u>	<u>839,874</u>
Total investment return	<u>466,829</u>	<u>541,345</u>	<u>199,011</u>	<u>1,207,185</u>
Contributions	853,269	3,000	-	856,269
Appropriation of assets for expenditure in accordance with the spending policy	<u>(101,748)</u>	<u>(219,310)</u>	<u>(71,236)</u>	<u>(392,294)</u>
Endowment net assets, December 31, 2010	<u>\$ 5,703,046</u>	<u>\$ 4,836,604</u>	<u>\$ 2,718,692</u>	<u>\$ 13,258,342</u>

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment Net Asset Composition by Type of Fund as of December 31, 2009:				
Donor restricted endowment funds	\$ -	\$ 4,511,569	\$ 2,590,917	\$ 7,102,486
Board-designated endowment funds	<u>4,484,696</u>	<u>-</u>	<u>-</u>	<u>4,484,696</u>
Total funds	<u>\$ 4,484,696</u>	<u>\$ 4,511,569</u>	<u>\$ 2,590,917</u>	<u>\$ 11,587,182</u>

AMERICAN BAPTIST CHURCHES IN THE U.S.A.
NOTES TO FINANCIAL STATEMENTS, Concluded
for the years ended December 31, 2010 and 2009

10. Endowments, continued:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Changes in Endowment Net Assets for the Year Ended December 31, 2009:				
Endowment net assets, December 31, 2008	\$ 1,001,335	\$ 4,028,121	\$ 2,498,089	\$ 7,527,545
Investment return:				
Investment income	283,796	47,900	-	331,696
Net appreciation (realized and unrealized)	332,633	703,465	173,213	1,209,311
Total investment return	<u>616,429</u>	<u>751,365</u>	<u>173,213</u>	<u>1,541,007</u>
Contributions	2,964,284	23,420	-	2,987,704
Appropriation of assets for expenditure in accordance with the spending policy	<u>(97,352)</u>	<u>(291,337)</u>	<u>(80,385)</u>	<u>(469,074)</u>
Endowment net assets, December 31, 2009	<u>\$ 4,484,696</u>	<u>\$ 4,511,569</u>	<u>\$ 2,590,917</u>	<u>\$ 11,587,182</u>

11. Tax Status:

ABC/USA is exempt from federal income tax as a religious organization under Section 501(a) of the Internal Revenue Code as an organization described in Section 501(c)(3). ABC/USA obtained its latest determination letter on February 4, 2010, and it has not received any subsequent notice from the Internal Revenue Service that such tax-exempt status has been challenged or changed.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires ABC/USA to report information regarding its exposure to various tax positions taken by ABC/USA. ABC/USA has evaluated whether any tax positions have met the recognition threshold and have measured ABC/USA's exposure to the tax positions. Management believes that ABC/USA has adequately addressed all relevant tax positions and that there are no unrecorded tax liabilities. Any interest or penalties assessed to ABC/USA are recorded in general and administrative expenses. No interest or penalties from federal or state tax authorities were recorded in the accompanying financial statements.

12. Subsequent Events:

Management has evaluated subsequent events through June 8, 2011, the date which the financial statements were available to be issued. There were no material subsequent events required to be disclosed.

SUPPLEMENTAL INFORMATION

AMERICAN BAPTIST CHURCHES IN THE U.S.A.

Supplement to the Statement of Financial Position

December 31, 2010

Assets

Cash and cash equivalents: Represents cash on hand as of December 31, 2010.

Certificates of deposit: This represents certificates of deposit held in high quality financial institutions with a maximum maturity of 36 months or less as of December 31, 2010.

Accounts Receivable from Baptist related organizations, net: Represents primarily mission support contributions from local churches. Also includes fees that are owed to ABC/USA from National Boards; fees for services of departments within the Office of the General Secretary (OGS), such as Human Resources; and pass-through fees for temporary personnel. Accordingly, these amounts are shown net of allowances reserved for bad debt.

Prepaid expenses and other current assets: Includes pre-paid insurance, and postage, as well as supplies and cafeteria inventories.

Notes receivable: Represents the balances of notes provided to the Board of National Ministries (due on March 31, 2034), Board of International Ministries (due on March 31, 2019), and Ministries and Missionaries Benefits Board (due on March 31, 2019) to assist in the sale of the Mission Center to 588 Associates, LP. Also represents the balance of the note provided to American Baptist Historical Society (due on August 31, 2013) to assist in a timely relocation to the Mercer Campus in Atlanta.

Investments, at fair value: Represents the investment of the Robert Roblee Memorial Fund, board designated endowment funds and permanent endowment funds. These investments are carried at fair value. The largest portion of the investments is the Roblee Fund, the income of which has traditionally funded mission projects overseas through the Board of International Ministries.

Investment in partnership: Represents the investment in 588 Associates, L.P. (the "Partnership"), a limited partnership formed for the purpose of acquiring and managing the Mission Center property, and investment in 588 Associates, L.L.C. (the "Company"), a limited liability company formed for the purpose of managing and serving as General Partner of the Partnership. ABC/USA owns a 34.65% partnership interest in the Partnership and a 35% membership interest in the Company, which owns a 1% partnership interest.

Property, land and equipment, net of accumulated depreciation: Represents a number of capitalized assets, such as the Mission Center and related equipment until March 2009, and the Mission Receipt and Disbursement System software. All of these assets are carried at cost.

AMERICAN BAPTIST CHURCHES IN THE U.S.A.
Supplement to the Statement of Financial Position, Continued
December 31, 2010

Assets, continued

Lease acquisition costs, net of accumulated amortization: These costs, paid in 1984 at the time negotiations were concluded with Prudential Insurance Company of America for the lease of the land for Freedom Business Center, which is adjacent to the grounds of the Mission Center, represent net amounts paid and being amortized over the life of the lease.

Assets whose use is limited: Represents The Annuity Supplement (TAS) account owned by ABC/USA, which is being held for staff supplemental retirement benefits upon Board Approval.

Liabilities

Accounts payable and accrued liabilities: Represents current year expenses that were not paid at year-end, clearing accounts and the accrued vacation and salaries of employees at year-end.

Funds of others: ABC/USA collects and distributes funds for the benefit of others. ABC/USA holds these funds in a fiduciary capacity and its sole responsibility regarding these funds is in the capacity of acting as an agent. These funds represent donations, contributions and gifts which are disbursed to beneficiaries on a monthly basis.

Funds held for others – Mission Support: Represents the remaining American Baptist Mission Support funds which are not distributed during the year, and are held to be distributed at a later date.

Deferred lease revenue: Represents the amount remaining of the original payment to ABC/USA of more than \$4 million for the land which Freedom Business Center currently occupies. Because the payment was made in one lump sum, it represents a deferred liability and is recognized as revenue annually, prorated over the life of the lease agreement.

AMERICAN BAPTIST CHURCHES IN THE U.S.A.
Supplement to the Statement of Financial Position, Continued
December 31, 2010

Net Assets

Unrestricted, board designated: Includes reserves such as the Supplemental Retirement Benefit (TAS) Reserve, Biennial Reserve, the reserve for Representative Process, and the OGS Operating Reserve. In addition, the net assets represent the reserve for both anticipated and unanticipated equipment and major repairs on the building. Although intended for specific use, these are not binding on the organization.

Unrestricted, board undesignated: These may be used for any purpose designated by management without restriction.

Temporarily restricted: Represents the income and appreciation/depreciation on funds with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose for restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported on the statement of activities as net assets released from restrictions. The “Robert Roblee Memorial Fund” income is included in temporarily restricted net assets.

Permanently restricted: Represents endowment gifts explicitly restricted by the donor to be held in perpetuity. Income is included in permanently restricted net assets and reclassified to unrestricted net assets when used in accordance with donor’s stipulations. In addition to fifteen small estates, the “Women in Ministry/Ministers Council” endowment fund transferred from Board of Educational Ministries also comprises this balance.

AMERICAN BAPTIST CHURCHES IN THE U.S.A.
Supplemental Schedules of Activities of Unrestricted Net Assets
(with segregation of Office of the General Secretary (OGS) operations)
for the years ended December 31, 2010 and 2009

	<u>2010</u>	<u>2009</u>
Revenues, gains, and other support:		
Fees and other operating revenue	\$ 1,795,539	\$ 1,815,734
United Mission	1,075,039	1,163,781
Other investment income	442,530	100,348
Investment income on estate gifts	<u>53,784</u>	<u>48,739</u>
Total OGS operating revenue	3,366,892	3,128,602
Mission Center building operations	926,348	1,363,206
World Mission support	627,017	655,782
Net realized and unrealized gains/(losses) on investments	494,766	494,767
Representative process	400,665	407,483
Net assets released from restrictions and used for operations	290,546	371,722
Lease revenue	96,476	96,476
Other reserve income	8,884	226,340
Gain on sale of building	-	16,376,623
Strong in the Lord conference	200	29,783
Biennial	-	569,422
Investment income	-	75,145
Net change in value of partnership	<u>7,412</u>	<u>(64,408)</u>
Total revenue, gains, and other support	<u>6,219,206</u>	<u>23,730,943</u>
Expenses:		
Salaries and benefits	1,882,294	1,908,654
Other	363,771	358,108
Travel	236,402	226,968
Rent	98,037	99,491
Depreciation	91,428	134,668
Ecumenical relations	82,500	87,000
Professional fees	76,402	219,173
Insurance	23,120	28,599
Computer center and central service charges	22,952	22,698
Staff development	10,999	8,297
Telephone	9,926	11,088
Postage	9,844	11,574
Printing/literature	<u>2,158</u>	<u>3,107</u>
Total OGS operating expenses	<u>2,909,833</u>	<u>3,119,425</u>
Mission Center building operations	923,883	1,466,833
Mission resource development	624,753	655,782
Representative process	445,897	470,132
Distribution to others	331,629	411,374
Orientation to American Baptist Life	89,118	107,906
Strong in the Lord conference	28,732	21,523
Biennial	-	625,558
Net transfers from reserves	<u>(134,161)</u>	<u>(48,598)</u>
Total expenses	<u>5,219,684</u>	<u>6,829,935</u>
(Decrease)/increase in unrestricted net assets	<u>\$ 999,522</u>	<u>\$ 16,901,008</u>

AMERICAN BAPTIST CHURCHES IN THE U.S.A.
 Supplemental Schedule of Activities for
 Mission Center Building Operations
 for the year ended December 31, 2010

	<u>Building Operations</u>	<u>Invested in Plant</u>	<u>Total</u>
Revenues:			
Rent:			
Prime Technology Group, Inc.	\$ 7,111	\$ -	\$ 7,111
	7,111	-	7,111
Other income:			
Traffic operations	563,830	-	563,830
Financial management services to Partnership	-	294,887	294,887
Lease income amortization of deferred lease revenue	-	96,476	96,476
Telephone leasing income	60,388	-	60,388
Other	132	-	132
Total revenues	<u>631,461</u>	<u>391,363</u>	<u>1,022,824</u>
Expenses:			
Traffic operations	560,517	-	560,517
Salaries and benefits	195	294,887	295,082
Telephone	42,192	-	42,192
Other	382	16,908	17,290
Depreciation	6,849	-	6,849
Administrative charge for travel and conference planning	1,928	-	1,928
Maintenance, supplies and tools	25	-	25
Total expenses	<u>612,088</u>	<u>311,795</u>	<u>923,883</u>
Total revenues less expenses	<u>\$ 19,373</u>	<u>\$ 79,568</u>	<u>\$ 98,941</u>

AMERICAN BAPTIST CHURCHES IN THE U.S.A.

Supplemental Schedule of Net Assets
for the year ended December 31, 2010

	<u>General</u>	<u>Endowment Funds</u>	<u>Total</u>
Unrestricted net assets			
Board designated:	\$ 14,994,874	\$ 4,540,479	\$ 19,535,353
OGS Reserves:			
OGS Operating Reserve	1,420,888	-	1,420,888
Supplemental Retirement Benefit (TAS)	122,724	-	122,724
Subtotal Board designated OGS Reserves	<u>1,543,612</u>	<u>-</u>	<u>1,543,612</u>
Total Board designated	<u>16,538,486</u>	<u>4,540,479</u>	<u>21,078,965</u>
Board undesignated:	2,092,825	-	2,092,825
Estates	-	1,162,567	1,162,567
OGS Management designated reserves:			
World Mission Support (WMS)	323,353	-	323,353
Women in Ministry (WIM)	21,497	-	21,497
Subtotal Management designated OGS Reserves	<u>344,850</u>	<u>-</u>	<u>344,850</u>
Total Board undesignated	<u>2,437,675</u>	<u>1,162,567</u>	<u>3,600,242</u>
Total unrestricted net assets	18,976,161	5,703,046	24,679,207
Temporarily restricted net assets			
Roblee Fund and other small estates	-	4,836,604	4,836,604
Permanently restricted net assets			
Women in Ministry and other small estates	<u>-</u>	<u>2,718,692</u>	<u>2,718,692</u>
Total net assets	<u>\$ 18,976,161</u>	<u>\$ 13,258,342</u>	<u>\$ 32,234,503</u>

AMERICAN BAPTIST CHURCHES IN THE U.S.A.
 Supplemental Schedule of
 Office of General Secretary Designated Reserves
 for the year ended December 31, 2010

	2009	Receipts	Disbursements	2010
Board designated:				
OGS Operating Reserve	\$ 1,306,674	\$ 114,214	\$ -	\$ 1,420,888
Supplemental Retirement Benefit (TAS)	98,337	24,387	-	122,724
Total Board designated	1,405,011	138,601	-	1,543,612
Management designated:				
WMS	319,886	3,467	-	323,353
WIM	29,606	-	(8,109)	21,497
Total Management designated	349,492	3,467	(8,109)	344,850
Total designated reserves	\$ 1,754,503	\$ 142,068	\$ (8,109)	\$ 1,888,462