

**Consolidated Financial Statements and Report of
Independent Certified Public Accountants**

**The North American Mission Board of the
Southern Baptist Convention, Inc.**

December 31, 2009 and 2008

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Report of Independent Certified Public Accountants

To the Board of Trustees of
The North American Mission Board of the
Southern Baptist Convention, Inc.:

We have audited the accompanying consolidated statements of financial position of The North American Mission Board of the Southern Baptist Convention, Inc. and Subsidiaries (the Board) as of December 31, 2009 and 2008, and the related consolidated statements of activities and changes in net assets and cash flows for the years then ended. These consolidated financial statements are the responsibility of the Board's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with U.S. generally accepted auditing standards. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. 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 the organization's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall consolidated 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 consolidated financial position of The North American Mission Board of the Southern Baptist Convention, Inc. and subsidiaries as of December 31, 2009 and 2008, and the consolidated results of their operations and their cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 15, the 2008 consolidated financial statements have been restated to correct misstatements.

Grant Thornton LLP

Atlanta, Georgia
April 14, 2010

Consolidated statements of financial position

December 31	2009	2008 (as restated)
Assets		
Cash and cash equivalents	\$ 30,115,221	\$ 19,630,692
Receivables, net	2,471,200	2,798,246
Investments, fair value	106,159,390	83,268,268
Church loans, net	142,733,965	151,743,740
Real estate owned	2,086,521	59,623
Mission properties	245,097	501,084
Property and equipment, net	17,452,928	18,910,646
Other assets, net	3,086,385	3,896,943
Beneficial interests in trusts held by others	34,900,199	31,231,212
Total assets	\$339,250,906	\$312,040,454
Liabilities		
Accounts payable and accrued expenses	\$ 6,307,077	\$ 5,804,556
Accrued postretirement benefits	93,564,521	92,063,177
Total liabilities	99,871,598	97,867,733
Net assets		
Unrestricted	193,493,498	171,209,917
Temporarily restricted	5,240,449	5,991,223
Permanently restricted	40,645,361	36,971,581
Total net assets	239,379,308	214,172,721
Total liabilities and net assets	\$339,250,906	\$312,040,454

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated statements of activities and changes in net assets

For the years ended December 31	2009	2008
		(as restated)
Changes in unrestricted net assets:		
Revenues, gains, and other support:		
Cooperative program	\$ 45,471,193	\$ 46,015,709
Annie Armstrong Easter Offering TM	56,643,230	58,146,844
Gifts and contributions	8,583,214	9,551,504
Interest on church loans	9,665,044	10,314,675
Investment income (loss)	22,640,434	(41,677,546)
World Changers/PowerPlant participant fees	5,742,248	5,567,555
Gain (loss) on sale of assets	(1,917,970)	4,121,905
Product sales	1,601,845	1,745,526
Cost of product sales	(1,614,263)	(1,751,874)
Other	844,798	1,623,123
	147,659,773	93,657,421
Satisfaction of program restrictions	2,949,365	2,595,334
Total unrestricted revenues, gains, and other support	150,609,138	96,252,755
Expenses:		
Program expenses:		
Missionary appointment support and equipping	53,842,934	53,413,787
Evangelization	14,966,071	14,812,113
Church planting	21,409,697	21,863,538
Ministry evangelism	4,752,300	5,190,259
Volunteer ministries	6,766,955	7,560,042
Mission education	4,778,160	4,293,156
Communication technology	2,669,643	2,361,727
Associational services	1,714,636	1,320,366
Disaster ministries	2,293,724	3,675,148
	113,194,120	114,490,136
Administrative expenses	15,906,232	15,659,651
Fund raising expenses	311,347	270,822
Postretirement benefit-related changes other than periodic postretirement benefit cost	(1,086,142)	(7,706,577)
Total expenses	128,325,557	122,714,032
Changes in unrestricted net assets before discontinued operations	22,283,581	(26,461,277)
Changes in unrestricted net assets from discontinued operations	-	(103,264)
Total changes in unrestricted net assets before cumulative effect of change in accounting principle	22,283,581	(26,564,541)
Cumulative effect of adoption of FASB Staff Position 117-1	-	(891,321)
Total change in unrestricted net assets	22,283,581	(27,455,862)

Consolidated statements of activities and changes in net assets (cont'd)

For the years ended December 31	2009	2008
		(as restated)
Changes in temporarily restricted net assets:		
Contributions	1,911,557	1,862,243
Investment income (loss)	287,034	(1,801,536)
Satisfaction of program restrictions	(2,949,365)	(2,595,334)
Total changes in temporarily restricted net assets before cumulative effect of change in accounting principle	(750,774)	(2,534,627)
Cumulative effect of adoption of FASB Staff Position 117-1	-	891,321
Total change in temporarily restricted net assets	(750,774)	(1,643,306)
Changes in permanently restricted net assets:		
Contributions	952,427	2,038,383
Change in value of beneficial interests in trusts held by others	2,721,353	(13,409,356)
Total changes in permanently restricted net assets	3,673,780	(11,370,973)
Changes in net assets	25,206,587	(40,470,141)
Net assets, beginning of year	214,172,721	254,642,862
Net assets, end of year	\$239,379,308	\$214,172,721

Consolidated statements of cash flows

For the years ended December 31	2009	2008 (as restated)
Cash flows from operating activities:		
Changes in net assets	\$ 25,206,587	\$ (40,470,141)
Changes in net assets from discontinued operations	-	103,264
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Depreciation	2,320,986	2,444,774
Provision for losses on church loans	76,638	358,940
Net realized and unrealized depreciation (appreciation) on investments	(21,627,797)	46,305,317
Change in value of beneficial interests in trusts held by others	(2,721,353)	13,409,356
Assets contributed to trusts held by others and for long-term investment	(952,427)	(2,038,383)
Loss (gain) on sale of assets	1,917,970	(4,121,905)
Changes in operating assets and liabilities:		
Receivables	327,046	732,636
Other assets	(854,892)	(255,271)
Accounts payable and accrued expenses	502,521	(1,528,023)
Accrued postretirement benefits	1,501,344	(5,625,713)
Cash from operating activities – continuing operations	5,696,623	9,314,851
Cash used by operating activities – discontinued operations	-	(24,771)
Net cash provided by operating activities	5,696,623	9,290,080
Cash flows from investing activities:		
Purchases of investments	(5,822,068)	(37,776,820)
Proceeds from sale of investments	4,558,743	34,179,489
Loans made to churches	(11,160,574)	(23,847,950)
Payments received on church loans	18,066,813	18,993,808
Proceeds from sale of real estate owned	-	944,500
Proceeds from sale of property and equipment	16,000	4,026,602
Purchases of property and equipment	(875,801)	(2,148,220)
Net cash provided by (used in) investing activities	4,783,113	(5,628,591)
Cash flows from financing activities:		
Proceeds from contributions restricted for long-term investment	4,793	8,950
Net cash provided by financing activities	4,793	8,950
Change in cash and cash equivalents	10,484,529	3,670,439
Cash and cash equivalents, beginning of year	19,630,692	15,960,253
Cash and cash equivalents, end of year	\$ 30,115,221	\$ 19,630,692

Notes to consolidated financial statements

1 Description of the Organization

The North American Mission Board of the Southern Baptist Convention, Inc. (NAMB or Board) is incorporated in the state of Georgia as a not-for-profit organization and has been approved by the Internal Revenue Service as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code (the code). The Board is classified as a publicly supported organization, which is not a private foundation under Section 509(a)(1) of the code. Contributions are tax-deductible within limitations prescribed by the code.

The Board is an agency of the Southern Baptist Convention (SBC) and receives most of its financial support from gifts received through the Executive Committee of the SBC mainly through the Cooperative Program (CP) and the annual Annie Armstrong Easter Offering™ (AAEO). The CP is Southern Baptists' method of supporting missions and ministry efforts of state conventions, associations, and the SBC. The revenues are received ratably over the course of the year based on the annual budget allocation of the SBC. For 2009 and 2008, the Board received 22.79% of the CP's funds and records these funds as unrestricted contribution revenue on the consolidated statement of activities and changes in net assets. The AAEO honors the life and work of Annie Walker Armstrong and is given to the Board to enable missionary personnel to share the good news of Jesus Christ. The Board works in partnership with state conventions to distribute monies given through the offering to missionaries and their efforts. The Board records this offering as unrestricted contribution revenue on the consolidated statements of activities and changes in net assets. The SBC also funds other programs (e.g., disaster relief and hunger relief). Total support received from the SBC for the years ended December 31, 2009, and 2008, was \$103,360,696 and \$105,805,633, respectively.

The Board aids and shares in the support of Southern Baptist churches, media, missions, and missionary efforts in the United States, Canada and their territories by providing direct programs and activities and by sharing in the funding of state convention programs and activities. For the years ended December 31, 2009 and 2008, the Board provided \$45,295,407 and \$44,531,518, respectively, in funding to SBC state conventions and associations for these activities.

The consolidated financial statements of the Board include the accounts of its affiliates, subsidiaries and supporting organizations: FamilyNet, Inc. (FamilyNet), NAMB Covenant Productions, Inc. (Covenant), TimeRite Agency, Inc. (TimeRite), and New Orleans Baptist Ministries, Inc. (NOBM). All significant intercompany transactions have been eliminated in the accompanying consolidated financial statements.

FamilyNet, Covenant, and NOBM are also exempt from federal income tax under Section 501(c)(3) of the code. TimeRite is a corporation subject to income tax. The Board records income taxes with respect to its for-profit entity as well as any unrelated business income generated at the tax exempt entities using the liability method under which deferred tax assets and liabilities are determined based on the differences between the financial accounting and tax bases of assets and liabilities. Deferred tax assets and liabilities at the end of each period are determined using the currently enacted tax rate expected to apply to taxable income in the period that the deferred tax asset or liability is expected to be realized or to be settled.

Certain information concerning the Board's affiliates, subsidiaries, and supporting organizations is as follows:

FamilyNet is a nonprofit corporate affiliate of the Board that discontinued operations in 2007. FamilyNet had no financial activity in 2009. (see Note 14).

TimeRite is a for-profit corporate subsidiary of the Board which operates in conjunction with FamilyNet. TimeRite had no financial activity in 2009 or 2008.

Covenant is a nonprofit supporting organization of the Board established to assist the Board in effecting the Board's religious purposes by the placement of communication media. Covenant had no financial activity in 2009 or 2008.

NOBM is a nonprofit supporting organization of the Board and consists of three ministry centers conducting ministry evangelism throughout the city of New Orleans and one ministry center in New York City. The ministry centers include: Baptist Friendship House, Carver Baptist Center, Rachel Sims Baptist Mission, and David Dean Mission House. While the Board has retained the ministry centers, the membership interest in NOBM has been transferred to the local association in New Orleans, The Baptist Association of Greater New Orleans.

2 Significant Accounting Policies

Basis of Accounting

The consolidated financial statements of the Board are prepared under the accrual method of accounting. Revenue is recognized when earned, and expenses are recognized when incurred.

Estimates

The preparation of consolidated financial statements in conformity with U.S. generally accepted accounting principles (US GAAP) requires management to make certain estimates and assumptions that affect the reported amounts and disclosures at the date of the consolidated financial statements. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of the consolidated statements of cash flows, cash and cash equivalents include all highly liquid investments with original maturities of three months or less with the exception of cash and cash equivalents held for reinvestment. These accounts, at times, may exceed federally insured limits. The credit risk is the amount of deposit in excess of federally insured limits.

Receivables

Accounts receivable are reported net of any anticipated losses due to uncollectible accounts. The Board's policy for determining when an account is past due or delinquent is when it is 90 days past due. Provisions for uncollectible accounts are recorded as additions to the allowance for doubtful accounts when it is determined that the amount will be uncollectible.

The allowance for doubtful accounts is maintained at a level, which in management's judgment, is adequate to absorb potential losses inherent in the receivables portfolio. The amount of the allowance is based on management's evaluation of the collectability of the receivables portfolio, including the nature of the portfolio, trends in historical loss experience, specific impaired notes, and economic conditions.

Investments

Investments are stated at fair value. Fair value is determined from quoted market prices or market prices of similar instruments. Investment expenses were \$507,385 and \$631,654 for the years ended December 31, 2009 and 2008, respectively and have been included in investment income.

The Board accounts for its investments in marketable securities with readily determinable fair values at fair value with realized and unrealized gains and losses included in the consolidated statements of activities and changes in net assets.

Investment income and realized and unrealized gains (losses) are allocated to net asset classes dependent upon donor specifications if applicable or the Board's interpretation of relevant state law for endowment investments. Investment expenses are reported as a reduction of net realized gains (losses) on investments.

Church Loans

Church loans are stated at their unpaid principal amounts outstanding, reduced by an allowance for loan losses, and are collateralized by church buildings and real estate. Interest income is accrued based on the outstanding principal amount and contractual terms of each individual loan.

The Board's Church Finance Ministry typically charges a loan processing fee and recognizes these fees as other income in the year received. These fees are designed to offset the direct costs related to issuing the loans. The Board analyzes fees received in relation to direct expenses for underwriting new loans. As a result, these fees are recognized in the year the loan is written and are not amortized over the expected life of the loan. In addition, the Board charges late fees equal to the greater of \$10 or 5% of the unpaid sum on loan payments received 15 days after the due date. Total fee income for the years ended December 31, 2009 and 2008, was \$130,737 and \$88,568, respectively.

The Board classifies loans as impaired when it is probable that it will be unable to collect all amounts due according to the contractual terms of the loan agreements. These loans continue to accrue interest. Loans are classified as delinquent when payments are 90 days past due. Payments for delinquent loans are applied first to interest due until all accrued interest has been paid and then to the outstanding principal balance of the loan. The accrual of interest is discontinued when, in management's judgment, it is determined that the collectability of interest is doubtful.

Allowance for Loan Losses

The allowance for loan losses is maintained at a level that, in management's judgment, is adequate to absorb probable loan losses. The amount is based upon historical loan loss experience of similar types of loans, the Board's loan loss experience, the amount of past due and nonperforming loans, specific known risks, the value of collateral securing the loans, and current and anticipated economic and interest rate conditions. Evaluation of these factors involves subjective estimates and judgments that may change. Additions to the allowance are provided through a charge to earnings. Subsequent recoveries, if any, are a reduction to the allowance.

Real Estate Owned

Real estate owned is comprised of properties accepted in satisfaction of the debt of church loans. These properties, which are held for sale, are recorded at the lower of cost (book value of the loans) or fair value less cost to sell.

Mission Properties

Mission properties represent land and buildings purchased by or donated to the Board to be used as churches or related facilities in strategic locations. Purchased mission properties are recorded at cost. Property received by donation is recorded at fair market value on the date of donation. The Board's policy is to convey title of mission properties to the churches or missions as soon as the congregation is able to demonstrate financial viability; accordingly, mission buildings and improvements are recorded at original cost or reflected at fair value less costs to dispose upon transfer.

Property and Equipment

Property and equipment are stated at cost. The Board capitalizes all items costing \$25,000 or more. Depreciation is provided using the straight-line method over the estimated useful lives of the assets ranging from:

	Years
Buildings and building improvements	10 - 39 years
Equipment, furniture and fixtures, and vehicles	3 - 10 years
Computer equipment	3 years

Other Assets

Other assets are recorded at cost and primarily include a minority interest in a limited liability company, prepaids, and inventory. The carrying amount of the cost method investment in the limited liability company was \$0 and \$1,000,000 at December 31, 2009 and 2008, respectively. The Board sold its minority interest in the limited liability company on November 28, 2009. The inventory consists primarily of products held for sale and is recorded at the lower of cost or market using the weighted average method.

Beneficial Interests in Trusts Held by Others

The Board is the beneficiary of certain perpetual irrevocable trusts held and administered by independent trustees. Under the terms of the perpetual irrevocable trusts, the Board has the irrevocable right to receive the income earned on the trust assets in perpetuity. The fair value of the perpetual irrevocable trusts is recognized as an asset and as a permanently restricted contribution at the date the trust is established. The Board's estimate of fair value is based on fair value information received from the trustees and the assets of these trusts approximately consist of, but are not limited to, cash and cash equivalents (2%), equity securities (51%), debt securities (37%), investments in real estate (2%), hedge funds and managed futures (6%) and gas and oil interests (2%). Yet, these assets are not subject to the control or direction by the Board. Gains and losses, which are not distributed by the trusts, are reflected as change in value of beneficial interests in trusts held by others in the consolidated statements of activities and changes in net assets.

Net Assets

The consolidated financial statements report amounts by classification of net assets:

Unrestricted net assets are those currently available at the discretion of the Board for use in the Board's operations, including those invested in property and equipment and church loans.

Temporarily restricted net assets are those contributed with donor stipulations for specific operating purposes or programs, those with time restrictions, or those not currently available for use until commitments regarding their use have been fulfilled.

Permanently restricted net assets include contributions which contain donor-imposed restrictions that stipulate the resources to be maintained permanently, but permit the Board to use or expend part or all of the income derived from the donated assets for either specified or unspecified purposes. These net assets consist of endowment funds and beneficial interests in trusts held by others.

Support, Revenue, and Expenses

Unrestricted, temporarily, and permanently restricted gifts, grants, and other income are recorded as revenue, gains, and other support when received by the Board or when received and allocated on its behalf by the Executive Committee of the SBC. The Board's policy is to record temporarily restricted revenue, and other support as unrestricted if the restriction is satisfied in the year the revenue and other support is received. Gifts-in-kind (including donated equipment and services) are recorded at fair value at the date of the gift.

The Board's program expenses are classified according to its primary ministry activities. These ministry activities are defined as follows:

Missionary appointment support and equipping appoint, approve, support, and equip career missions personnel; endorse chaplains; enlist and assist bivocational ministers in mission service

Evangelization: serve as a channel in motivating and helping churches, associations, and state conventions to develop and implement effective strategies of evangelism; implement direct evangelism projects in strategic areas

Church planting work in partnership with churches, associations, and state conventions to start new congregations among all people groups; implement direct church starting projects in strategic areas and assist individual churches in obtaining financing for the acquisition or construction of church buildings

Ministry evangelism: work with churches, associations, and state conventions in ministering to people with distinctive needs, seeking to bring them to wholeness in Jesus Christ; implement direct ministry projects in strategic areas

Volunteer ministries: coordinate volunteer enlistment and training for volunteer mission and ministry projects in the United States and Canada; assist the International Mission Board in volunteer enlistment and training

Mission education: develop services and materials for establishing, enlarging, and improving missions and ministry learning and personal mission experiences in churches, associations, and state conventions

Communication technology: produce and present media (radio and television programming, advertisements, printed material and videos) that extend the message of Southern Baptist churches; provide counseling to persons who respond to media; assist churches, associations, state conventions, and SBC entities to effectively use media in accomplishing their tasks

Associational services: strengthen the work of associations by assisting them in developing, resourcing, and implementing effective strategies that undergird churches and their work

Disaster ministries: work in partnership with churches, associations, state conventions, and other disaster aid organizations to coordinate response to immediate needs as well as assess and coordinate long-term ministry assistance in areas affected by a disaster

Subsequent Events

The Board has considered the subsequent events through April 14, 2010, the date the consolidated financial statements were available to be issued.

3 Receivables, Net

Receivables are summarized as follows:

December 31	2009	2008
Trade receivables	\$ 1,024,763	\$ 718,739
Due from SBC Executive Committee	916,982	1,535,409
Interest receivable	591,168	566,053
	2,532,913	2,820,201
Less allowance for doubtful accounts	(61,713)	(21,955)
	\$ 2,471,200	\$ 2,798,246

4 Investments, Fair Value

Investments consist of the following instruments:

December 31	2009	2008
Cash and cash equivalents	\$ 2,703,202	\$ 3,053,202
Corporate debt securities	519,295	546,881
Equity securities	102,936,893	79,668,185
	\$106,159,390	\$ 83,268,268

Unrestricted investment income (loss) consists of:

December 31	2009	2008
Interest and dividend income	\$ 2,012,637	\$ 2,741,879
Net realized (losses) on investments	(3,689,996)	(7,659,245)
Net unrealized gains (losses) on investments	24,317,793	(36,760,180)
	\$ 22,640,434	\$ (41,677,546)

5 Church Loans, Net

A summary of loans receivable classified by interest rates is as follows:

December 31	2009	2008
6% or less	\$ 94,777,862	\$ 33,735,881
Over 6 to 6 1/2%	11,906,822	15,485,514
Over 6 1/2 to 7%	16,832,885	66,935,895
Over 7%	22,151,617	38,756,980
	145,669,186	154,914,270
Allowance for loan losses:		
Beginning of year	3,170,530	2,891,224
Provision for loan losses	76,638	358,940
Write off of uncollectible loans	(311,947)	(79,634)
	\$ 2,935,221	\$ 3,170,530

At December 31, 2009, 11 loans with an outstanding principal balance of approximately \$2,504,731 were classified as delinquent. At December 31, 2008, eight loans with an outstanding principal balance of approximately \$1,146,000 were classified as delinquent. In the event that a church is unable to repay its loan in accordance with the original loan agreement, the Board pursues collection and works out plans including interest only payments, reduced payments, moratorium on payments, deed in lieu of foreclosure, or foreclosure depending on the church's circumstances. If a church loan is determined to be impaired, the fair value of the loan is then compared with the recorded investment in the loan to determine whether or not a specific reserve is necessary. The Board's recorded investment in loans that are considered impaired was \$20,542 and \$38,762 for the years ended December 31, 2009 and 2008, respectively.

Loans receivable will mature as follows:

For the years ending December 31	Principal Reduction
2010	\$ 7,162,878
2011	7,615,875
2012	8,097,521
2013	8,609,627
2014	9,154,120
Thereafter	105,029,165
	\$ 145,669,186

At December 31, 2009, the Board had 471 loans with balances as follows:

Loan Balance	Number of Loans	Principal Outstanding	Percent of Loan Portfolio
Less than \$250,000	314	29,796,983	21%
\$250,000 – \$499,999	82	28,012,642	19%
\$500,000 – \$999,999	44	29,662,299	20%
\$1,000,000 – \$1,999,999	22	32,253,108	22%
\$2,000,000 or more	9	25,944,154	18%
	471	145,669,186	100%

Although the Board has no geographic restrictions within the United States on where loans are made, aggregate loans of at least five percent of total balances are located in the following states:

State	Number of Loans	Principal Outstanding	Percent of Loan Portfolio
California	114	27,135,011	19%
Georgia	23	16,071,009	11%
Florida	30	11,917,332	8%
Texas	32	8,335,329	6%
Alabama	13	8,608,222	6%
	212	72,066,903	50%

6 Property and Equipment, Net

Property and equipment are summarized as follows:

December 31	2009	2008
Land, buildings, and building improvements	\$ 25,449,205	\$ 25,544,442
Equipment, furniture and fixtures, and vehicles	3,358,089	6,755,903
Computer equipment	7,149,273	8,320,773
	35,956,567	40,621,118
Less accumulated depreciation	(18,503,639)	(21,710,472)
	\$ 17,452,928	\$ 18,910,646

Depreciation expense for the years ended December 31, 2009 and 2008, was \$2,320,986 and \$2,444,774, respectively, and is reflected in administrative expenses in the consolidated statements of activities and changes in net assets.

7 Line of Credit

The Board has a revolving line of credit agreement with a bank whereby it can borrow up to \$10,000,000 bearing interest at LIBOR plus 1.75 percent (1.98%) at December 31, 2009 and LIBOR plus 0.50 percent (0.95%) at December 31, 2008. As of December 31, 2009 and 2008, no amount was outstanding on this line of credit. The line matures November 29, 2010, and interest only is due monthly.

8 Net Assets

Unrestricted net assets are available for the following purposes:

December 31	2009	2008
Operating reserves	\$ 33,306,605	\$ 555,531
Net equity in property and equipment	17,452,928	18,910,646
Church loans	142,733,965	151,743,740
	\$193,493,498	\$171,209,917

Temporarily restricted net assets are available for the following purposes:

December 31	2009	2008
Hunger relief	\$ 572,700	\$ 428,496
Disaster relief	2,120,802	3,272,304
Scholarships and other	2,546,947	2,290,423
	\$ 5,240,449	\$ 5,991,223

Net assets were released from donor restrictions during the year by incurring expenses satisfying the following restricted purposes:

December 31	2009	2008
Hunger relief	\$ 420,915	\$ 345,927
Disaster relief	1,360,460	2,130,120
Scholarships and other	1,167,990	119,287
	\$ 2,949,365	\$ 2,595,334

Permanently restricted net assets are categorized by the following:

December 31	2009	2008
Beneficial interests in trusts held by others	\$ 34,900,199	\$ 31,231,212
Endowments	5,745,162	5,740,369
	\$ 40,645,361	\$ 36,971,581

Permanently restricted net assets are invested in perpetuity, the income from which is expendable to support the general purpose missions of the Board except for \$1,251,215 and \$1,242,266 which are for specific purposes as of the years ended December 31, 2009 and 2008, respectively.

It is the policy of the Trustees of the Board that endowment spending shall be appropriated at a rate of approximately 5% of the market value of the investment portfolio as of January 1 of any given year.

The Board has interpreted FASB Staff Position 117-1 and the Georgia Uniform Prudent Management of Institutional Funds Act (the Act) as requiring the preservation of the historic value (corpus) of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Board classifies as permanently restricted net assets (1) the original value of gifts donated to the permanent endowment, (2) the original value of subsequent gifts to the permanent endowment, and (3) 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. If the endowment assets earn investment returns beyond the amount necessary to maintain the endowment assets' historic value, that excess is available for appropriation and, therefore, classified as temporarily restricted net assets until appropriated by the Board for expenditure. The Board currently records the investment returns on the specific-purpose endowment funds in temporarily restricted net assets and makes those earnings available for expenditure for the donor-restricted purpose. In accordance with the Act, the Board 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 the Board and the donor-restricted endowment fund
- (3) General economic conditions
- (4) The possible effect of inflation or deflation
- (5) The expected total return from income and the appreciation of investments
- (6) Other resources of the Board
- (7) The investment policies of the Board

Endowment net asset composition by type of fund:

December 31, 2009	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowment funds	\$ (281,246)	\$ 205,702	\$ 5,745,162	\$ 5,669,618
Total funds	\$ (281,246)	\$ 205,702	\$ 5,745,162	\$ 5,669,618

Changes in endowment net assets:

Year ended December 31, 2009	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Net assets, beginning of year	\$ (1,219,030)	\$ 157,369	\$ 5,740,369	\$ 4,678,708
Total investment return	937,784	287,034	-	1,224,818
New gifts	-	-	4,793	4,793
Appropriation of endowment assets for expenditure	-	(238,701)	-	(238,701)
	\$ (281,246)	\$ 205,702	\$ 5,745,162	\$ 5,669,618

9 Income Taxes

The Board is exempt from income taxes under the provisions of Section 501(c)(3) of the code.

10 Commitments and Contingencies

At December 31, 2009, the Board's Church Finance Ministry has committed to loan approximately \$2,210,000 to three churches. These commitments expire at various dates through 2010. In addition, the Board has construction loans and holdbacks with 13 churches with approximately \$1,582,089 in undistributed funds. Such commitments are made to accommodate the needs of the qualified churches. The credit risk associated with these commitments is essentially the same as that involved in extending loans to churches and is subject to the Board's normal credit policies and terms. Collateral for the loans will consist of church real estate.

The Board has long-term, non-cancelable operating leases for equipment and services and service contracts at December 31, 2009 with future annual commitments over the next four years. These future commitments are as follows:

For the years ending December 31	Commitment
2010	\$ 399,770
2011	360,472
2012	194,896
2013	24,402

Rent expense for the years ended December 31, 2009 and 2008, was \$1,451,137 and \$1,599,922, respectively, and is primarily reflected in administrative expenses in the consolidated statements of activities and changes in net assets.

The Board is also involved in different legal matters. While the ultimate outcome cannot be determined at this time, it is the Board's opinion that the matters should not have a materially adverse effect on its operations.

11 Employee Benefit Plans

Health Benefit Plan

The Board provides medical and dental benefits under a partially self-funded plan and a reinsurance contract with an insurance company for stop-loss coverage. Medical benefits are provided to all eligible participants (including employees and missionaries) and their dependents. The total medical claims incurred during the years ended December 31, 2009 and 2008, were \$13,502,844 and \$11,452,141, respectively. Claims incurred but not reported or paid at year end were estimated to be \$1,656,565 and \$2,005,904 as of December 31, 2009 and 2008, respectively.

Retirement Plan

Employees of the Board are covered by defined-contribution retirement plans which are administered by GuideStone Financial Resources of the SBC. Contributions made by the Board during the years ended December 31, 2009, and 2008 were 10% of the employees' base compensation and totaled \$1,940,868 and \$1,702,917, respectively.

12 Postretirement Benefits Other Than Pensions

The Board provides health care and other benefits to substantially all retired employees, all retired missionaries, and their eligible dependents. Certain benefits are contributory; other benefits are noncontributory according to guidelines based on age and years of service. The Board accrues the costs of such benefits during the periods employees provide service to the Board.

The Board recognizes the funded status of its postretirement benefits measured as the difference between plan assets at fair value and the benefit obligation in its consolidated statements of financial position.

A summary of changes to the accumulated postretirement benefit obligation is as follows:

For the years ended December 31	2009	2008
Accumulated benefit obligation, beginning of year	\$ 92,063,177	\$ 97,688,890
Service cost	1,695,336	1,692,805
Interest cost	5,170,453	5,462,361
Actuarial gain	(7,205,469)	(7,605,710)
Change in discount rate assumption	5,599,314	-
Benefits paid	(3,758,290)	(5,175,169)
	\$ 93,564,521	\$ 92,063,177

The Board's postretirement benefit plan currently is not funded and is the net obligation recognized in the consolidated statements of financial position. The amount is as follows:

December 31	2009	2008
Unfunded status of plan	\$ (93,564,521)	\$ (92,063,177)
	\$ (93,564,521)	\$ (92,063,177)

Components of the accumulated postretirement benefit obligation that have not been recognized as periodic benefit cost include the following:

For the years ended December 31	2009	2008
Unrecognized actuarial loss	\$ 19,053,251	\$ 21,678,505
Unrecognized plan amendment	(14,652,343)	(16,191,455)
	\$ 4,400,908	\$ 5,487,050

Postretirement benefit-related changes other than net periodic postretirement benefit cost recognized in the consolidated statements of activities and changes in net assets consist of the following:

For the years ended December 31	2009	2008
Amounts recognized during the period:		
Actuarial gain	\$ (7,205,469)	\$ (7,605,710)
Change in discount rate assumption	5,599,314	-
Amounts reclassified to net periodic benefit cost:		
Amortization of actuarial loss	(1,019,099)	(1,639,979)
Amortization of plan amendment	1,539,112	1,539,112
	\$ (1,086,142)	\$ (7,706,577)

Estimated amounts that will be amortized in 2010 from unrecognized plan amendment gain and unrecognized actuarial loss and recognized as components of net periodic benefit cost are as follows:

	Amortized Amounts
Plan amendment	\$ (1,539,112)
Actuarial loss	737,612

Discount rate assumptions:

December 31	2009	2008
Discount rate used to determine net periodic postretirement benefit cost	5.75%	5.75%
Discount rate used to determine accumulated postretirement benefit	5.25%	5.75%

The Board assumed a 10.0% health care cost trend rate decreasing to 5.0% by the year 2015 and thereafter to determine the accumulated postretirement benefit obligation.

A one percentage point increase in the assumed health care cost trend rates for each future year would increase the accumulated postretirement benefit obligation at December 31, 2009 by \$10,857,413 and the estimated service and interest components of the 2010 postretirement benefit costs by \$1,246,654.

A one percentage point decrease in the assumed healthcare cost trend rates for each future year would decrease the accumulated postretirement benefit obligation at December 31, 2009 by \$8,750,747 and the estimated service and interest components of the 2010 postretirement benefit costs by \$989,249.

Components of net periodic postretirement benefit cost are as follows:

December 31	2009	2008
Service cost	\$ 1,695,336	\$ 1,692,805
Interest cost	5,170,453	5,462,361
Amortization of actuarial loss	1,019,099	1,639,979
Amortization of plan amendment	(1,539,112)	(1,539,112)
	\$ 6,345,776	\$ 7,256,033

The Board expects to receive a retiree drug subsidy provided by the Medicare Reform Act of 2003. The subsidy amounts expected to be received are based on a 10.0% prescription drug trend rate decreasing to 5.0% by the year 2015 and thereafter and the postretirement health care and other benefits expected to be paid over the next 10 years are as follows:

For the years ending December 31	Benefits	Subsidy
2010	\$ 5,308,102	\$ 649,704
2011	5,535,135	707,708
2012	5,777,952	746,431
2013	6,021,466	782,496
2014	6,212,087	819,530
2015 - 2019	10,664,379	4,501,338

The expected benefits are based on the same assumptions used to measure the benefit obligation and include estimated future employee service. The Board expects to contribute an amount equal to benefits to be paid in 2010.

13 Fair Value of Financial Instruments

The Board provides for additional disclosures for the fair value measurement of financial assets and liabilities. The Board has not recognized any new assets or liabilities at fair value but has established a fair value hierarchy that distinguishes between assumptions based on market data (observable inputs) and the Board's assumptions (unobservable inputs). The hierarchy consists of three broad levels as follows:

- Level 1: Quoted market prices in active markets for identical assets or liabilities.
- Level 2: Inputs other than level 1 that are either directly or indirectly observable.
- Level 3: Unobservable inputs developed using the Board's estimates and assumptions, which reflect those that market participants would use.

Investments, Fair Value

Investments whose values are based on quoted market prices in active markets, and are therefore classified within level 1, include cash and cash equivalents, active listed equity securities, and certain corporate debt securities. The Board's investments in mutual funds have certain underlying assets that are classified as level 2. The Board is also invested in a church bond that is classified as level 3. The Board does not adjust the quoted price for such instruments.

Church Loans, Net

Church loans are reported in the Board's consolidated statements of financial position at cost less an allowance for estimated uncollectible amounts. Fair value for church loans shown in the table below is based on interest rates that NAMB currently charges for similar loans.

Beneficial Interests in Trusts Held by Others

Beneficial interests in trusts held by others classified within level 3 have significant unobservable inputs. Level 3 instruments include beneficial interests in trusts held by others which are permanent, irrevocable trusts held primarily at state Baptist foundations. When observable prices are not available for the assets of these trusts, the Board uses one or more valuation techniques (e.g., the market approach, the income approach or the cost approach) for which sufficient and reliable data is available. Within level 3, the use of the market approach generally consists of using comparable market transactions, while the use of the income approach generally consists of the net present value of estimated future interest in the trusts.

The following table summarizes the fair values of investments and beneficial interests in trusts held by others, which are both reported at fair value in the Board's consolidated statements of financial position and church loans which are reported at cost net of an allowance for estimated uncollectible amounts, in the Board's consolidated statements of financial position.

	Fair Value Measurements at December 31, 2009 with:		
	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets:			
Investments	\$103,504,303	\$ 2,156,059	\$ 499,028
Church loans	-	143,001,038	-
Beneficial interests in trusts held by others	-	-	34,900,199
	<u>\$103,504,303</u>	<u>\$145,157,097</u>	<u>\$ 35,399,227</u>

The following table summarizes the changes in fair values associated with level 3 assets:

	Investments	Beneficial interests in trusts held by others
Balance, beginning of year	\$ -	\$ 31,231,212
Contributions	504,001	947,633
Unrealized gains/(losses)	(4,973)	3,022,413
Transfers in/(out)	-	(301,059)
	\$ 499,028	\$ 34,900,199

The carrying amounts of other financial instruments reported in the consolidated statements of financial position for assets and liabilities approximate their fair value because of the short maturity of these instruments.

14 Discontinued Operations Sale of FamilyNet

In October 2007, FamilyNet, Inc.'s network assets, programming rights and production equipment including agreements, operational contracts, trademarks, and copyrights were sold to FamilyNet, LLC, 90% owned by In Touch Ministries, Inc. and 10% owned by the Board.

In November 2009, the Board sold its 10% interest in FamilyNet, LLC.

Included in the Board's consolidated financial statements are the following financial statements relating to FamilyNet, Inc.

December 31	2009	2008
Discontinued operations:		
Unrestricted contributions	\$ -	\$ 55
Other revenue	-	32,763
Total revenue	-	32,818
Program expense	-	136,082
Changes in net assets before discontinued operations	-	(103,264)
Gain on disposal of discontinued operations	-	-
Total changes in net assets of discontinued operations	\$ -	\$ (103,264)
Forgiveness of intercompany balance from FamilyNet, Inc. due to NAMB	\$ -	\$ 1,055,622

15 Prior Period Adjustment

The previously issued 2008 consolidated financial statements contained the following errors: (1) overstatement of accrued postretirement benefits by \$6,146,190 (2) understatement of postretirement benefit-related changes other than periodic postretirement benefit cost by \$8,403,114 and (3) an understatements of program, administrative and fund raising expenses by \$2,256,924. The 2008 consolidated financial statements reported herein have been restated to correct these errors. The following schedule shows the effect of this change in the 2008 amounts:

For the year ended December 31, 2008	As previously reported	As restated
Consolidated statements of financial position		
Assets		
Cash and cash equivalents	\$ 19,630,692	\$ 19,630,692
Receivables, net	2,798,246	2,798,246
Investments, fair value	83,268,268	83,268,268
Church loans, net	151,743,740	151,743,740
Real estate owned	59,623	59,623
Mission properties	501,084	501,084
Property and equipment, net	18,910,646	18,910,646
Other assets, net	3,896,943	3,896,943
Beneficial interests in trusts held by others	31,231,212	31,231,212
Total assets	\$312,040,454	\$312,040,454
Liabilities		
Accounts payable and accrued expenses	\$ 5,804,556	\$ 5,804,556
Accrued postretirement benefits	98,209,367	92,063,177
Total liabilities	104,013,923	97,867,733
Net assets		
Unrestricted	165,063,727	171,209,917
Temporarily restricted	5,991,223	5,991,223
Permanently restricted	36,971,581	36,971,581
Total net assets	208,026,531	214,172,721
Total liabilities and net assets	\$312,040,454	\$312,040,454

For the year ended December 31, 2008	As previously reported	As restated
Consolidated statements of activities and changes in net assets		
Total unrestricted revenues, gains, and other support	\$ 96,252,755	\$ 96,252,755
Expenses:		
Program expenses:		
Missionary appointment support and equipping	51,865,898	53,413,787
Evangelization	14,670,559	14,812,113
Church planting	21,681,540	21,863,538
Ministry evangelism	5,144,443	5,190,259
Volunteer ministries	7,500,719	7,560,042
Mission education	4,229,804	4,293,156
Communication technology	2,333,448	2,361,727
Associational services	1,309,623	1,320,366
Disaster ministries	3,661,640	3,675,148
	112,397,674	114,490,136
Administrative expenses	15,500,560	15,659,651
Fund raising expenses	265,451	270,822
Postretirement benefit-related changes other than periodic postretirement benefit cost	696,537	(7,706,577)
Total expenses	128,860,222	122,714,032
Changes in unrestricted net assets before discontinued operations	(32,607,467)	(26,461,277)
Changes in unrestricted net assets from discontinued operations accounting principle	(103,264)	(103,264)
Cumulative effect of adoption of FASB Staff Position 117-1	(32,710,731)	(26,564,541)
Cumulative effect of adoption of FASB Staff Position 117-1	(891,321)	(891,321)
Total change in unrestricted net assets	(33,602,052)	(27,455,862)
Changes in temporarily restricted net assets:		
Contributions	1,862,243	1,862,243
Investment income (loss)	(1,801,536)	(1,801,536)
Satisfaction of program restrictions	(2,595,334)	(2,595,334)
Total changes in temporarily restricted net assets before cumulative effect of change in accounting principle	(2,534,627)	(2,534,627)
Cumulative effect of adoption of FASB Staff Position 117-1	891,321	891,321
Total change in temporarily restricted net assets	(1,643,306)	(1,643,306)
Changes in permanently restricted net assets:		
Contributions	2,038,383	2,038,383
Change in value of beneficial interests in trusts held by others	(13,409,356)	(13,409,356)
Total changes in permanently restricted net assets	(11,370,973)	(11,370,973)
Changes in net assets	(46,616,331)	(40,470,141)
Net assets, beginning of year	254,642,862	254,642,862
Net assets, end of year	\$208,026,531	\$214,172,721

Changes to consolidated cash flow statement

Changes in net assets	\$ (46,616,331)	\$ (40,470,141)
Accrued postretirement benefits	\$ 520,477	\$ (5,625,713)

Supplemental information



Audit • Tax • Advisory

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Report of Independent Certified Public Accountants
on Supplementary Information

To the Board of Trustees of
The North American Mission Board of the
Southern Baptist Convention, Inc.:

Our audits were conducted for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole of The North American Mission Board of the Southern Baptist Convention, Inc. and Subsidiaries as of and for the year ended December 31, 2009 and 2008, which are presented in the preceding section of this report. The supplementary information as of and for the year ended December 31, 2009, is presented for purposes of additional analysis and is not a required part of the basic consolidated financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic consolidated financial statements and, accordingly, we express no opinion on it.

Grant Thornton LLP

Atlanta, Georgia
April 14, 2010

Revenue Analysis by State
For the year ended December 31, 2009

State	CP	AAEO	Undesignated	Hunger Designated	Disaster Relief Designated	Other Designated
Alabama	\$ 4,329,722	\$ 5,838,926	\$ 179,833	\$ 148,832	\$ 6,561	\$ 99,131
Alaska	52,066	96,993	-	601	100	2,060
Arizona	194,325	362,879	75,384	6,298	746	83,496
Arkansas	1,892,771	1,831,297	86,831	27,252	7,705	136,493
California	504,142	762,389	21,124	19,811	18,785	111,393
Colorado	139,941	275,738	916	776	1,251	62,185
Dakota	9,179	36,741	500	1,211	-	4,756
District of Columbia	7,231	14,098	390	1,823	-	4,200
Florida	3,184,906	2,709,768	157,147	47,849	6,472	329,461
Georgia	4,470,452	4,983,815	472,301	119,155	9,982	800,713
Hawaii	85,309	139,077	4,574	10,668	105	5,326
Illinois	554,962	766,858	1,646	21,282	1,054	20,267
Indiana	236,142	312,373	1,400	9,151	1,150	17,975
Iowa	25,484	56,801	97	2,548	-	1,033
Kansas/Nebraska	253,016	334,607	3,562	4,865	210	16,333
Kentucky	1,973,551	2,126,329	165,851	61,059	14,685	64,686
Louisiana	2,006,530	2,033,390	78,582	155,014	10,375	69,823
Maryland/Delaware	422,908	540,775	27,070	13,361	3,750	99,424
Michigan	106,585	153,878	1,010	4,956	435	11,920
Minnesota/Wisconsin	14,250	64,234	513	450	-	24,788
Mississippi	2,734,795	3,628,752	121,850	46,774	1,456	119,614
Missouri	1,304,172	1,992,615	205,263	56,377	15,564	72,671
Montana	23,283	57,952	-	635	-	4,255
Nevada	62,057	106,324	3,326	2,316	50	8,444
New England	30,980	86,989	4,452	3,331	800	98,307
New Mexico	279,975	447,727	38,102	7,953	800	21,036
New York	51,771	112,658	9,207	967	14,661	13,386
North Carolina	2,295,945	5,905,245	139,813	105,524	2,506	379,836
Northwest	154,783	252,166	7,898	8,148	1,585	16,860
Ohio	394,232	487,498	8,718	3,414	6,633	42,992
Oklahoma	2,276,125	1,825,025	198,739	37,123	1,515	185,150
Pennsylvania/S Jersey	50,737	122,410	6,925	2,736	2,843	137,388
South Carolina	2,716,927	3,630,815	84,304	111,164	3,775	112,216
Tennessee	3,453,990	4,298,020	312,036	127,589	7,420	428,622
Texas-BGCT	2,962,470	4,692,013	464,470	10,553	23,309	285,993
Texas-SBTC	3,234,835	2,650,026	372,174	30,847	23,309	285,993
Utah/Idaho	39,747	89,981	-	1,169	-	16,945
Virginia-BGAV	475,717	1,360,067	111,451	43,993	6,808	64,261
Virginia-SBCV	1,046,041	1,124,027	109,516	20,514	6,808	64,261
West Virginia	114,926	215,448	1,000	9,856	50	8,899
Wyoming	39,240	68,038	-	1,311	-	45,725
Canada	-	-	95,491	1,570	401	3,451
Caribbean	915	6,932	-	30	-	1,000
Miscellaneous	1,264,058	41,536	158,857	1,838	9,228	1,826,526
Total Revenue	\$ 45,471,193	\$ 56,643,230	\$ 3,732,323	\$ 1,292,694	\$ 212,887	\$ 6,209,294
Received through						
Executive Committee	45,471,193	55,288,954	1,271,327	1,078,554	17,515	233,153
Received directly	-	1,354,276	2,460,996	214,140	195,372	5,976,141
Total Revenue	\$ 45,471,193	\$ 56,643,230	\$ 3,732,323	\$ 1,292,694	\$ 212,887	\$ 6,209,294