VILLAGE MISSIONS

Financial Statements and Supplemental Information

Years Ended June 30, 2010 and 2009

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Village Missions
Dallas, Oregon

We have audited the accompanying statements of financial position of Village Missions (the Ministry) as of June 30, 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 the Ministry's management. Our responsibility is to express an opinion on these financial statements based on our audits. The prior year summarized comparative information has been derived from the Ministry's June 30, 2009 financial statements, and in our report dated November 2, 2009, we expressed an unqualified opinion on those financial statements.

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 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 Village Missions as of June 30, 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 audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental information included in the accompanying schedules is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects, in relation to the basic financial statements taken as a whole.

AKT LLP

Salem, Oregon
November 10, 2010

VILLAGE MISSIONS

Statements of Financial Position

June 30, 2010 and 2009

ASSETS	2010	2009
Cash	$ 1,358,825	$ 1,228,271
Investments	1,543,302	1,232,440
Accrued interest receivable	5,499	8,631
Accounts receivable, net of allowance for doubtful accounts of zero	17,837	27,539
Notes receivable	8,000	8,000
Prepaid expenses	6,405	8,472
Land, buildings, and equipment, net	1,294,258	1,359,214
	$ 4,234,126	$ 3,872,567
LIABILITIES AND NET ASSETS		
Accounts payable	$ 45,196	$ 25,031
Accrued expenses	372,584	385,946
Accrued pension costs	1,899,251	1,052,364
Payable to benefit plan	318,134	186,833
Total Liabilities	2,635,165	1,650,174
Net Assets:		
Unrestricted:		
Designated:		
Retirement projects	726,985	746,965
Education, benefits, and other	43,976	40,443
Investment in land, building, and equipment	1,294,258	1,359,214
Undesignated operating reserve	2,035,315	1,733,916
Unrecognized net actuarial loss	(2,704,688)	(1,941,684)
Total Unrestricted	1,395,846	1,938,854
Temporarily restricted:		
Designated fields	83,219	154,629
Employee benefits	56,942	66,997
Funds held in trust	24,424	23,883
Other	3,686	3,186
Total Temporarily Restricted	168,271	248,695
Permanently restricted - education fund	34,844	34,844
Total Net Assets	1,598,961	2,222,393
	$ 4,234,126	$ 3,872,567

See accompanying notes to financial statements.

VILLAGE MISSIONS

Statements of Activities and Changes in Net Assets

Years Ended June 30, 2010 and 2009

	Unrestricted	Temporarily Restricted	Permanently Restricted	2010 Total	2009 Total (Memo Only)
Support and Revenue:					
Contributions	$ 2,792,639	$ 2,324,946	$ -	$ 5,117,585	$ 5,385,386
Revenue:					
Retirement facility rent	63,754	-	-	63,754	60,215
Interest and dividends	87,860	1,343	-	89,203	77,348
Gain (loss) on valuation and sale of assets	12,417	(148)	-	12,269	(26,840)
Other income	15,423	-	-	15,423	8,511
Satisfaction of donor restrictions	2,406,565	(2,406,565)	-	-	-
Total Support and Revenue	5,378,658	(80,424)	-	5,298,234	5,504,620
Expenses:					
Rural ministry program	4,337,145	-	-	4,337,145	4,206,496
Conferences	-	-	-	-	85,895
Candidate school	10,480	-	-	10,480	13,324
Leadership development	19,895	-	-	19,895	33,351
Retirement facilities	86,815	-	-	86,815	84,159
Administration	561,880	-	-	561,880	615,466
Development	142,447	-	-	142,447	167,615
Total Expenses	5,158,662	-	-	5,158,662	5,206,306
Increase (Decrease) in Net Assets	219,996	(80,424)	-	139,572	298,314
Pension Related Charges Other Than Net Periodic Pension Costs	(763,004)	-	-	(763,004)	(876,225)
Net Assets, beginning	1,938,854	248,695	34,844	2,222,393	2,800,304
Net Assets, ending	$ 1,395,846	$ 168,271	$ 34,844	$ 1,598,961	$ 2,222,393

See accompanying notes to financial statements.

VILLAGE MISSIONS

Statements of Cash Flows

Years Ended June 30, 2010 and 2009

	2010	2009
Cash Flows from Operating Activities:		
Increase in net assets	$ 139,572	$ 298,314
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation	68,217	71,573
Increase in net actuarial loss	(763,004)	(876,225)
(Gain) Loss on investments	(12,335)	29,596
Changes in assets and liabilities:		
Accrued interest receivable	3,132	(2,352)
Accounts receivable	9,702	6,255
Prepaid expenses	2,067	31,213
Accounts payable	20,165	(61,790)
Accrued expenses	(13,362)	(3,722)
Accrued pension costs	846,887	835,637
Payable to benefit plan	131,301	141,145
Net Cash Provided by Operating Activities	432,342	469,644
Cash Flows from Investing Activities:		
Purchases of investments	(704,266)	(658,421)
Return of principal and proceeds from investments	405,739	322,992
Issuance of notes receivable	-	(2,000)
Purchases of land, buildings, and equipment	(3,261)	(2,670)
Net Cash Used by Investing Activities	(301,788)	(340,099)
Net Increase in Cash	130,554	129,545
Cash, beginning	1,228,271	1,098,726
Cash, ending	$ 1,358,825	$ 1,228,271

See accompanying notes to financial statements.

Note 1 - Nature of Activities and Summary of Significant Accounting Policies

Nature of Activities
Village Missions (the Ministry) is a nonprofit organization incorporated in 1948. Its purpose is to establish, support, and direct missionaries in towns and villages where there is either no church or no evangelical witness. The Ministry is supported primarily through donations from churches, affiliated organizations, and the general public. The accompanying financial statements include contributions for salaries and related salary expense for ministers of local churches for which the Ministry has overall management and budgetary control. Other local church revenue, expense, and foreign organizations, not under common control, have not been included in the accompanying financial statements.

As of June 30, 2010, the Ministry has in place 193 missionaries in 193 fields in 30 different states.

Contributions
Contributions are recognized when the donor makes a promise to give to the Ministry that is, in substance, unconditional. Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions. Contributions are reported as temporarily restricted support and are then reclassified to unrestricted net assets at the time of compliance with the donor designation. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions.

Donated Services
Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Ministry. There were no donated services recognized as contributions during the years ended June 30, 2010 and 2009.

Estimates
The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Ministry's management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash
The Ministry maintains its cash in bank deposit accounts that, at times, may exceed insured limits. The Ministry’s main depository accounts are privately insured by American Share Insurance up to $250,000 per account, and are not federally insured. The Ministry has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash.

Cash at June 30 consists of the following:

	2010	2009
Cash on deposit and on hand, including sweep account	$ 324,561	$ 196,042
Money market accounts, bearing interest from 0.01% - 0.75% in 2010 (1.54% - 3.50% in 2009)	48,818	38,104
Certificates of Deposit, bearing interest from 0.85% - 5.00% in 2010 (1.85% - 5.20% in 2009)	961,022	920,242
Cash in escrow	-	50,000
Deposits held in trust	24,424	23,883
	1,358,825	1,228,271
Less temporarily and permanently restricted net assets	203,115	283,539
	$ 1,155,710	$ 944,732

Note 1 - Nature of Activities and Summary of Significant Accounting Policies, continued

Cash, continued
In 2007, the Town of New Gloucester required the Ministry to deposit in escrow $50,000 as security for the Ministry's obligation to complete required improvements in accordance with the plans and conditions as approved by the local planning board for the New Gloucester retirement community project (see Notes 3 and 9). The cash in escrow was returned to the Ministry during 2010.

Investments
Investments in marketable securities with readily determinable fair values and all investments in debt securities are recorded at their fair values in the statements of financial position (see Note 2). Unrealized gains and losses are included in the change in net assets in the accompanying statements of activities and changes in net assets.

Fair Value of Financial Instruments
The Mission's financial instruments, none of which are held for trading purposes, include receivables, accounts payable, and other short-term assets and liabilities. The Mission estimates that the fair value of all of these non-derivative financial instruments at June 30, 2010 and 2009 does not differ materially from the aggregate carrying value of its financial instruments recorded in the accompanying statements of financial position.

Land, Buildings, and Equipment
Donations of property and equipment are recorded as support at their estimated fair value. Such donations are recorded as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use, and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Ministry reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Ministry reclassifies temporarily restricted net assets to unrestricted net assets at that time.

All acquisitions of property and equipment in excess of $1,000 and all expenditures for repairs, maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. Property and equipment are carried at cost, or if donated, at the estimated fair value at the date of donation. Depreciation is computed using primarily the straight-line method over useful lives between 3 and 40 years.

Comparative Financial Information
The 2009 total column on the Statements of Activities and Changes in Net Assets is captioned "Memo Only" to indicate that the information is presented only to facilitate financial analysis.

The Statements of Activities and Changes in Net Assets include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Ministry's financial statements for the year ended June 30, 2009, from which the summarized information was derived.

Income Taxes
The Mission is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been recorded in the accompanying financial statements.

The Mission adopted the new accounting for uncertainty in income taxes guidance (FASB ASC 740-10) on July 1, 2009. There was no impact on the Mission's financial statements as a result of adopting the new guidance. The Mission recognizes accrued interest and penalties associated with uncertain tax positions as part of the income tax provision, when applicable.

Note 1 - Nature of Activities and Summary of Significant Accounting Policies, continued

Income Taxes, continued
The Mission files informational returns in the United States and various state and local jurisdictions. The Federal informational returns for the years ended June 30, 2009, 2008 and 2007 are subject to examination by the IRS generally for three years after the returns are filed. State and local jurisdictions have statutes of limitation that generally range from three to five years.

Subsequent Events
The Mission has evaluated subsequent events through November 10, 2010, which is the date the financial statements were available to be issued.

Note 2 - Investments

Investments are stated at fair value based on a framework that provides a fair value hierarchy prioritizing the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the organization has the ability to access.

Level 2: Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets.
- Quoted prices for identical or similar asset or liabilities in inactive markets.
- Inputs other than quoted prices that are observable for the asset or liability.
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2010 and 2009.

Mutual funds: Valued at the closing price reported on the active market on which the individual securities are traded.

US government treasury bills and other agency obligations: Valued at the closing price reported on the active market on which the individual securities are traded.

Donated property held for investment and other investments: Valued at estimated market value and cost at the time of donation or purchase, and adjusted for known and measurable changes in market value.

Note 2 - Investments, continued

The following tables set forth, by level within the fair value hierarchy, the Ministry's investments at fair value:

	Assets at Fair Value as of June 30, 2010			
	Level 1	Level 2	Level 3	Total
Mutual funds	$ 204,173	$ -	$ -	$ 204,173
US Government Treasury bills and other agency obligations	1,287,343	-	-	1,287,343
Donated property	-	-	51,786	51,786
	$ 1,491,516	$ -	$ 51,786	$ 1,543,302

	Assets at Fair Value as of June 30, 2009			
	Level 1	Level 2	Level 3	Total
Mutual funds	$ 175,348	$ -	$ -	$ 175,348
US Government Treasury bills and other agency obligations	981,909	-	-	981,909
Donated property	-	-	51,786	51,786
Other	-	-	23,397	23,397
	$ 1,157,257	$ -	$ 75,183	$ 1,232,440

The following is a summary of changes in the fair value of the Ministry's level 3 investments at June 30:

	2010	2009
	Donated property and other investments	Donated property and other investments
Beginning balance	$ 75,183	$ 81,786
Losses on other investments	(23,397)	(6,603)
Ending balance	$ 51,786	$ 75,183

Investment return, including interest earned on cash deposits, is summarized as follows at June 30:

	2010	2009
Interest and dividend income	$ 89,203	$ 77,348
Net unrealized gain (loss)	12,335	(29,596)
	$ 101,538	$ 47,752

Note 3 - Land, Buildings, and Equipment

At June 30, land, buildings, and equipment, at cost, consisted of:

	2010	2009
Land	$ 152,362	$ 152,362
Buildings and improvements	1,687,414	1,686,941
Furniture and equipment	225,125	222,337
Data processing equipment and programming	38,570	38,570
Transportation equipment	9,417	9,417
	2,112,888	2,109,627
Less accumulated depreciation	818,630	750,413
	$ 1,294,258	$ 1,359,214

Depreciation expense for the year ended June 30, 2010 was $68,217 ($71,573 in 2009).

Note 4 - Retirement Plans

General

Substantially all of the personnel and representatives of the Ministry are covered by a contributory, defined benefit pension plan (the Plan). The benefits are based on years of service. The Ministry follows the applicable provisions as set by the Financial Accounting Standards Board related to Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans.

Employees contribute $30 per month with the balance funded by the Ministry. The Ministry's contributions to the Plan are funded at the discretion of the board of directors. Contributions are intended to provide benefits not only for benefits attributed to service to date, but also for those expected to be earned in the future.

Obligations and Funded Status

The following table sets forth the Plan’s funded status for the fiscal years ended June 30:

	2010	2009
Change in projected benefit obligation:		
Benefit obligation at beginning of year	$ 7,994,660	$ 8,040,465
Service cost	61,979	88,193
Interest cost	484,666	583,164
Plan participant contributions	66,900	82,920
Actuarial (gain) loss	1,052,937	(263,551)
Benefits paid	(466,993)	(536,531)
Projected benefit obligation at end of year	$ 9,194,149	$ 7,994,660

Note 4 - Retirement Plans, continued

	2010	2009
Change in plan assets:		
Fair value of plan assets at beginning of year	$ 6,942,296	$ 7,823,738
Actual return on plan assets	522,655	(597,908)
Employer contributions	230,040	170,077
Plan participant contributions	66,900	82,920
Benefits paid	(466,993)	(536,531)
Fair value of plan assets at end of year	7,294,898	6,942,296
Funded status at end of year (underfunded)	$ (1,899,251)	$ (1,052,364)

Amounts recognized in the statements of financial position consist of:

	2010	2009
Accrued pension costs	$ (1,899,251)	$ (1,052,364)
Unrecognized net actuarial loss	$ 2,704,688	$ 1,941,684

Amounts recognized in the statements of activities and changes in net assets consist of:

	2010	2009
Net actuarial (gain) loss	$ 874,223	$ 907,771
Amortization of net loss	(111,219)	(31,546)
Total recognized in changes in unrestricted net assets	763,004	876,225
Net periodic pension cost	313,923	129,489
	$ 1,076,927	$ 1,005,714

The estimated net loss for the Plan that will be amortized from changes in unrestricted net assets into net periodic benefit cost over the next fiscal year is $177,816.

Amortization of net actuarial loss cost is computed using the straight-line method over the average remaining service period of employees expected to receive benefits under the Plan.

Assumptions
The following assumptions were used in accounting for the Ministry's pension plan:

	2010	2009
The weighted-average assumptions used to determine benefit obligations:		
Discount rate	5.25%	6.25%
The weighted-average assumptions used to determine net periodic benefit cost:		
Discount rate	6.25%	6.00%
Expected long-term rate of return on assets	6.00%	6.00%

The Ministry's expected rate of return on Plan assets is determined as follows:

Historical and future expected returns of multiple asset classes were analyzed to develop a risk free real rate of return and risk premiums for each asset class. The overall rate for each asset class was developed by combining a long-term inflation component, the risk free real rate of return, and the associated risk premium. A weighted average rate was developed based on those overall rates and the target asset allocation of the Plan.

Note 4 - Retirement Plans, continued

Plan Assets
The assets of the Plan are invested in various securities offered by The Principal Financial Group. At June 30, 2010, debt securities make up 68% (79% in 2009) of the Plan assets, equity securities make up 29% (21% in 2009) of the Plan assets and other assets make up 3% (zero in 2009) of Plan assets.

The Ministry's investment strategy is to maintain sufficient funding for the ability to pay all benefit and expense obligations when due, and to assist eligible employees by providing long-term retirement distributions. Accordingly, the Ministry's Plan assets are invested primarily in intermediate-term, fixed-income investments such as public and private corporate bonds, commercial and residential mortgages, asset backed securities, and U.S. government and agency-backed securities.

No Plan assets are expected to be returned to the Ministry during the fiscal year ending June 30, 2011.

Estimated Contributions:
The Ministry expects to contribute $234,000 to the Plan during the fiscal year ending June 30, 2011.

Estimated Future Benefit Payments
The following minimum benefits are expected to be paid:

2011	$	500,000
2012		510,000
2013		530,000
2014		550,000
2015		570,000
Years 2016 - 2020		3,120,000

Note 5 - Employee Medical Benefit Plan

The Ministry sponsors a self-insured medical plan (the Medical Plan) covering substantially all full-time active employees. The Medical Plan provides health, life, and disability benefits. Effective July 1, 2008, stop-loss protection of $160,000 for each participant per occurrence and aggregate stop-loss protection is provided by Independence American Insurance Company.

Contributions to the Medical Plan are made by the churches sponsoring the missionaries, employees, and the Ministry. Contributions to the Medical Plan for fiscal years 2010 and 2009 were $950 per month per employee.

The premiums collected and expenses paid for benefits and claims administration are for the benefit of and on behalf of the missionaries and are held and accounted for separately from the other assets of the Ministry through a trust. As such, the Ministry has excluded the activity and balances of the Medical Plan from the Ministry's financial statements for the years ended June 30, 2010 and 2009.

Note 6 - Related Party Transactions

The Ministry is related by common programs and activities with the Stonecroft Ministries, Inc. (Stonecroft). The Ministry did not receive any direct contributions from Stonecroft during 2010 ($410,000 in 2009).

Additionally, the Ministry is related by common programs and activities with Village Missions Canada. The Ministry also provides administrative support to Village Missions Canada as specified by a service agreement entered into by both entities. The Ministry and Village Missions Canada occasionally receive donations on the other entity's behalf and those donations are promptly remitted to the other entity.

Note 7 - Contributions

Contributions by source for the years ended June 30 consisted of:

	2010	2009
Churches	$ 1,259,595	$ 1,292,223
Stonecroft Ministries, Inc. restricted for missionary supplements	-	410,000
Designated gifts	2,324,946	2,261,253
Missionaries	668,149	620,075
Estates	13,458	122,028
Individual and other	851,437	679,807
	$ 5,117,585	$ 5,385,386

SUPPLEMENTAL INFORMATION

VILLAGE MISSIONS

Schedule of Functional Expenses

Years Ended June 30, 2010 and 2009

	Rural Ministry Program	Candidate School	Leadership Development	Retirement Facilities
Salaries and wages	$ 1,289,533	$ -	$ -	$ -
Payroll taxes	2,228	-	-	-
Retirement	313,923	-	-	-
Other employee benefits	197,190	-	-	-
Child supplement	1,670	-	-	-
Designated gifts	2,350,808	-	-	-
Meetings and seminars	-	-	-	-
Staff training	600	-	-	-
Moving	4,708	-	-	-
Food	11,580	3,688	-	-
Lodging	5,685	4,387	-	-
Travel	125,922	1,705	-	233
Supplies	1,946	265	-	49
Postage and shipping	1,526	-	-	-
Publicity	777	35	12,322	-
Utilities	5,025	-	-	13,892
Telephone	470	-	-	-
Automobile expenses	1,746	-	-	-
Insurance	7,793	-	-	7,412
Repairs and maintenance	3,179	-	-	9,590
Hospitality	57	-	-	-
Dues and subscriptions	-	-	-	-
Depreciation	-	-	-	45,305
Donations and grants	-	-	-	-
Honoraria	-	-	-	-
Professional services	-	-	-	-
Consulting	7,200	-	7,573	850
Other	3,579	400	-	9,484
	$ 4,337,145	$ 10,480	$ 19,895	$ 86,815

	Administration		Development		2010 Total		2009 Total (Memo Only)
$	292,410	$	38,242	$	1,620,185	$	1,743,990
	15,828		-		18,056		19,239
	5,214		-		319,137		132,487
	54,934		5,937		258,061		323,772
	-		-		1,670		2,102
	-		-		2,350,808		2,211,270
	1,493		-		1,493		1,168
	3,470		200		4,270		4,133
	-		-		4,708		9,781
	3,518		-		18,786		19,800
	2,976		-		13,048		90,366
	20,434		932		149,226		170,873
	9,605		355		12,220		14,839
	17,157		8,246		26,929		40,578
	15,610		45,194		73,938		114,880
	5,675		340		24,932		25,496
	3,530		445		4,445		6,505
	2,278		270		4,294		3,910
	12,760		20		27,985		32,565
	16,759		6,137		35,665		38,027
	625		-		682		177
	1,822		500		2,322		4,481
	22,912		-		68,217		71,573
	300		-		300		100
	-		-		-		667
	28,981		-		28,981		29,784
	11,226		35,201		62,050		63,928
	12,363		428		26,254		29,815
$	561,880	$	142,447	$	5,158,662	$	5,206,306

VILLAGE MISSIONS

Schedule of Revenues, Expenditures, and Change in Net Assets - Budget to Actual

Year Ended June 30, 2010

	Final Budget	Actual	Variance Over/(Under) Budget
Support and Revenue:			
Contributions	$ 4,908,500	$ 5,117,585	$ 209,085
Revenue:			
Retirement facility rent	66,540	63,754	(2,786)
Interest and dividends	71,200	89,203	18,003
Loss on valuation and sale of assets	-	12,269	12,269
Other income	5,100	15,423	10,323
Total Support and Revenue	5,051,340	5,298,234	246,894
Expenses:			
Rural ministry program	4,310,266	4,337,145	26,879
Candidate school	15,100	10,480	(4,620)
Leadership development	6,600	19,895	13,295
Retirement facilities	80,668	86,815	6,147
Administration	640,469	561,880	(78,589)
Development	132,369	142,447	10,078
Total Expenses	5,185,472	5,158,662	(26,810)
Net Change (budgetary basis)	(134,132)	139,572	273,704
Net Assets, beginning	2,222,393	2,222,393	-
Net Assets, ending	$ 2,088,261	2,361,965	$ 273,704
Reconciliation of Budget Basis to Accrual Basis			
Pension related charges other than net periodic pension costs		(763,004)	
Net Assets, ending (accrual basis)		$ 1,598,961	