THE LUTHERAN CHURCH—MISSOURI SYNOD AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS
WITH
INDEPENDENT AUDITORS' REPORT

JUNE 30, 2010

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Independent Auditors' Report

Board of Directors
The Lutheran Church—Missouri Synod
St. Louis, Missouri

We have audited the accompanying consolidated statements of financial position of The Lutheran Church—Missouri Synod (the "Synod") and subsidiaries as of June 30, 2010 and 2009, and the related consolidated statements of activities, and cash flows for the years then ended. These consolidated financial statements are the responsibility of the Synod'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 auditing standards generally accepted in the United States of America. 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. We were not engaged to perform an audit of the Synod's internal control over financial reporting. Our audits included 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 Synod'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 Synod and subsidiaries as of June 30, 2010 and 2009, and the results of their activities and changes in their net assets, and their cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Brown Smith Wallace L.L.C.

October 27, 2010

MEMBER AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS AND AN INDEPENDENT FIRM
ASSOCIATED WITH THE NORTH AMERICAN REGION OF MOORE STEPHENS INTERNATIONAL LIMITED
KNOWN INTERNATIONALLY AS MOORE STEPHENS BROWN SMITH WALLACE, LLC

THE LUTHERAN CHURCH—MISSOURI SYNOD AND SUBSIDIARIES

Consolidated Statements of Financial Position

June 30, 2010 and 2009

	(In Thousands)	
	2010	2009
ASSETS		
Cash and cash equivalents	**$ 55,158**	$ 43,388
Accrued interest and dividends receivable	**222**	233
Contributions receivable *(Note F)*	**29,464**	31,388
Notes and accounts receivable:		
From church workers	**663**	786
From Synod-related entities *(Note G)*	**2,101**	2,690
From others	**3,505**	4,822
Total notes and accounts receivable	**6,269**	8,298
Land, buildings, and equipment – net of depreciation *(Note G)*	**57,524**	53,558
Investments *(Note C)*	**23,108**	13,406
Funds held in custody by others *(Note H)*	**10,347**	8,295
Prepaid expenses – insurance	**1,797**	1,863
Prepaid expenses – Convention and Youth Gathering	**4,724**	1,058
Other assets	**1,485**	1,004
TOTAL ASSETS	**$ 190,098**	$ 162,491
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable and accrued expenses	**$ 12,031**	$ 8,093
Support payable to related entities *(Note I)*	**8,705**	8,357
Funds on deposit by related entities	**5,061**	3,553
Notes payable *(Note J)*	**412**	1,009
Deferred revenue – insurance	**2,440**	2,475
Deferred revenue – Convention and Youth Gathering	**7,813**	4
Deferred revenue – tuition and fees	**23,749**	20,756
Advance payments on third-party billings	**11,957**	9,269
Other liabilities	**4,015**	4,601
Funds held in custody for others	**970**	978
Total liabilities	**77,153**	59,095
Net assets		
Unrestricted:		
Undesignated	**(11,733)**	(17,394)
Board Designated *(Note K)*	**5,140**	8,641
Net investment in land, buildings and equipment	**55,720**	52,549
Total unrestricted	**49,127**	43,796
Temporarily restricted *(Note L)*	**38,541**	36,932
Permanently restricted *(Note M)*	**25,277**	22,668
Total net assets	**112,945**	103,396
TOTAL LIABILITIES AND NET ASSETS	**$ 190,098**	$ 162,491

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

THE LUTHERAN CHURCH—MISSOURI SYNOD AND SUBSIDIARIES

Consolidated Statement of Activities

Year Ended June 30, 2010

(In Thousands)	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Support, revenues, and gains				
Support:				
District pledge	**$ -**	**$ 17,795**	**$ -**	**$ 17,795**
Gifts and grants	**558**	**37,226**	**1,676**	**39,460**
Bequests	**969**	**5,337**	**-**	**6,306**
Volunteer services *(Note N)*	**-**	**2,185**	**-**	**2,185**
Total support	**1,527**	**62,543**	**1,676**	**65,746**
Revenues:				
Investment and trust income	**370**	**576**	**(100)**	**846**
Sales and services:				
KFUO-FM	**1,536**	**-**	**-**	**1,536**
Other programs and services	**6,227**	**-**	**-**	**6,227**
Services to other entities	**2,227**	**-**	**-**	**2,227**
Concordia Plan Services	**14,716**	**-**	**-**	**14,716**
LCMS Holdings Limited	**31,458**	**-**	**-**	**31,458**
Total revenues	**56,534**	**576**	**(100)**	**57,010**
Net realized & unrealized gain/(loss) on investments	**171**	**674**	**-**	**845**
Change in value of split-interest agreements	**-**	**98**	**1,033**	**1,131**
Gain on Sale of Fixed Assets	**249**	**-**	**-**	**249**
Net assets released from restrictions *(Note O)*	**62,282**	**(62,282)**	**-**	**-**
Total support, revenues, and gains	**120,763**	**1,609**	**2,609**	**124,981**

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

THE LUTHERAN CHURCH—MISSOURI SYNOD AND SUBSIDIARIES

Consolidated Statement of Activities – Continued

Year Ended June 30, 2010

(In Thousands)	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Expenses				
Program boards:				
Missions	**26,929**	**-**	**-**	**26,929**
Fan into Flame	**2,972**	**-**	**-**	**2,972**
Pastoral Education	**3,185**	**-**	**-**	**3,185**
University Education	**5,492**	**-**	**-**	**5,492**
District and Congregational Services	**1,645**	**-**	**-**	**1,645**
Communications	**1,591**	**-**	**-**	**1,591**
Human Care	**11,997**	**-**	**-**	**11,997**
Black Ministry	**491**	**-**	**-**	**491**
Total program services	**54,302**	**-**	**-**	**54,302**
KFUO	**3,394**	**-**	**-**	**3,394**
Convention initiatives and constitutional officers:				
Supplemental retirement to veterans of the cross *(Note Q)*	**423**	**-**	**-**	**423**
Ecclesiastical services and commissions	**2,797**	**-**	**-**	**2,797**
Synodical constitutional officers and administration	**2,798**	**-**	**-**	**2,798**
Total convention initiatives and constitutional officers	**6,018**	**-**	**-**	**6,018**
General and administrative	**11,651**	**-**	**-**	**11,651**
Concordia Plan Services	**13,945**	**-**	**-**	**13,945**
LCMS Holdings Limited	**26,122**	**-**	**-**	**26,122**
Total expenses	**115,432**	**-**	**-**	**115,432**
Change in net assets	**5,331**	**1,609**	**2,609**	**9,549**
Net assets at beginning of year	**43,796**	**36,932**	**22,668**	**103,396**
Net assets at end of year	**$ 49,127**	**$ 38,541**	**$ 25,277**	**$ 112,945**

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

THE LUTHERAN CHURCH—MISSOURI SYNOD AND SUBSIDIARIES

Consolidated Statement of Activities

Year Ended June 30, 2009

(In Thousands)	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Support, revenues, and gains				
Support:				
District pledge	**$ -**	**$ 19,123**	**$ -**	**$ 19,123**
Gifts and grants	**1,056**	**38,601**	**2,843**	**42,500**
Bequests	**581**	**3,621**	**-**	**4,202**
Volunteer services *(Note N)*	**-**	**4,600**	**-**	**4,600**
Total support	**1,637**	**65,945**	**2,843**	**70,425**
Revenues:				
Investment and trust income	**390**	**577**	**1**	**968**
Sales and services:				
KFUO-FM	**1,880**	**-**	**-**	**1,880**
Other programs and services	**8,071**	**-**	**-**	**8,071**
Services to other entities	**3,013**	**-**	**-**	**3,013**
Concordia Plan Services	**14,056**	**-**	**-**	**14,056**
LCMS Holdings Limited	**30,328**	**-**	**-**	**30,328**
Total revenues	**57,738**	**577**	**1**	**58,316**
Net realized & unrealized gain/(loss) on investments	**(1,858)**	**(367)**	**-**	**(2,225)**
Change in value of split-interest agreements	**-**	**(264)**	**(812)**	**(1,076)**
Gain on Sale of Fixed Assets	**9,148**	**-**	**-**	**9,148**
Net assets released from restrictions *(Note O)*	**63,694**	**(63,694)**	**-**	**-**
Total support, revenues, and gains	**130,359**	**2,197**	**2,032**	**134,588**

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

THE LUTHERAN CHURCH—MISSOURI SYNOD AND SUBSIDIARIES

Consolidated Statement of Activities – Continued

Year Ended June 30, 2009

(In Thousands)	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Expenses				
Program boards:				
Missions	**31,017**	**-**	**-**	**31,017**
Fan into Flame	**4,303**	**-**	**-**	**4,303**
Pastoral Education	**3,295**	**-**	**-**	**3,295**
University Education	**6,842**	**-**	**-**	**6,842**
District and Congregational Services	**1,754**	**-**	**-**	**1,754**
Communications	**1,531**	**-**	**-**	**1,531**
Human Care	**12,433**	**-**	**-**	**12,433**
Black Ministry	**647**	**-**	**-**	**647**
Total program services	**61,822**	**-**	**-**	**61,822**
KFUO	**3,683**	**-**	**-**	**3,683**
Convention initiatives and constitutional officers:				
Supplemental retirement to veterans of the cross *(Note Q)*	**408**	**-**	**-**	**408**
Ecclesiastical services and commissions	**2,459**	**-**	**-**	**2,459**
Synodical constitutional officers and administration	**3,477**	**-**	**-**	**3,477**
Total convention initiatives and constitutional officers	**6,344**	**-**	**-**	**6,344**
General and administrative	**11,888**	**-**	**-**	**11,888**
Concordia Plan Services	**13,253**	**-**	**-**	**13,253**
LCMS Holdings Limited	**20,784**	**-**	**-**	**20,784**
Total expenses	**117,774**	**-**	**-**	**117,774**
Change in net assets	**12,585**	**2,197**	**2,032**	**16,814**
Net assets at beginning of year	**31,211**	**34,735**	**20,636**	**86,582**
Net assets at end of year	**$ 43,796**	**$ 36,932**	**$ 22,668**	**$ 103,396**

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

THE LUTHERAN CHURCH—MISSOURI SYNOD AND SUBSIDIARIES

Consolidated Statements of Cash Flows
Years Ended June 30, 2010 and 2009

	(In Thousands)	
	2010	2009
Cash flows from operating activities:		
Change in net assets	**$ 9,549**	$ 16,814
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	**4,952**	3,521
(Gain)/loss on investments	**(852)**	1,723
(Gain)/loss on value of split interest agreements	**(1,131)**	1,076
Changes in operating assets and liabilities:		
Decrease in accrued interest receivable	**11**	24
Decrease (increase) in contributions receivable	**2,022**	(3,134)
Decrease in accounts receivable	**2,020**	3
Increase in prepaid expenses and other assets	**(4,081)**	(1,347)
Increase in funds held in custody by others	**(1,019)**	(522)
Increase in accounts payable and accrued expenses	**3,938**	78
Increase in support payable to related entities	**348**	334
Increase (decrease) in deferred revenues and other liabilities	**10,181**	(993)
Increase in advance payments for third-party billings	**2,688**	665
(Decrease) increase in funds held in custody for others	**(8)**	72
Contributions restricted for long-term investment	**(1,676)**	(2,843)
Net cash provided by operating activities	**26,942**	15,471
Cash flows from investing activities:		
Purchases of property, plant, and equipment	**(9,262)**	(16,752)
Disposal of property, plant, and equipment	**157**	13
Purchases of investments	**(9,287)**	(4,562)
Proceeds from sale of investments	**437**	15,962
Additions to notes receivable	**(164)**	(311)
Principal collections on notes receivable	**361**	291
Net cash used in investing activities	**(17,758)**	(5,359)
Cash flows from financing activities:		
Increase (decrease) in funds on deposit by related entities	**1,508**	(1,300)
Increase in notes payable	**160**	235
Payments on notes payable	**(758)**	(2,921)
Contributions restricted for long-term investment	**1,676**	2,843
Net cash provided by (used in) financing activities	**2,586**	(1,143)
Net increase in cash and cash equivalents	**11,770**	8,969
Cash and cash equivalents at beginning of year	**43,388**	34,419
Cash and cash equivalents at end of year	**$ 55,158**	$ 43,388
Supplemental cash flow data:		
Interest paid	**$ 135**	$ 291
Taxes paid	**$ 1,579**	$ 2,359

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

Note A - Summary of Organization

The Lutheran Church—Missouri Synod (the "Synod"), a not-for-profit organization, was organized in the state of Missouri in 1847 for the conservation and promotion of the unity of the true faith, strengthening congregations and their members in giving bold witness by word and deed, recruiting and training professional church workers, and extending the gospel witness into all the world. The Synod was incorporated as a not-for-profit corporation in 1894. The present name was officially adopted in 1947.

The Board of Directors is the legal representative of the Synod. It is the custodian of all property of the Synod, directly or by its delegation of such authority to an agency of the Synod. It exercises supervision over all property and business affairs of the Synod except in those areas where authority has been delegated to another agency of the Synod or where through the adoption of bylaws or by other convention action specific areas of responsibility have been assigned to separate boards or trust entities, and as to those, the Board of Directors has general oversight responsibility.

The Synod, under the direction of its Board of Directors, is presently responsible for managing and reporting the following: Program Boards; KFUO radio stations; convention initiatives and constitutional officers; certain services to other entities; and certain general and administrative matters. Program Boards of the Synod are elected or appointed as prescribed in the bylaws. Program Boards are charged with developing policies and programs for an operating function of the Synod and supervising their implementation. Such boards in 2010 and 2009 included:

Missions – The Board for Mission Services exists to strengthen congregations and their members in giving bold witness by word and deed and extending gospel witness to all the world. The Board for Mission Services formulates, recommends, reviews, and supervises the mission policies of the Synod.

Pastoral Education – The Board for Pastoral Education has authority with respect to the Synod's seminaries. The Board of Pastoral Education serves to coordinate pre-seminary education programs, seminary education programs, seminary education, and post-seminary education and to provide advocacy for pastoral education within the church.

University Education – The Board for University Education, which also serves as the board of directors of Concordia University System, Inc. (CUS), has authority with respect to all of the Synod's colleges and universities. It has the overall responsibility to provide for the education of commissioned ministers, other professional church workers for the Synod, and others desiring a Christian Lutheran liberal arts education by supervising and coordinating the activities of the Synod's colleges and universities as a unified system of the Synod through their respective boards of regents.

Note A - Summary of Organization (Continued)

District and Congregational Services – The Board for District and Congregational Services exists to enable vision and outcome development, to prepare and revise policies responsive to both current and anticipated situations, and to initiate action in order to meet the changing needs of districts and congregations. A major activity of the Board for District and Congregational Services is the triennial national Youth Gathering.

Communications – The Board for Communication Services exists to interpret, subject to the approval of the applicable officers and boards, the Synod's purpose and programs to its members and to promote an increased understanding on the part of the Church's publics of the mission of the Synod.

Human Care – The Board for Human Care Ministries exists to provide opportunities through which the members of the Synod may express their Christian concern, love, and compassion in meeting human needs, including support for veterans of the cross.

Black Ministry – The Board for Black Ministry Services exists to serve as an advocate on behalf of black ministry in the congregations and agencies of the Synod.

KFUO radio stations are managed by the Board for Communication Services. Convention initiatives and constitutional officers are functions directed by the Synod in convention which include various ecclesiastical services and commissions, and the Synod constitutional officers. General and administrative expenses include services to other entities which represent expenses incurred by the Synod for the benefit of the Synod and other related entities, which are billed to those entities. Such services include general and administrative functions of the Synod including accounting, audit, legal, insurance, research, electronic media, computer operations, general services, and human resources.

The Synod relies on donations from its over 6,000 congregations as well as donations from individuals and grants from agencies for the majority of its support. These donations and grants are subject to fluctuations in the economic status of the area in which the congregations, individuals, and agencies are located. No provisions have been made for changes in the economic environment.

Note A - Summary of Organization (Continued)

Other Related Organizations

The Synod in convention has authorized the formation of 35 districts as separate legal entities to achieve its objectives and carry on its activities. It has also formed, as separate not-for-profit corporations, 12 educational institutions, CUS, a publishing house, a foundation, church extension programs, and its archives. The accompanying consolidated financial statements represent the operations of the Synod national offices, including Synodical administration over which the Board of Directors of the Synod has direct responsibility and control, and do not include the operations of the districts, universities, seminaries, CUS, Concordia Publishing House (CPH), The Lutheran Church—Missouri Synod Foundation (Foundation), Lutheran Church Extension Fund (LCEF), and Concordia Historical Institute (CHI), for which the Board of Directors of the Synod has oversight responsibilities as further explained in Note B, "Summary of Significant Accounting Policies."

The Board of Directors allocates available funds to program boards, commissions, and departments of the corporate Synod and holds them responsible.

Concordia Plan Services

The Board of Directors of the Synod approved the formation of a subsidiary corporation to administer the benefit plans of the Synod. The Synod has both an economic interest and control of Concordia Plan Services, which began operations effective July 1, 2005.

Concordia Plan Services (CPS), a not-for-profit organization, was organized in the state of Missouri in 2005 for the administration of the pension, retirement, health and other benefit plans established by the Lutheran Church—Missouri Synod in accordance with the terms of such plans. CPS has as its sole member the Synod.

The Synod has all powers which can be vested in members of a corporation under the Missouri Nonprofit Corporation Act. Subject to limitations, the business and property of CPS is managed and controlled by a Board of Directors. The duly appointed and serving members of the Board of Trustees of the Concordia Plans of the Lutheran Church—Missouri Synod also shall serve as the Board of Directors of CPS, provided, however, that the Vice President Finance/Treasurer of the Synod shall serve as a nonvoting member.

The Synod and CPS are organizations described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, and have received a determination letter from the Internal Revenue Service stating that it is exempt from federal income taxes on income from related exempt activities under Code Section 501(a).

Note A - Summary of Organization (Continued)

LCMS National Housing Support Corporation

A wholly owned subsidiary corporation of the Synod, the LCMS National Housing Support Corporation was formed by the Board of Directors of the Synod for the primary purpose of furthering the housing ministry of the Synod. The Synod maintains control over the Corporation, having delegated its powers in to be exercised by the governing board of Synod's Board for Human Care Ministries.

The LCMS National Housing Support Corporation is a not-for-profit organization, organized in the state of Missouri in 2004 for charitable and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"). Specifically, the Corporation was organized to combat poverty and community deterioration. It was included and is covered under the Synod's group exempt ruling, issued by the Internal Revenue Service in January, 1965. It is therefore exempt from federal income taxes on income from related exempt activities under Code Section 501(a).

LCMS Holdings, Ltd. Hong Kong

A wholly owned subsidiary corporation of the Synod, the LCMS Holdings, Ltd. Hong Kong (LCMS Holdings, Ltd.) is a limited liability company incorporated in Hong Kong. Its principal activity is investment holding. The principal activity of its subsidiary Concordia International School Shanghai (CISS) is operating a school for expatriate children in Shanghai. CISS is not permitted to pay any dividend or other form of remuneration to the parent company.

Note B - Summary of Significant Accounting Policies

The consolidated financial statements of the Synod have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America. The significant accounting policies followed are described below to enhance the usefulness of the consolidated financial statements to the reader.

Basis of Presentation

The financial statements have been prepared using the accrual basis of accounting. Additionally, the financial statement presentation follows the requirements of the Financial Accounting Standards Board Accounting Standards Codification (FASB ASC). Under these standards, the Synod is required to report information regarding its financial position and activities according to three classes of net assets—unrestricted, temporarily restricted and permanently restricted.

Note B - Summary of Significant Accounting Policies (Continued)

Principles of Consolidation

The consolidated financial statements include the accounts of the Lutheran Church—Missouri Synod, the LCMS National Housing Support Corporation, Concordia Plan Services, and LCMS Holdings, Ltd. All significant intercompany accounts and transactions have been eliminated.

Use of Estimates

The presentation of consolidated financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results could differ from those estimates.

Cash and Cash Equivalents

For consolidated financial statement purposes, the Synod considers currency, demand deposits, and liquid investments with a maturity of three months or less, when purchased, to be cash equivalents. At June 30, 2010 and 2009, cash and cash equivalents include deposits held at LCEF. At times, bank deposits may be in excess of federally insured limits.

Investments and Recognition of Gains and Losses

The Synod carries investments at fair value. Gains and losses, both realized and unrealized, are recognized in the statements of activities and changes in net assets. The fair values for debt securities and marketable equity securities are based on quoted market prices.

All gains and losses are reflected in the statements of activities and changes in net assets as increases or decreases in unrestricted or temporarily restricted net assets as appropriate based on donor restrictions.

Split-Interest Agreements

Split-interest agreements consist primarily of irrevocable charitable remainder trusts and charitable gift annuities. The assets associated with such agreements are held by the Foundation. Contributions are recognized as either pledges receivable or funds held in custody by others and gift income when the Synod is notified of the agreements, and are recorded at the present value of the estimated future benefits to be received when the assets are distributed to the Synod. The valuations of the agreements are initially calculated by the Foundation. The agreements are re-valued annually and any resulting actuarial gain or loss is reflected in the statement of activities as a change in value of split-interest agreements.

Note B - Summary of Significant Accounting Policies (Continued)

Capitalization of Collections

The Synod does not record or capitalize its collections of works of art, historical treasures, and similar assets donated or purchased. These collections are held for public exhibition, education, and research in furtherance of the Synod's public ministry. Management believes the collections are appropriately cared for and preserved and are subject to a policy that generally requires the proceeds from sales of collection items, if any, to be used to acquire other items for the collection.

Revenue Recognition

The Synod recognizes contributions as support when they are received or unconditionally pledged. Amounts pledged are presented as contributions receivable and are stated at the net present value of the amount expected to be collected from outstanding balances. The Synod provides for an estimated uncollectible amount based on historical experience and industry trends.

The Synod reports gifts of cash and other assets as restricted support if they are received 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 restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities and changes in net assets as net assets released from restrictions.

The Synod reports gifts of land, buildings, and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as temporarily restricted support. Absent explicit donor restrictions about how those long-lived assets must be maintained, the Synod reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

CPS management fee revenue is recognized when plan administration costs are incurred. The billing of these fees to the plans requires management to make certain estimates and assumptions that affect the allocations to each plan.

Tuition and related income for LCMS Holdings, Ltd. are recognized on a straight-line basis over the school year.

Note B - Summary of Significant Accounting Policies (Continued)

Pledges Payable

Pledges authorized and communicated to the recipient but unpaid at year-end are reported as liabilities and are included in support payable to related entities. With the exception of Human Care multi-year grants, all pledges are expected to be paid within one year.

Deferred Revenue and Associated Expenses

Paid registration fees for Synod future events are deferred at the time the fees are received. Costs associated with these events are considered prepaid expenses until the event has occurred. At that time, costs associated with the events are recognized as expenses.

Plant Assets and Depreciation

Land, buildings, improvements, and equipment with a value of at least $5,000 and having a useful life greater than one year are capitalized and recorded at cost, except for property received by gift, which is recorded at the fair value at date of receipt. Buildings including foreign mission properties (25 to 40 years), improvements (20 years), furniture and fixtures (5 to 8 years), and equipment (3 to 8 years) are depreciated over their estimated useful lives using the straight-line method.

Endowments and Permanently Restricted Net Assets

The Board of Directors has interpreted state law as requiring only the original value of an endowment gift to be maintained as the permanent endowment corpus. Realized gains as well as the net appreciation of the permanent endowments may be expended for the same purpose as the endowment was established, unless explicit donor restrictions specify other treatment.

Line-of-Credit

The Synod had a $15.0 million unsecured line-of-credit with LCEF for 2010 and 2009, and as of June 30, 2010 there were no borrowings against this line-of-credit. The interest rate at June 30, 2010 was 5.25%.

Subsequent Events

Management has evaluated events and transactions subsequent to June 30, 2010 through October 27, 2010.

Note B - Summary of Significant Accounting Policies (Continued)

Reclassifications

Certain reclassifications have been made to the 2009 financial statements to conform to the 2010 presentation.

Note C - Investments

Details of investments held by the Synod at June 30, 2010 and 2009 follow:

(In Thousands)	**2010**	2009
LCEF notes	**$ 675**	$ 670
Common trust funds managed by the Foundation:		
Fixed income	**5,993**	5,691
Equity	**7,902**	6,761
Conservative balanced	**262**	236
Moderate balanced	**43**	41
Money market	**75**	7
Certificates of deposit	**8,158**	-
Total investments	**$ 23,108**	$ 13,406

The Foundation carries out its investment management services through various common funds to invest the assets entrusted to the Foundation. A common fund pools the assets of numerous smaller accounts to provide for greater diversification and ease of investment management. Holders of a common fund are called participants. The Synod is such a participant. Participants buy and sell units of the common fund asset. In order to determine the price per unit of a common fund, all assets held by the common fund (which can include individual securities or units of other common funds) are valued as of the end of the month (the valuation date). This value is divided by the total number of units held by the participants in the common fund to determine the per-unit value. Transactions in the common fund (either purchases or redemptions) are calculated based on the per-unit value on the valuation date.

During the valuation process, the common fund accrues income and expenses for the valuation period. The net income to the fund is divided by the total number of units held by participants for the valuation period to establish the income per unit factor. Each participant receives an allocation of the net income determined by multiplying the income per unit factor times the number of units held by the participant of the common fund. Net realized and termination gains in Foundation common funds are also calculated and distributed semiannually to the participants.

Note D - Fair Value Measurements

The Synod follows FASB ASC for Fair Value Measurements and Disclosures which establishes a framework for measuring fair value and expands disclosures about fair value measurements. The standard defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. It also establishes a fair value hierarchy used to disclose the measurement of fair value based on levels of observable or unobservable inputs. The FASB ASC describes three levels of inputs that may be used to measure fair value:

Level 1 – Quoted prices in active markets for identical assets or liabilities.

Level 2 – Quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 – Unobservable inputs that are significant and reflect substantial management judgment or estimation, including the use of pricing models, discounted cash flow methodologies or similar techniques.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement requires judgment and may affect their placement within the fair value hierarchy levels. The following tables set forth by level, within the fair value hierarchy, invested assets as of June 30, 2010 and changes in fair value of Level 3 invested assets during the year ended June 30, 2010:

Note D - Fair Value Measurements (Continued)

(In Thousands)	Fair Value Measurements			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Invested assets				
Foundation investments				
Fixed income	**$ -**	**$ 5,993**	**$ -**	**$ 5,993**
Equity	**-**	**7,902**	**-**	**7,902**
Conservative balanced	**-**	**262**	**-**	**262**
Moderate balanced	**-**	**44**	**-**	**44**
Money market	**75**	**-**	**-**	**75**
Irrevocable trusts	**-**	**-**	**2,809**	**2,809**
Foundation owned endowments	**-**	**-**	**9,945**	**9,945**
Total Foundation	**75**	**14,201**	**12,754**	**27,030**
LCEF investments	**670**	**8**	**-**	**678**
Lutheran Foundation of Texas	**-**	**-**	**399**	**399**
Total	**$ 745**	**$ 14,209**	**$ 13,153**	**$ 28,107**

(In Thousands)	Changes in Level 3 Invested Assets			
	Beginning Balance	Net Purchases & Sales	Unrealized Gains & (Losses)	Ending Balance
Invested assets				
Irrevocable trusts	**$ 2,744**	**$ (33)**	**$ 98**	**$ 2,809**
Foundation owned endowments	**7,934**	**1,019**	**992**	**9,945**
Lutheran Foundation of Texas	**358**	**-**	**41**	**399**
Total	**$ 11,036**	**$ 986**	**$ 1,131**	**$ 13,153**

Note D - Fair Value Measurements (Continued)

The following tables set forth by level, within the fair value hierarchy, invested assets as of June 30, 2009 and changes in fair value of Level 3 invested assets during the year ended June 30, 2009:

(In Thousands)	Fair Value Measurements			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Invested Assets				
Foundation investments	**$ -**	**$ 12,736**	**$ 10,678**	**$ 23,414**
LCEF investments	**665**	**8**	**-**	**673**
Other foundations	**-**	**-**	**358**	**358**
Total	**$ 665**	**$ 12,744**	**$ 11,036**	**$ 24,445**

(In Thousands)	Changes in Level 3 Invested Assets			
	Beginning Balance	Net Purchases & Sales	Unrealized Gains & (Losses)	Ending Balance
Invested Assets				
Foundation investments	**$ 11,340**	**$ 390**	**$ (1,052)**	**$ 10,678**
Other foundations	**382**	**-**	**(24)**	**358**
Total	**$ 11,722**	**$ 390**	**$ (1,076)**	**$ 11,036**

Note E - Endowment Investment and Spending Policies

The Synod has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowments. Endowment assets include those assets of donor-restricted funds that the Synod must hold in perpetuity and Board Designated endowments. Under this policy, the endowment assets are invested in a manner intended to balance the total investment return used to fund current operations. These policies act in accordance with Generally Accepted Accounting Principles and applicable laws in the state of Missouri.

Note E - Endowment Investment and Spending Policies (Continued)

All endowment fund investments should be in accordance with the Synod's investment policy and the respective earnings are subject to the endowment spending policy. Endowments containing restrictive investment language will be excluded from the policy and invested in accordance with the donor's directions. Investment returns or earnings consist of interest, dividends, realized and unrealized gains or losses. All permanently restricted endowments will be recorded and maintained at the original value of an endowment gift when the gift was received. Annually, the Synod will review the policy to determine whether it is still in compliance with Generally Accepted Accounting Principles and Missouri State Statutes and propose any changes necessary.

All endowment fund investments will be invested in The Lutheran Church—Missouri Synod Foundation in the following proportions: 40% in either the Standard Fund-Fixed Income or Mortgage Pool Fund, and 60% in the Standard Fund-Equity. The Treasurer of Synod is responsible for all investments of the Synod and should review the investment allocation periodically, making recommendations for changes if necessary. All new investments will be invested in The Lutheran Church—Missouri Synod Foundation in the latest percentages approved by the Treasurer of Synod.

From time to time the fair value of the assets associated with donor restricted endowments may fall below the level that the donors or state law require the Synod to retain in perpetuity. In accordance with generally accepted accounting principles deficiencies of this nature are reported in unrestricted net assets. At June 30, 2010, these deficiencies totaled approximately $2.4 million. The deficiencies resulted in unfavorable market fluctuations that occurred throughout the reporting period.

The changes in and composition of endowment net assets for the years ended June 30, 2010 and 2009 are as follows:

Note E - Endowment Investment and Spending Policies (Continued)

Changes in Endowment Net Assets
June 30, 2010
(In Thousands)

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, beginning of year	**$ (1,537)**	**$ 131**	**$ 14,373**	**$ 12,967**
Contributions	**25**	**495**	**573**	**1,093**
Income earned on investments	**322**	**51**	**-**	**373**
Unrealized gain/(loss) on investments	**637**	**202**	**-**	**839**
Reductions	**-**	**-**	**-**	**-**
Appropriation of endowment assets for expenditure	**119**	**(119)**	**-**	**-**
Expenses paid from endowments	**(119)**	**-**	**-**	**(119)**
Net change in endowment assets	**984**	**629**	**573**	**2,186**
Endowment net assets, end of year	**$ (553)**	**$ 760**	**$ 14,946**	**$ 15,153**

Composition of Endowment Net Assets
June 30, 2010
(In Thousands)

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor designated endowment funds	**$ (2,407)**	**$ 760**	**$ 14,946**	**$ 13,299**
Board designated endowment funds	**1,854**	**-**	**-**	**1,854**
Total endowment funds	**$ (553)**	**$ 760**	**$ 14,946**	**$ 15,153**

Note E - Endowment Investment and Spending Policies (Continued)

Changes in Endowment Net Assets
June 30, 2009
(In Thousands)

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, beginning of year	$ (1,376)	$ 129	$ 12,052	$ 10,805
Contributions	1,851	-	2,320	4,171
Income earned on investments	10	239	1	250
Unrealized gain/(loss) on investments	(1,669)	(6)	-	(1,675)
Reductions	(353)	-	-	(353)
Appropriation of endowment assets for expenditure	231	(231)	-	-
Expenses paid from endowments	(231)	-	-	(231)
Net change in endowment assets	(161)	2	2,321	2,162
Endowment net assets, end of year	$ (1,537)	$ 131	$ 14,373	$ 12,967

Composition of Endowment Net Assets
June 30, 2009
(In Thousands)

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor designated endowment funds	$ (3,169)	$ 131	$ 14,373	$ 11,335
Board designated endowment funds	1,632	-	-	1,632
Total endowment funds	$ (1,537)	$ 131	$ 14,373	$ 12,967

Note F - Contributions Receivable – Net

At June 30, 2010 and 2009, contributors had promised to give the Synod $34,367,000 and $36,970,000, respectively. Irrevocable deferred gifts are those which the Synod is the beneficiary and will receive the principal at some future date. Management believes total contributions will be received as follows:

(In Thousands)	**June 30, 2010**			
	District Pledges	**Irrevocable Deferred Gifts Held at Foundation**	**Fan into Flame & Other**	**Total**
Amount due:				
Within one year	**$ 11,918**	**$ 89**	**$ 8,265**	**$ 20,272**
One to five years	**-**	**267**	**7,830**	**8,097**
More than five years	**-**	**4,257**	**1,741**	**5,998**
	11,918	**4,613**	**17,836**	**34,367**
Less present value component	**-**	**(1,803)**	**(800)**	**(2,603)**
Less allowance for doubtful contributions	**(300)**	**-**	**(2,000)**	**(2,300)**
Total	**$ 11,618**	**$ 2,810**	**$ 15,036**	**$ 29,464**

(In Thousands)	June 30, 2009			
	District Pledges	Irrevocable Deferred Gifts Held at Foundation	Fan into Flame & Other	Total
Amount due:				
Within one year	$ 12,770	$ 112	$ 3,631	$ 16,513
One to five years	-	261	15,448	15,709
More than five years	-	4,153	595	4,748
	12,770	4,526	19,674	36,970
Less present value component	-	(1,782)	(1,700)	(3,482)
Less allowance for doubtful contributions	(600)	-	(1,500)	(2,100)
Total	$ 12,170	$ 2,744	$ 16,474	$ 31,388

Note F - Contributions Receivable – Net (Continued)

Based on information from Synod's trustee, assumptions utilized in calculating the present value of irrevocable deferred gifts at June 30 are as follows:

	2010	2009
Growth rates	**0% to 6.8%**	0% to 6.8%
Discount rate	**4.0%**	4.0%
Distribution rate	**7.0%**	7.0%

Note G - Land, Buildings and Equipment

Land, buildings and equipment consisted of the following:

(In Thousands)	**2010**	2009
International Center (62.32% ownership):		
Land and land improvements	**$ 842**	$ 842
Building and improvements	**11,020**	10,971
	11,862	11,813
Furniture and fixtures	**3,289**	3,235
Equipment	**9,759**	9,822
Foreign mission properties	**4,514**	2,236
Work in progress	**3,976**	1,069
LCMS Holdings, Ltd. property, plant and equipment	**52,374**	49,918
	85,774	78,093
Less accumulated depreciation	**(28,250)**	(24,535)
Total Synod	**$ 57,524**	$ 53,558

In the fiscal year ended June 30, 2002, the Synod sold a 12.68% share of the International Center to the Foundation retaining a 62.32% ownership. The terms of this sale included a loan from the Synod to the Foundation for 100% of the sale price, which was paid in full as of June 30, 2010. The balance on this loan was $1,152,000 at June 30, 2009 and is included in notes receivable from Synod-related entities in the accompanying consolidated statements of financial position. The remaining 25% interest in the International Center building is owned by the Concordia Plans.

The Synod's foreign mission properties represent property used in support of Synod administration and staff.

Note H - Funds Held in Custody by Others

The Synod is the beneficiary of the earnings on irrevocable trusts and various endowment funds held by the Foundation. The Synod will receive the earnings in perpetuity. The principal will not revert to the Synod. The perpetual stream of revenue is viewed by the Synod as promises to give by the individuals who established the trusts and endowments and has been recorded at the fair value of the trusts at June 30, 2010 and 2009, which closely approximates the net present value of the revenue stream in perpetuity.

Given the nature of the promises, the Synod has recorded these contributions as permanently restricted net assets. Revenue received is recorded as either unrestricted or temporarily restricted activity based upon the presence or absence of donor restrictions. Increases or decreases in the fair value of the trust assets are recorded as changes in permanently restricted net assets in the consolidated statements of activities and changes in net assets.

Note I - Support Payable to Synod-Related Entities

Support payable to Synod-related entities represents support the Synod has committed to pay the following entities:

	June 30	
(In Thousands)	**2010**	2009
CUS and seminaries	**$ 5,998**	$ 5,644
CHI	**400**	400
Human Care multiyear grants	**2,307**	2,313
Total	**$ 8,705**	$ 8,357

Note J - Note Payable

Effective July 1, 2005, the Retirement, Disability, and Health trusts sold certain fixed assets consisting of hardware, software, furniture and equipment to Concordia Plan Services at the net book value of $3,004,000.

Future minimum payments based upon the current principal balance are as follows:

(In Thousands)	Year Ending June 30
2011	$ 292
2012	90
2013	26
2014	7
2015	3
Thereafter	3
	421
Less amount representing interest	9
Total principal payments	$ 412

Note K - Board Designated Net Assets

The Board of Directors has designated unrestricted net assets for the following purposes:

(In Thousands)	2010	2009
Youth Gathering	$ 165	$ 154
DCS Ministries Endowment Fund	29	29
Mission Property Fund	2,692	6,415
Risk Endowment	1,660	1,449
LCMS Housing Corporation Housing Loans	594	594
Total Board designated net assets	$ 5,140	$ 8,641

Note L - Temporarily Restricted Net Assets

Temporarily restricted net assets are available for the following purposes:

(In Thousands)	June 30 2010	2009
Program restrictions:		
Program boards:		
Missions	**$ 4,111**	$ 3,471
Fan into Flame	**13,567**	15,640
Pastoral Education	**444**	290
District and Congregational Services	**1,245**	902
Communications	**74**	49
Human Care	**8,053**	5,334
Black Ministry	**169**	111
Total program boards	**27,663**	25,797
KFUO radio stations	**931**	1,083
Ecclesiastical services and commissions	**357**	392
Synodical constitutional officers and administration	**362**	366
General and administrative	**898**	878
Total program restrictions	**30,211**	28,516
Time restrictions:		
Pledges	**5,108**	5,671
Irrevocable trusts	**2,809**	2,744
Term endowments	**413**	1
Total time restrictions	**8,330**	8,416
Total temporarily restricted net assets	**$ 38,541**	$ 36,932

Note M- Permanently Restricted Net Assets

Permanently restricted net assets are restricted to investment in perpetuity. The income from these investments will be used to support various Synod programs:

(In Thousands)	June 30 2010	2009
Program boards:		
Missions	**$ 13,187**	$ 11,105
Fan into Flame	**93**	193
Pastoral Education	**3,363**	3,099
District and Congregational Services	**384**	383
Human Care	**4,552**	4,379
Total program boards	**21,579**	19,159
KFUO radio stations	**365**	328
Unrestricted	**2,926**	2,815
Other	**407**	366
Total permanently restricted net assets	**$ 25,277**	$ 22,668

Note N - Contributed Services

The Synod received donated professional services for its overseas mission work as transcribers, teachers, volunteer coordinators, relief workers, agriculturists, and contractors. The Synod had approximately 85 and 138 professional full-time and part-time volunteer workers for the years ended June 30, 2010 and 2009 respectively. Support arising from these contributed services has been recognized in the consolidated financial statements at the estimated fair value of the services received totaling $2,185,000 and $4,600,000 for the years ended June 30, 2010 and 2009, respectively.

In addition, a substantial number of unpaid volunteers made significant contributions of their time to LCMS World Relief, Youth Gathering, and other programs. The value of this service has not been reflected in the consolidated financial statements since it is not susceptible to objective measurement or valuation.

Note O - Net Assets Released From Restrictions

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors. Temporarily restricted net assets were released for the following specific purposes:

	June 30	
(In Thousands)	**2010**	2009
Program restrictions:		
Program boards:		
Missions	**$ 23,454**	$ 24,991
Fan into Flame	**3,175**	2,422
Pastoral and University Education	**2,077**	1,982
District and Congregational Services	**426**	329
Communications	**15**	27
Human Care	**11,959**	12,393
Black Ministry	**41**	87
Total program boards	**41,147**	42,231
KFUO radio stations	**1,254**	1,426
Supplemental retirement to veterans of the cross	**396**	381
Ecclesiastical services and commissions	**322**	393
Synodical constitutional officers and administration	**212**	212
General and administrative	**187**	62
Fund losses of underwater endowments	**762**	-
Total program restrictions	**44,280**	44,705
Expiration of time restrictions:		
Pledges	**18,002**	18,989
Total time restrictions	**18,002**	18,989
Total restrictions released	**$ 62,282**	$ 63,694

Note P - Fundraising Costs

Fundraising costs are reported as expenses within the program to which they relate as follows:

(In Thousands)	June 30 2010	2009
Program boards:		
Missions	**$ 1,882**	$ 1,899
Fan into Flame	**2,972**	4,302
Pastoral Education	**586**	609
District & Congregational Services	**3**	-
Human Care	**1,651**	1,738
Total program boards	**7,094**	8,548
KFUO radio stations	**341**	399
Total fundraising costs	**$ 7,435**	$ 8,947

Note Q - Pension Expense

The Synod participates in the Concordia Plans (the Plans). The Plans are administered by the Board of Trustees of the Plans/Board of Directors of CPS, whose members are appointed by the Synod. The Plans are the Concordia Retirement Plan, the Concordia Health Plan, the Concordia Disability and Survivor Plan, the Concordia Retirement Savings Plan, and the Pension Plan for Pastors and Teachers, each of which is a separate trust operated under trust laws. The assets and liabilities of the respective Plans are separate and distinct from those of the Synod and cannot be used to satisfy the liabilities and obligations of the Synod. Substantially all full-time employees are covered by the retirement and disability plans. The Synod contributes a fixed percentage of each participant's salary to the retirement plans. Retirement and disability plan expense for the years ended June 30, 2010 and 2009 was $2,200,000 and $2,157,000, respectively.

In addition to basic benefits provided by the Pension Plan for Pastors and Teachers, the Synod has funded supplementary payments of $423,000 and $408,000 in 2010 and 2009, respectively, to provide minimum pension amounts to all retirees.

Note R - Guarantees of Indebtedness of Others

To assist related entities (primarily CUS and individual colleges) in obtaining favorable financing terms, the Synod has guaranteed the repayment of certain borrowings. In the event of a default declared by the lending institution, the Synod is obligated to perform under the guarantee agreement. The maximum future payments that could be required are disclosed below. CUS and the individual colleges plan to repay the loans from fund drives, grants and subsidies from the Synod, operations of the institutions, and donated restricted net assets.

Total outstanding guarantees were as follows:

	June 30	
(In Thousands)	**2010**	2009
LCEF	**$ 31,936**	$ 34,404
Tax-exempt public financings:		
Concordia University – Irvine	**24,240**	24,555
Total loan guarantees	**$ 56,176**	$ 58,959

The guarantees to LCEF include a restructuring loan entered into in 2001 and a line of credit issued to CUS which the Synod has guaranteed a maximum of $10 million. The interest rate on the restructuring loan is variable and was 5.125% at June 30, 2010 and 6.0% at June 30, 2009, maturing on June 23, 2013. The line of credit interest rate is also variable and was 5.125% at June 30, 2010 and 6.0% at June 30, 2009, maturing on June 29, 2021.

The guarantees on the tax-exempt public financings were entered into during the fiscal years ended June 30, 2002 and 2001. The interest rates on these loans are variable and ranged from 3.64% to 4.95% at June 30, 2010 and June 30, 2009. These financings and the related guarantees mature in 2015.

The guarantees on the tax-exempt public financings contain various restrictive financial covenants including a debt service coverage ratio, unrestricted net assets requirement, and total cash and long-term investment requirement.

These guarantees used to obtain tax-exempt financings and guarantees to LCEF are unsecured. The Synod does, however, retain a reversionary interest in the underlying properties granted by the respective educational institutions or through the bylaws of the Synod.

Note S - Contingencies

The Synod is involved in litigation arising in the normal course of business. After consultation with legal counsel, it is management's opinion that these matters will be resolved without a material adverse effect on the Synod's financial position or change in net assets.

Note T - Taxes

For LCMS Holdings Ltd., no provision has been made for Hong Kong profits tax as the company did not earn any income which is subject to Hong Kong profits tax. Taxation of CISS is calculated at rates prevailing in the People's Republic of China ("PRC"), based on existing legislation, interpretations and local practices. CISS tax expense was $1,579,498 and $2,358,830 for 2010 and 2009, respectively. No provision for deferred tax has been made as there are no temporary differences between the carrying amounts of assets and liabilities in Holdings' consolidated financial statements and the corresponding tax bases used in the computation of taxable profit.

The Synod adopted recently issued accounting rules for uncertain tax positions. Those rules require financial statement recognition of the impact of a tax position if a position is more likely than not of being sustained on audit, based on the technical merits of the position. These rules also provide guidance on measurement, recognition, classification, interest and penalties, transition, and disclosure requirements for uncertain tax positions. The adoption of the new rules has no impact on the current consolidated financial statements.

Note U - Subsequent Events

Subsequent to June 30, 2010, the Synod entered into an asset purchase agreement to sell the KFUO-FM radio broadcast license. The sale closed July 6, 2010.

Note V - Restatement

During the year ended June 30, 2010, the Synod consolidated LCMS Holdings, Ltd. into these financial statements. Prior to the year then ended, LCMS Holdings Ltd. was not in compliance with international accounting standards because it failed to consolidate controlled entities. With the adoption of these standards, LCMS Holdings, Ltd. now includes the combined assets and liabilities and results of operations of its controlled entities. The financial statements of the Synod have been restated for the fiscal year ended June 30, 2009, to give retroactive effect for the adoption of these standards by LCMS Holdings, Ltd.

Note V - Restatement (Continued)

A summary of the effects of these restatements for fiscal year ended June 30, 2009 is as follows:

(In Thousands)	Restated Amount	Previously Reported	Change Incr/Decr)
Assets			
Cash and cash equivalents	$ 43,388	$ 16,655	$ 26,733
Notes and accounts receivable			
From Synod-related entities	2,690	2,602	88
From others	4,822	4,497	325
Land, buildings, and equipment	53,558	9,753	43,805
Liabilities			
Accounts payable and accrued expenses	8,093	5,793	2,300
Deferred revenue – tuition and fees	20,756	-	20,756
Other liabilities	4,601	1,111	3,490
Net assets			
Unrestricted net assets:			
Undesignated	(17,394)	(14,201)	(3,193)
Net investment in plant	52,549	8,744	43,805
Temporarily restricted	36,932	33,139	3,793
Revenues			
Other programs and services	8,071	8,165	(94)
LCMS Holdings Limited	30,328	-	30,328
Expenses			
Missions	31,017	31,110	(93)
LCMS Holdings Limited	20,784	-	20,784

Supplemental Information

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Independent Auditors' Report on Supplemental Information

Board of Directors
The Lutheran Church—Missouri Synod
St. Louis, Missouri

Our audits were made for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The supplemental information on pages 34 through 41 is for purposes of additional analysis and is not a required part of the 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.

The supplemental information on pages 42 and 43 is for purposes of additional analysis and is not a required part of the 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.

Brown Smith Wallace, L.L.C.

October 27, 2010

MEMBER AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS AND AN INDEPENDENT FIRM
ASSOCIATED WITH THE NORTH AMERICAN REGION OF MOORE STEPHENS INTERNATIONAL LIMITED
KNOWN INTERNATIONALLY AS MOORE STEPHENS BROWN SMITH WALLACE, LLC

THE LUTHERAN CHURCH—MISSOURI SYNOD AND SUBSIDIARIES

Consolidating Statement of Financial Position

June 30, 2010

(See Independent Auditors' Report on Supplemental Information)

	(In Thousands)				
	Synod	CPS	Holdings	Eliminations	**2010**
ASSETS					
Cash and cash equivalents	$ 15,217	$ 11,772	$ 28,204	$ (35)	**$ 55,158**
Accrued interest and dividends receivable	222				**222**
Contributions receivable	29,464				**29,464**
Notes and accounts receivable:					
From church workers	633	30			**663**
From Synod-related entities	5,687		241	(3,827)	**2,101**
From others	324	2,812	369		**3,505**
Total notes and accounts receivable	6,644	2,842	610	(3,827)	**6,269**
Land, buildings, and equipment – net of depreciation	13,306	424	43,794		**57,524**
Investments	14,950		8,158		**23,108**
Funds held in custody by others	10,347				**10,347**
Prepaid expenses – insurance	1,797				**1,797**
Prepaid expenses – Convention and Youth Gathering	4,724				**4,724**
Other assets	1,247	238			**1,485**
TOTAL ASSETS	$ 97,918	$ 15,276	$ 80,766	$ (3,862)	**$ 190,098**
LIABILITIES AND NET ASSETS					
Liabilities					
Accounts payable and accrued expenses	$ 5,569	$ 2,678	$ 3,784	$	**$ 12,031**
Support payable to related entities	8,705				**8,705**
Funds on deposit by related entities	5,061				**5,061**
Notes payable		412			**412**
Deferred revenue – insurance	2,440				**2,440**
Deferred revenue – Convention and Youth Gathering	7,813				**7,813**
Deferred revenue – tuition and fees			23,749		**23,749**
Advance payments on third-party billings		11,957			**11,957**
Other liabilities	558		7,284	(3,827)	**4,015**
Funds held in custody for others	970				**970**
Total liabilities	31,116	15,047	34,817	(3,827)	**77,153**
Net assets					
Unrestricted:					
Undesignated	(15,462)	229	3,535	(35)	**(11,733)**
Board Designated	5,140				**5,140**
Net investment in land, buildings and equipment	13,306		42,414		**55,720**
Total unrestricted	2,984	229	45,949	(35)	**49,127**
Temporarily restricted	38,541				**38,541**
Permanently restricted	25,277				**25,277**
Total net assets	66,802	229	45,949	(35)	**112,945**
TOTAL LIABILITIES AND NET ASSETS	$ 97,918	$ 15,276	$ 80,766	$ (3,862)	**$ 190,098**

THE LUTHERAN CHURCH—MISSOURI SYNOD AND SUBSIDIARIES

Consolidating Statement of Activities – Unrestricted Fund

Year Ended June 30, 2010

(See Independent Auditors' Report on Supplemental Information)

(In Thousands)	Synod	CPS	LCMS Holdings	Eliminations	Total
Support, revenues, and gains					
Support:					
District pledge	$ -	$ -	$ -	$ -	$ -
Gifts and grants	558	-	-	-	558
Bequests	969	-	-	-	969
Volunteer services	-	-	-	-	-
Total support	1,527	-	-	-	1,527
Revenues:					
Investment and trust income	370	-	-	-	370
Sales and services:					
KFUO-FM	1,536	-	-	-	1,536
Other programs and services	6,227	-	-	-	6,227
Services to other entities	3,049	-	-	(822)	2,227
Concordia Plan Services	-	14,716	-	-	14,716
LCMS Holdings Limited	-	-	31,552	(94)	31,458
Total revenues	11,182	14,716	31,552	(916)	56,534
Net realized & unrealized gain/(loss) on investments	171	-	-	-	171
Change in value of split-interest agreements	-	-	-	-	-
Gain on Sale of Fixed Assets	249	-	-	-	249
Net assets released from restrictions	62,282	-	-	-	62,282
Total support, revenues, and gains	75,411	14,716	31,552	(916)	120,763

THE LUTHERAN CHURCH—MISSOURI SYNOD AND SUBSIDIARIES

Consolidating Statement of Activities – Unrestricted Fund – Continued

Year Ended June 30, 2010

(See Independent Auditors' Report on Supplemental Information)

(In Thousands)	Synod	CPS	LCMS Holdings	Eliminations	Total
Expenses					
Program boards:					
Missions	**27,023**	**-**	**-**	**(94)**	**26,929**
Fan into Flame	**2,972**	**-**	**-**	**-**	**2,972**
Pastoral Education	**3,185**	**-**	**-**	**-**	**3,185**
University Education	**5,492**	**-**	**-**	**-**	**5,492**
District and Congregational Services	**1,645**	**-**	**-**	**-**	**1,645**
Communications	**1,591**	**-**	**-**	**-**	**1,591**
Human Care	**11,997**	**-**	**-**	**-**	**11,997**
Black Ministry	**491**	**-**	**-**	**-**	**491**
Total program services	**54,396**	**-**	**-**	**(94)**	**54,302**
KFUO	**3,394**	**-**	**-**	**-**	**3,394**
Convention initiatives and constitutional officers:					
Supplemental retirement to veterans of the cross	**423**	**-**	**-**	**-**	**423**
Ecclesiastical services and commissions	**2,797**	**-**	**-**	**-**	**2,797**
Synodical constitutional officers and administration	**2,798**	**-**	**-**	**-**	**2,798**
Total convention initiatives and constitutional officers	**6,018**	**-**	**-**	**-**	**6,018**
General and administrative	**11,651**	**-**	**-**	**-**	**11,651**
Concordia Plan Services	**-**	**14,767**	**-**	**(822)**	**13,945**
LCMS Holdings Limited	**-**	**-**	**26,122**		**26,122**
Total expenses	**75,459**	**14,767**	**26,122**	**(916)**	**115,432**
Change in net assets	**(48)**	**(51)**	**5,430**	**-**	**5,331**
Net assets at beginning of year	**3,032**	**280**	**40,519**	**(35)**	**43,796**
Net assets at end of year	**$ 2,984**	**$ 229**	**$ 45,949**	**$ (35)**	**$ 49,127**

THE LUTHERAN CHURCH—MISSOURI SYNOD AND SUBSIDIARIES

Consolidating Statement of Cash Flows

Year Ended June 30, 2010

(See Independent Auditors' Report on Supplemental Information)

	(In Thousands)				
	Synod	CPS	Holdings	Eliminations	**2010**
Cash flows from operating activities:					
Change in net assets	$ 4,170	$ (51)	$ 5,430	$ -	**$ 9,549**
Adjustments to reconcile change in net assets to net cash provided by operating activities:					
Depreciation	885	757	3,310	-	**4,952**
(Gain)/loss on investments	(852)	-	-	-	**(852)**
(Gain)/loss on value of split interest agreements	(1,131)	-	-	-	**(1,131)**
Changes in operating assets and liabilities:					
Decrease in accrued interest receivable	11	-	-	-	**11**
Decrease (increase) in contributions receivable	2,022	-	-	-	**2,022**
Decrease in accounts receivable	1,042	1,082	(198)	94	**2,020**
Increase in prepaid expenses and other assets	(4,011)	(70)	-	-	**(4,081)**
Increase in funds held in custody by others	(1,019)	-	-	-	**(1,019)**
Increase in accounts payable and accrued expenses	1,917	537	1,484	-	**3,938**
Increase in support payable to related entities	348	-	-	-	**348**
Increase (decrease) in deferred revenues and other liabilities	7,221	-	3,054	(94)	**10,181**
Increase in advance payments for third-party billings	-	2,688	-	-	**2,688**
(Decrease) increase in funds held in custody for others	(8)	-	-	-	**(8)**
Contributions restricted for long-term investment	(1,676)	-	-	-	**(1,676)**
Net cash provided by operating activities	8,919	4,943	13,080	-	**26,942**
Cash flows from investing activities:					
Purchases of property, plant, and equipment	(5,582)	(148)	(3,532)	-	**(9,262)**
Disposal of property, plant, and equipment	111	-	46	-	**157**
Purchases of investments	(1,129)	-	(8,158)	-	**(9,287)**
Proceeds from sale of investments	437	-	-	-	**437**
Additions to notes receivable	(164)	-	-	-	**(164)**
Principal collections on notes receivable	361	-	-	-	**361**
Net cash used in investing activities	(5,966)	(148)	(11,644)	-	**(17,758)**
Cash flows from financing activities:					
Increase (decrease) in funds on deposit by related entities	1,508	-	-	-	**1,508**
Increase in notes payable	-	160	-	-	**160**
Payments on notes payable	-	(758)	-	-	**(758)**
Contributions restricted for long-term investment	1,676	-	-	-	**1,676**
Net cash provided by (used in) financing activities	3,184	(598)	-	-	**2,586**
Net increase in cash and cash equivalents	6,137	4,197	1,436	-	**11,770**
Cash and cash equivalents at beginning of year	9,080	7,575	26,768	(35)	**43,388**
Cash and cash equivalents at end of year	$15,217	$11,772	$28,204	$ (35)	**$ 55,158**
Supplemental cash flow data:					
Interest paid	$ 115	$ 20	$ -	$ -	**$ 135**
Taxes paid	$ -	$ -	$ 1,579	$ -	**$ 1,579**

THE LUTHERAN CHURCH—MISSOURI SYNOD AND SUBSIDIARIES

Consolidating Statement of Financial Position

June 30, 2009

(See Independent Auditors' Report on Supplemental Information)

	(In Thousands)				
	Synod	CPS	Holdings	Eliminations	**2009**
ASSETS					
Cash and cash equivalents	$ 9,080	$ 7,575	$ 26,768	$ (35)	**$ 43,388**
Accrued interest and dividends receivable	233	-	-	-	**233**
Contributions receivable	31,388	-	-	-	**31,388**
Notes and accounts receivable:					
From church workers	786	-	-	-	**786**
From Synod-related entities	6,524	-	87	(3,921)	**2,690**
From others	574	3,923	325	-	**4,822**
Total notes and accounts receivable	7,884	3,923	412	(3,921)	**8,298**
Land, buildings, and equipment – net of depreciation	8,720	1,033	43,805		**53,558**
Investments	13,406	-	-	-	**13,406**
Funds held in custody by others	8,295	-	-	-	**8,295**
Prepaid expenses – insurance	1,863	-	-	-	**1,863**
Prepaid expenses – Convention and Youth Gathering	1,058	-	-	-	**1,058**
Other assets	836	168	-	-	**1,004**
TOTAL ASSETS	$ 82,763	$ 12,699	$ 70,985	$ (3,956)	**$ 162,491**
LIABILITIES AND NET ASSETS					
Liabilities					
Accounts payable and accrued expenses	$ 3,652	$ 2,141	$ 2,300	$ -	**$ 8,093**
Support payable to related entities	8,357	-	-	-	**8,357**
Funds on deposit by related entities	3,553	-	-	-	**3,553**
Notes payable	-	1,009	-	-	**1,009**
Deferred revenue – insurance	2,475	-	-	-	**2,475**
Deferred revenue – Convention and Youth Gathering	4	-	-	-	**4**
Deferred revenue – tuition and fees	-	-	20,756	-	**20,756**
Advance payments on third-party billings	-	9,269	-	-	**9,269**
Other liabilities	1,112	-	7,410	(3,921)	**4,601**
Funds held in custody for others	978	-	-	-	**978**
Total liabilities	20,131	12,419	30,466	(3,921)	**59,095**
Net assets					
Unrestricted:					
Undesignated	(14,329)	256	(3,286)	(35)	**(17,394)**
Board Designated	8,641	-	-	-	**8,641**
Net investment in land, buildings and equipment	8,720	24	43,805	-	**52,549**
Total unrestricted	3,032	280	40,519	(35)	**43,796**
Temporarily restricted	36,932	-	-	-	**36,932**
Permanently restricted	22,668	-	-	-	**22,668**
Total net assets	62,632	280	40,519	(35)	**103,396**
TOTAL LIABILITIES AND NET ASSETS	$ 82,763	$ 12,699	$ 70,985	$ (3,956)	**$ 162,491**

THE LUTHERAN CHURCH—MISSOURI SYNOD AND SUBSIDIARIES

Consolidating Statement of Activities – Unrestricted Fund

Year Ended June 30, 2009

(See Independent Auditors' Report on Supplemental Information)

(In Thousands)	Synod	CPS	LCMS Holdings	Eliminations	Total
Support, revenues, and gains					
Support:					
District pledge	$ -	$ -	$ -	$ -	$ -
Gifts and grants	1,056	-	-	-	1,056
Bequests	581	-	-	-	581
Volunteer services	-	-	-	-	-
Total support	1,637	-	-	-	1,637
Revenues:					
Investment and trust income	390	-	-	-	390
Sales and services:					
KFUO-FM	1,880	-	-	-	1,880
Other programs and services	8,071	-	-	-	8,071
Services to other entities	3,863	-	-	(850)	3,013
Concordia Plan Services	-	14,056	-	-	14,056
LCMS Holdings Limited	-	-	30,421	(93)	30,328
Total revenues	14,204	14,056	30,421	(943)	57,738
Net realized & unrealized gain/(loss) on investments	(1,858)	-	-	-	(1,858)
Change in value of split-interest agreements	-	-	-	-	-
Gain on Sale of Fixed Assets	9,148	-	-	-	9,148
Net assets released from restrictions	63,694	-	-	-	63,694
Total support, revenues, and gains	86,825	14,056	30,421	(943)	130,359

THE LUTHERAN CHURCH—MISSOURI SYNOD AND SUBSIDIARIES

Consolidating Statement of Activities – Unrestricted Fund – Continued

Year Ended June 30, 2009

(See Independent Auditors' Report on Supplemental Information)

(In Thousands)	Synod	CPS	LCMS Holdings	Eliminations	Total
Expenses					
Program boards:					
Missions	**31,110**	**-**	**-**	**(93)**	**31,017**
Fan into Flame	**4,303**	**-**	**-**	**-**	**4,303**
Pastoral Education	**3,295**	**-**	**-**	**-**	**3,295**
University Education	**6,842**	**-**	**-**	**-**	**6,842**
District and Congregational Services	**1,754**	**-**	**-**	**-**	**1,754**
Communications	**1,531**	**-**	**-**	**-**	**1,531**
Human Care	**12,433**	**-**	**-**	**-**	**12,433**
Black Ministry	**647**	**-**	**-**	**-**	**647**
Total program services	**61,915**	**-**	**-**	**(93)**	**61,822**
KFUO	**3,683**	**-**	**-**	**-**	**3,683**
Convention initiatives and constitutional officers:					
Supplemental retirement to veterans of the cross	**408**	**-**	**-**	**-**	**408**
Ecclesiastical services and commissions	**2,459**	**-**	**-**	**-**	**2,459**
Synodical constitutional officers and administration	**3,477**	**-**	**-**	**-**	**3,477**
Total convention initiatives and constitutional officers	**6,344**	**-**	**-**	**-**	**6,344**
General and administrative	**11,888**	**-**	**-**	**-**	**11,888**
Concordia Plan Services	**-**	**14,103**	**-**	**(850)**	**13,253**
LCMS Holdings Limited	**-**	**-**	**20,784**	**-**	**20,784**
Total expenses	**83,830**	**14,103**	**20,784**	**(943)**	**117,774**
Change in net assets	**2,995**	**(47)**	**9,637**	**-**	**12,585**
Net assets at beginning of year	**37**	**327**	**30,882**	**(35)**	**31,211**
Net assets at end of year	**$ 3,032**	**$ 280**	**$ 40,519**	**$ (35)**	**$ 43,796**

THE LUTHERAN CHURCH—MISSOURI SYNOD AND SUBSIDIARIES

Consolidating Statement of Cash Flows

Year Ended June 30, 2009

(See Independent Auditors' Report on Supplemental Information)

	(In Thousands)				
	Synod	CPS	Holdings	Eliminations	**2009**
Cash flows from operating activities:					
Change in net assets	$ 7,224	$ (47)	$ 9,637	$ -	**$ 16,814**
Adjustments to reconcile change in net assets to net cash provided by operating activities:					
Depreciation	901	768	1,852		**3,521**
Loss on investments	1,723	-	-	-	**1,723**
Loss on value of split interest agreements	1,076	-	-	-	**1,076**
Changes in operating assets and liabilities:					
Decrease in accrued interest receivable	20	4	-	-	**24**
Increase in contributions receivable	(3,134)	-	-	-	**(3,134)**
Decrease in accounts receivable	(390)	476	(83)	-	**3**
Increase in prepaid expenses and other assets	(1,395)	43	5	-	**(1,347)**
Increase in funds held in custody by others	(522)	-	-	-	**(522)**
Increase in accounts payable and accrued expenses	(133)	(130)	341	-	**78**
Increase in support payable to related entities	334	-	-	-	**334**
Decrease in deferred revenues and other liabilities	(117)	-	(876)	-	**(993)**
Increase in advance payments for third-party billings		665	-	-	**665**
Increase in funds held in custody for others	72	-	-	-	**72**
Contributions restricted for long-term investment	(2,843)	-	-	-	**(2,843)**
Net cash provided by operating activities	2,816	1,779	10,876	-	**15,471**
Cash flows from investing activities:					
Purchases of property, plant, and equipment	(1,263)	(257)	(15,232)	-	**(16,752)**
Disposal of property, plant, and equipment	13	-	-	-	**13**
Purchases of investments	(4,562)	-	-	-	**(4,562)**
Proceeds from sale of investments	1,382	-	14,580	-	**15,962**
Additions to notes receivable	(311)	-	-	-	**(311)**
Principal collections on notes receivable	291	-	-	-	**291**
Net cash used in investing activities	(4,450)	(257)	(652)	-	**(5,359)**
Cash flows from financing activities:					
Decrease in funds on deposit by related entities	(1,300)	-	-	-	**(1,300)**
Increase in notes payable	-	235	-	-	**235**
Payments on notes payable	-	(769)	(2,152)	-	**(2,921)**
Contributions restricted for long-term investment	2,843	-	-	-	**2,843**
Net cash used in financing activities	1,543	(534)	(2,152)	-	**(1,143)**
Net increase in cash and cash equivalents	(91)	988	8,072	-	**8,969**
Cash and cash equivalents at beginning of year	9,171	6,587	18,696	(35)	**34,419**
Cash and cash equivalents at end of year	$ 9,080	$ 7,575	$26,768	$ (35)	**$ 43,388**
Supplemental cash flow data:					
Interest paid	$ 174	$ 45	$ 72	$ -	**$ 291**
Taxes paid	$ -	$ -	$ 2,359	$ -	**$ 2,359**

THE LUTHERAN CHURCH—MISSOURI SYNOD AND SUBSIDIARIES

Related Entities Financial Information (Note 1)

(See Independent Auditors' Report on Supplemental Information)

(In Thousands)	CUS & 10 Colleges & Universities 6/30/2009	Seminaries 6/30/2009	LCEF 6/30/2010	Foundation 6/30/2010	CPH 12/31/2009	CHI 6/30/2009	Note 1 Synodical Districts 12/06-3/10
Support, revenues, and gains	$ 283,902	$ 28,881	$ 98,806	$ 22,564	$ 43,299	$ 767	$ 122,028
Expenses	291,857	35,170	88,190	9,638	38,418	813	119,391
Transfers and extraordinary items	(216)	-	-	-	-	-	-
Change in net assets	$ (8,171)	$ (6,289)	$ 10,616	$ 12,926	$ 4,881	$ (46)	$ 2,637
Assets:							
Cash and investments	$ 146,067	$ 61,196	$ 245,696	$ 626,107	$ 33,156	$ 524	$ 166,772
Notes, loans, and accounts receivable	66,613	13,266	1,499,408	80,117	2,232	902	177,287
Land, buildings, and equipment	448,927	35,378	-	1,775	4,545	2,289	94,595
Other assets	37,964	22,346	62,882	14,157	14,475	85	9,774
Total assets	$ 699,571	$ 132,186	$1,807,986	$ 722,156	$ 54,408	$ 3,800	$ 448,428
Liabilities and Net Assets:							
Accounts payable and accrued expenses	$ 29,553	$ 3,268	$ -	$ 1,513	$ 5,622	$ 91	$ 22,346
Notes, loans, and contracts payable	277,015	6,494	1,569,642	78,777	-	362	74,614
Other liabilities	24,957	3,665	78,337	618,398	2,893	-	161,463
Net Assets:							
Unrestricted	165,874	11,999	160,007	17,103	45,893	1,987	135,479
Temporarily restricted	70,923	20,897	-	4,754	-	1,257	33,214
Permanently restricted	131,249	85,863	-	1,611	-	103	21,312
Total liabilities and net assets	$ 699,571	$ 132,186	$1,807,986	$ 722,156	$ 54,408	$ 3,800	$ 448,428

Note 1: The information presented is as of the year end of the most recent audited financial statements available. These statements were audited by various independent auditors except CUS, CHI and various districts (internal audit). Synodical districts are presented with various fiscal year end dates from December 31, 2006 through March 31, 2010.

Note 2: The Concordia Plans operating activities for the year ended December 31, 2009, with revenues of $774.4 million, benefit payments and expenses of $443.7 million, and assets of $2.9 billion, have been excluded from the above information because these activities and assets are held in trust for the benefit of the employees of The Lutheran Church—Missouri Synod and its related entities and agencies.

THE LUTHERAN CHURCH—MISSOURI SYNOD AND SUBSIDIARIES

Consolidated Statement of Expenses by Function

Year Ended June 30, 2010

(See Independent Auditors' Report on Supplemental Information)

(In Thousands)

	Labor	Grants	Travel	Fundraising	Other	Total
Expenses						
Program boards:						
Missions	**$ 12,113**	**$ 10,449**	**$ 377**	**$ 1,882**	**$ 2,108**	**$ 26,929**
Fan Into Flame fundraising costs	**-**	**-**	**-**	**2,972**	**-**	**2,972**
Pastoral Education	**296**	**2,106**	**73**	**586**	**124**	**3,185**
University Education	**-**	**5,492**	**-**	**-**	**-**	**5,492**
District and Congregational Services	**880**	**1**	**393**	**3**	**368**	**1,645**
Communications	**1,206**	**-**	**52**	**-**	**333**	**1,591**
Human Care Ministries	**2,343**	**6,168**	**415**	**1,651**	**1,420**	**11,997**
Black Ministry	**276**	**31**	**60**	**-**	**124**	**491**
Total program services	**17,114**	**24,247**	**1,370**	**7,094**	**4,477**	**54,302**
KFUO	**1,985**	**-**	**29**	**341**	**1,039**	**3,394**
Convention initiatives and constitutional officers:						
Supplemental retirement to veterans of the cross	**42**	**381**	**-**	**-**	**-**	**423**
Ecclesiastical services and commissions	**1,535**	**10**	**417**	**-**	**835**	**2,797**
Synodical constitutional officers & administration	**1,561**	**400**	**333**	**-**	**504**	**2,798**
Total convention initiatives and constitutional officers	**3,138**	**791**	**750**	**-**	**1,339**	**6,018**
General and administrative	**7,168**	**-**	**108**	**-**	**4,375**	**11,651**
Total Corporate Synod	**29,405**	**25,038**	**2,257**	**7,435**	**11,230**	**75,365**
Concordia Plan Services	**7,996**	**-**	**269**	**-**	**5,680**	**13,945**
LCMS Holdings	**15,349**	**-**	**-**	**-**	**10,773**	**26,122**
Total expenses	**$ 52,750**	**$ 25,038**	**$ 2,526**	**$ 7,435**	**$ 27,683**	**$ 115,432**