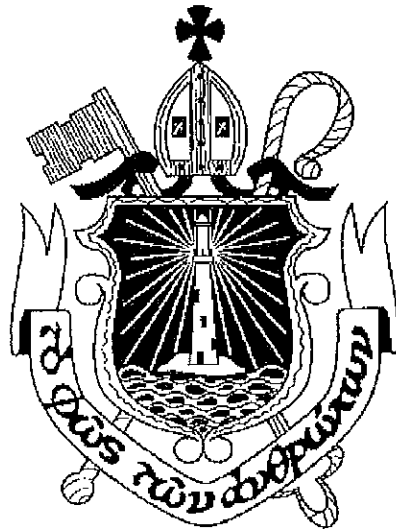


# THE DIOCESE OF NORTHERN INDIANA



## TREASURER'S REPORT

Convention October 23, 2010

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## INDEPENDENT AUDITORS' REPORT

To the Council  
Diocese of Northern Indiana of the Episcopal Church, Inc.  
South Bend, Indiana

We have audited the accompanying statements of financial position (modified cash basis) of Diocese of Northern Indiana of the Episcopal Church, Inc. as of December 31, 2009 and 2008 and the related (modified cash basis) statements of activities and change in net assets for the years then ended. These financial statements are the responsibility of management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 1, these financial statements were prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles. The Diocese also did not record capital assets and the related depreciation prior to January 1, 1994.

In our opinion, except for the effects of not recording capital assets and related depreciation, the financial statements of Diocese of Northern Indiana of the Episcopal Church, Inc. present fairly, in all material respects, the financial position as of December 31, 2009 and 2008, and its support, revenue, expenses, and changes in net assets for the year then ended on the basis of accounting described in Note 1.

The additional information included on pages 18 - 25 has been subjected to 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.

  
ARMSTRONG, & REIST CPAs, LLP

September 24, 2010

DIOCESE OF NORTHERN INDIANA OF THE EPISCOPAL CHURCH, INC.

STATEMENTS OF FINANCIAL POSITION - MODIFIED CASH BASIS

December 31, 2009

ASSETS	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total All Funds</u>
Cash	\$ 125,896	\$ 39,342		\$ 165,238
Investments (at market)	528,949	435,899	\$ 301,683	1,266,531
Prepaid expenses				
Property and Equipment				
Land	300,000			300,000
Buildings	596,614			596,614
Equipment	<u>22,735</u>			<u>22,735</u>
Total cost	919,349			919,349
Accumulated depreciation	<u>(154,422)</u>			<u>(154,422)</u>
Net Property and Equipment	764,927			764,927
Life insurance - Cash Value	<u>72,628</u>			<u>72,628</u>
 Total Assets	 <u>\$ 1,492,400</u>	 <u>\$ 475,241</u>	 <u>\$ 301,683</u>	 <u>\$ 2,269,324</u>
 LIABILITIES AND NET ASSETS				
Net Assets	<u>\$ 1,492,400</u>	<u>\$ 475,241</u>	<u>\$ 301,683</u>	<u>\$ 2,269,324</u>
Total Liabilities and Net Assets	<u>\$ 1,492,400</u>	<u>\$ 475,241</u>	<u>\$ 301,683</u>	<u>\$ 2,269,324</u>

(See accompanying notes and auditors' report.)

DIOCESE OF NORTHERN INDIANA OF THE EPISCOPAL CHURCH, INC.

STATEMENTS OF FINANCIAL POSITION - MODIFIED CASH BASIS

December 31, 2008

ASSETS	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total All Funds</u>
Cash	\$ 158,495	\$ 56,357		\$ 214,852
Investments (at market)	620,098	360,527	\$ 301,683	1,282,308
Prepaid expenses				
Property and Equipment				
Land	300,000			300,000
Buildings	546,614			546,614
Equipment	<u>22,735</u>			<u>22,735</u>
Total cost	869,349			869,349
Accumulated depreciation	<u>(140,215)</u>			<u>(140,215)</u>
Net Property and Equipment	729,134			729,134
Life insurance - Cash Value	<u>71,136</u>			<u>71,136</u>
 Total Assets	 <u>\$ 1,578,863</u>	 <u>\$ 416,884</u>	 <u>\$ 301,683</u>	 <u>\$ 2,297,430</u>
<b>LIABILITIES AND NET ASSETS</b>				
Net Assets	\$ 1,278,863	\$ 416,884	\$ 301,683	\$ 1,997,430
Correction to net assets	<u>300,000</u>			<u>300,000</u>
	1,578,863	<u>416,884</u>	<u>301,683</u>	<u>2,297,430</u>
 Total Liabilities and Net Assets	 <u>\$ 1,578,863</u>	 <u>\$ 416,884</u>	 <u>\$ 301,683</u>	 <u>\$ 2,297,430</u>

(See accompanying notes and auditors' report.)

DIOCESE OF NORTHERN INDIANA OF THE EPISCOPAL CHURCH, INC.

STATEMENTS OF ACTIVITIES AND CHANGE IN NET ASSETS - MODIFIED CASH BASIS

For the year ended December 31, 2009

	- - - Unrestricted - - -		Temporarily	Permanently	Total
	Currently	Endowment	Restricted	Restricted	All
	Expendable				Funds
<b>SUPPORT AND REVENUE</b>					
Parishes and missions	\$ 654,531				\$ 654,531
Conferences and rental - Wawasee	27,268				27,268
Contributions			\$ 44,059		44,059
Investment income	(2,224)	\$ 13,224	69,462		80,462
Miscellaneous	73,048				73,048
Late payments from parishes	8,730				8,730
Net assets released from restrictions:	55,164		(55,164)		
<b>Total Support and Revenue</b>	<b>816,517</b>	<b>13,224</b>	<b>58,357</b>		<b>888,098</b>
<b>EXPENSES</b>					
Program services	300,464				300,464
General and administrative	615,740				615,740
<b>Total Expenses</b>	<b>916,204</b>				<b>916,204</b>
<b>Increase (Decrease) in Net Assets Before Board Designations</b>	<b>(99,687)</b>	<b>13,224</b>	<b>58,357</b>		<b>(28,106)</b>
Designations by the governing board:					
Investment returns utilized for current operations	125,156	(125,156)			
Held for long-term investment	(11,715)	11,715			
<b>Increase (Decrease) in Net Assets</b>	<b>13,754</b>	<b>(100,217)</b>	<b>58,357</b>		<b>(28,106)</b>
<b>Net Assets - Beginning</b>	<b>953,913</b>	<b>624,950</b>	<b>416,884</b>	<b>301,683</b>	<b>2,297,430</b>
<b>Net Assets - Ending</b>	<b>\$ 967,667</b>	<b>\$ 524,733</b>	<b>\$ 475,241</b>	<b>\$ 301,683</b>	<b>\$ 2,269,324</b>

(See accompanying notes and auditors' report.)

DIOCESE OF NORTHERN INDIANA OF THE EPISCOPAL CHURCH, INC.

STATEMENTS OF ACTIVITIES AND CHANGE IN NET ASSETS - MODIFIED CASH BASIS

For the year ended December 31, 2008

	- - - - Unrestricted - - - -		Temporarily Restricted	Permanently Restricted	Total All Funds
	Currently Expendable	Endowment			
<b>SUPPORT AND REVENUE</b>					
Parishes and missions	\$ 668,034				\$ 668,034
Conferences and rental - Wawasee	24,855				24,855
Contributions			\$ 60,900		60,900
Investment income	5,644	\$ 7,887	(167,074)		(153,543)
Miscellaneous	2,074				2,074
Late payments from parishes	13,957				13,957
Net assets released from restrictions:	98,341		(98,341)		
<b>Total Support and Revenue</b>	<b>812,905</b>	<b>7,887</b>	<b>(204,515)</b>		<b>616,277</b>
<b>EXPENSES</b>					
Program services	264,275				264,275
General and administrative	566,413				566,413
<b>Total Expenses</b>	<b>830,688</b>				<b>830,688</b>
Increase (Decrease) in Net Assets Before Board Designations	(17,783)	7,887	(204,515)		(214,411)
Designations by the governing board:					
Investment returns utilized for current operations	33,266	(33,266)			
Held for long-term investment	(12,850)	12,850			
Increase (Decrease) in Net Assets	2,633	(12,529)	(204,515)		(214,411)
Net Assets - Corrected Beginning	951,280	637,479	621,399	301,683	2,511,841
Net Assets - Ending	\$ 953,913	\$ 624,950	\$ 416,884	\$ 301,683	\$ 2,297,430

(See accompanying notes and auditors' report.)

DIOCESE OF NORTHERN INDIANA OF THE EPISCOPAL CHURCH, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2009

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Purpose and Presentation

To take, administer and dispose of in accordance with the laws and constitution and canons of the Episcopal Church of the United States of America, and more especially of the constitution and canons of the Diocese of Northern Indiana of the Episcopal Church, Inc., properties of all kinds, character and types, real, personal and mixed, tangible and intangible, for the benefit of the ecclesiastical body known as the Diocese of Northern Indiana of the Episcopal Church, Inc. The Diocese covers a geographical area in Northern Indiana spreading East to the Ohio border, West to the Illinois border, North to the Michigan border, and South to Kokomo, Indiana. The Diocese includes thirty-seven parishes and missions.

Financial Statement Presentation

The Diocese is required to report information regarding its financial position and activities according to classes of net assets: unrestricted net assets, temporarily restricted and permanently restricted net assets.

Contributions

The Diocese 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 as net assets released from restrictions.

Basis of Accounting

It is the policy of the Diocese to prepare its financial statements on the basis of cash receipts and disbursements. Under this method, revenue is not recognized until it is received, and expenses incurred are not recognized until they are paid. This is a comprehensive basis of accounting other than generally accepted accounting principles.

Retirement Plan

The Diocese has a defined contribution retirement plan. Individual contracts with the church pension fund are purchased for all qualifying employees. To qualify for the retirement plan, an employee must be a full-time salaried employee of the Diocese. The retirement plan expense for the years ended December 31, were \$46,719 - 2009 and \$36,098 - 2008.

(See auditors' report.)

DIOCESE OF NORTHERN INDIANA OF THE EPISCOPAL CHURCH, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2009

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Property and Equipment, and Depreciation

Beginning January 1, 1994, it is the policy of the Diocese to record property and equipment acquisitions at cost as capital assets. Prior acquisitions of office equipment have been recorded as an operating expense. Depreciation is provided over the estimated useful lives of the capital assets on the straight-line basis for the post January 1, 1994 acquisitions only. Depreciation expense is \$14,021 for 2009 and \$15,095 for 2008. This is a departure from generally accepted accounting principles.

Impairment of Long Lived Assets

Periodically the Organization assesses potential impairment on long-lived assets or whenever events or changes in circumstances indicate that the asset maybe impaired. The Organizations long-lived assets are primarily property and equipment. Impairment is measured by a comparison of the carrying amount to the estimated future undiscounted cash flow including proceeds from disposition. The determination of asset fair value is subject to significant judgment. There was no impairment loss recorded in fiscal year 2009 or 2008.

Income Tax Status

The Diocese is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and under a similar state statute. Therefore, no provision has been made for income taxes in the financial statements.

In December 2008, the Financial Accounting Standards Board issued FASB Staff Position (FSP) FIN 48-3 *Effective Date of FASB Interpretation NO. 48 for Certain Nonpublic Enterprises*. FSP FIN 48-3 permits an entity within its scope to defer the effective date of FASB Interpretation 48 *Accounting for Uncertainty in Income Taxes*, to its annual financial statements for fiscal years beginning after December 15, 2008. The Organization has elected to defer the application of Interpretation 48 for the year ending December 31, 2008. The Organization evaluates its uncertain tax positions using the provisions of FASB Statement 5, *Accounting for Contingencies*. Accordingly, a loss contingency is recognized when it is probable that a liability has been incurred as of the date of the financial statements and the amount of the loss can be reasonably estimated. The amount recognized is subject to estimate and management judgment with respect to the likely outcome of each uncertain tax position. The amount that is ultimately sustained for an individual uncertain tax position or for all uncertain tax positions in the aggregate could differ from the amount recognized.

(See auditors' report.)

DIOCESE OF NORTHERN INDIANA OF THE EPISCOPAL CHURCH, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2009

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Accounting for Net Assets

To ensure the observance of limitations and restrictions placed on the use of the resources available to the Diocese, the accounts are classified according to their nature and purpose, and accordingly, all financial transactions have been recorded and grouped by class. The net assets and Diocese activities are grouped and reported in major classes as described below:

Unrestricted net assets - are available for use at the discretion of the Council to support general and administrative operations. They include Operating Net Assets and Endowment Net Assets.

Endowment Net Assets - are restricted by the Council for particular activities and/or programs. The following are Endowment Net Assets:

Episcopate

An endowment fund for operations was established as required by the National Church. The interest is used for operations.

WCRS Reserve

An endowment fund established as an emergency reserve for salaries of the bishop and staff in case of any interruption of income from the congregations. The Council must approve any reduction in principal. The interest is available for general operations. An amount is budgeted each year to increase the reserve.

Sabbatical

The Council has established a fund to provide for the Bishop and Canon's sabbatical.

General Convention

The Council has established a fund from which to pay for the Bishop and eight other people to attend the National Convention, which is held every three years.

Lambeth

The Council has established a fund from which to pay the expenses of the Bishop attending a Lambeth conference in England every ten years.

(See auditors' report.)

DIOCESE OF NORTHERN INDIANA OF THE EPISCOPAL CHURCH, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2009

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Accounting for Net Assets - Continued

Historiographer

The Diocese has a historiographer fund from which to pay such expenses.

Bishop's Association

This fund is utilized to help individuals and families of the Diocese. The Bishop is authorized to disburse these funds.

Wawasee

This fund is for the Wawasee Center, a retreat facility.

Equipment

This fund is for purchase of equipment for the office.

Youth Ministries

This fund is to be utilized for the salary of the Diocesan Youth Minister.

Social Ministries

This fund is to be utilized for social ministries. The Bishop is authorized to disburse these funds.

Election of Bishop

This fund is to be utilized for the election of the Bishop.

Temporarily and Permanently Restricted Net Assets - are restricted as to use by the donor or a gift instrument and are not available for operating purposes. These include the following:

Delphi Fund

This fund is from the Delphi Church (no longer in existence). The original donor restricted the interest for sustaining a choir. By court order, interest now is available to the Diocese for operations.

(See auditors' report.)

DIOCESE OF NORTHERN INDIANA OF THE EPISCOPAL CHURCH, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2009

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Accounting for Net Assets - Continued

Krause Fund

The income may be used by the Bishop for "educational support and maintenance of the many worthy and capable young men as the Bishop should desire to select and who desire to become ministers of the Episcopal Church." The Bishop uses the income for education expenses such as books and conferences.

Emma Wallach Theological Fund

The dividends from stock that was given to the Diocese and other donations are contained in this fund that is restricted for seminarian education expenses.

Education Fund

This fund was established by the Capital Fund Campaign for the purpose of making grants to better prepare the people of God for ministry.

WCRS Diocesan Endowment

This fund was established by the Capital Fund Campaign. Income from this fund is utilized for operations.

Wawasee Properties

This fund was established for the maintenance of the property at Wawasee.

Clergy Conferences

This fund was established for the purpose of making grants to the clergy of the Diocese that they may attend conferences.

NOTE 2 - SUPPORT FROM PARISHES

Annually, assessments on the churches of the Northern Indiana Diocese are computed based on a three-year average of income of each parish. Churches can request a hearing for relief from assessments if necessary. The Diocese received assessments of \$663,321 - 2009 and \$681,991 - 2008 of which \$8,730 and \$13,957 respectively was for assessments from the prior year. Assessments outstanding as of December 31, were \$21,876 - 2009 and \$13,981 - 2008.

(See auditors' report.)

DIOCESE OF NORTHERN INDIANA OF THE EPISCOPAL CHURCH, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2009

NOTE 3 - INVESTMENTS

Investments consist of the following at December 31:

	2009	2008
Equity Mutual Funds	\$ 367,380	\$ 307,896
Bond Funds	<u>899,151</u>	<u>974,412</u>
Total	<u>\$1,266,531</u>	<u>\$1,282,308</u>

Investment income consists of the following for the years ended December 31, 2009 and 2008:

	<u>Unrestricted</u>	<u>Board Designated</u>	<u>Temporarily Restricted</u>	<u>Total</u>
2009				
Interest and dividends	\$ 488	\$ 17,733	\$ 23,248	\$ 41,469
Net investment gains/(losses)	<u>(2,712)</u>	<u>(4,509)</u>	<u>46,214</u>	<u>38,993</u>
Total Investment Income	<u>\$ (2,224)</u>	<u>\$ 13,224</u>	<u>\$ 69,462</u>	<u>\$ 80,462</u>
2008				
Interest and dividends	\$ 811	\$ 27,847	\$ 28,677	\$ 57,335
Net investment gains/(losses)	<u>4,833</u>	<u>(19,960)</u>	<u>(195,751)</u>	<u>(210,878)</u>
Total Investment loss	<u>\$ 5,644</u>	<u>\$ 7,887</u>	<u>\$(167,074)</u>	<u>\$(153,543)</u>

NOTE 4 – FAIR VALUE MEASUREMENTS

Financial Accounting Standards Board (FASB) accounting standards codification (ASC) 820, Fair Value Measurements and Disclosures, which defines fair value under U.S. generally accepted accounting principles, establishes a framework for measuring fair value and enhances disclosures about fair value measurements. This standard defines fair value as the exchange price that would be received for an asset, or paid to transfer a liability (an exit price), in the principal or most advantageous market for the asset or liability, in an orderly transaction value hierarchy, which requires an entity to maximize the use of observable inputs when measuring fair value.

Level 1 inputs to the valuation methodology are quoted prices available in active markets for identical investments as of the reporting date.

(See auditors' report.)

DIOCESE OF NORTHERN INDIANA OF THE EPISCOPAL CHURCH, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2009

NOTE 4 – FAIR VALUE MEASUREMENTS - CONTINUED

Level 2 inputs to the valuation methodology are other than quoted prices in active markets, which are either directly or indirectly observable as of the reporting date and fair value can be determined through the use of models or other valuation methods.

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

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2009 and 2008.

Investments held in a pooled account of investments in the name of the Episcopal Diocese of Northern Indiana. Investments are valued at the underlying securities that are traded on an active market.

Fair values of assets measured on a recurring basis at December 31, 2009 and 2008 are as follows:

	Fair Value	Significant Other Observable Inputs (Level 2)
2009		
Investment – income funds	\$ 899,151	\$ 899,151
Investment – growth funds	<u>367,380</u>	<u>367,380</u>
Total	<u>\$ 1,266,531</u>	<u>\$ 1,266,531</u>
2008		
Investment – income funds	\$ 974,412	\$ 974,412
Investment – growth funds	<u>307,896</u>	<u>307,896</u>
Total	<u>\$ 1,282,308</u>	<u>\$ 1,282,308</u>

NOTE 5 - OPERATING LEASE

The Diocese leases office space from the Cathedral of St. James on a year-to-year basis. The total rent paid for the years ended December 31, were \$21,282 - 2009 and \$21,282 - 2008. There are no future minimum lease payments for this operating lease.

(See auditor's report)

DIOCESE OF NORTHERN INDIANA OF THE EPISCOPAL CHURCH, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2009

NOTE 6 – EXCESS BANK AND SECURITIES DEPOSITS

The Diocese maintains accounts with the Merrill Lynch with balances greater than the insured amount of up to \$500,000 by the Securities Investor Protection Corporation. Historically the Diocese has not experienced any losses (other than market losses).

NOTE 7 - ENDOWMENTS

The Board of Trustees of the Organization has interpreted the Indiana of Prudent Management of Institutional Funds Act (IPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the organization in a manner consistent with the standard of prudence prescribed by IPMIFA. In accordance with IPMIFA, the organization 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 organization and the donor-restricted endowment fund
- (3) General economic conditions
- (4) The possible effect of inflation and deflation
- (5) The expected total return from income and appreciation of investments
- (6) Other resources of the organization
- (7) The investment policies of the organization

(See auditor's report)

DIOCESE OF NORTHERN INDIANA OF THE EPISCOPAL CHURCH, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2009

NOTE 7 – ENDOWMENTS - CONTINUED

Endowment Net Asset Composition by Type of Fund  
As of December 31, 2009

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Donor-restricted Endowment funds	\$ -	\$ 475,241	\$ 301,683	\$ 776,924
Board-designated Endowment funds	<u>524,733</u>	-	-	<u>524,733</u>
Total funds	<u>\$ 524,733</u>	<u>\$ 475,241</u>	<u>\$ 301,683</u>	<u>\$ 1,301,657</u>

Changes in Endowment Net Assets  
For the Fiscal Year Ended December 31, 2009

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment net assets, beginning of year	\$ 624,950	\$ 416,884	\$ 301,683	\$ 1,343,517
Investment return:				
Investment income	17,733	23,248		40,981
Net depreciation (realized and unrealized)	<u>(4,509)</u>	<u>46,214</u>		<u>41,705</u>
Total investment return	13,224	69,462		82,686
Contributions		44,059		44,059
Appropriation of endowment assets for expenditure	(125,156)	(55,164)		(180,320)
Other changes:				
Transfers to create board- designated endowment funds	<u>11,715</u>	-	-	<u>11,715</u>
Endowment net assets, end of year	<u>\$ 524,733</u>	<u>\$ 475,241</u>	<u>\$ 301,683</u>	<u>\$ 1,301,656</u>

(See auditors' report.)

DIOCESE OF NORTHERN INDIANA OF THE EPISCOPAL CHURCH, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2009

NOTE 7 – ENDOWMENTS – CONTINUED

Endowment Net Asset Composition by Type of Fund  
As of December 31, 2008

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Donor-restricted Endowment funds	\$ -	\$ 416,884	\$ 301,683	\$ 718,567
Board-designated Endowment funds	<u>624,950</u>	<u>-</u>	<u>-</u>	<u>624,950</u>
Total funds	<u>\$ 624,950</u>	<u>\$ 416,884</u>	<u>\$ 301,683</u>	<u>\$1,343,517</u>

Changes in Endowment Net Assets  
For the Fiscal Year Ended December 31, 2008

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment net assets, beginning of year	\$ 637,479	\$ 621,399	\$ 301,683	\$1,560,561
Investment return:				
Investment income	27,847	28,677		56,524
Net depreciation (realized and unrealized)	<u>(19,960)</u>	<u>(195,751)</u>		<u>(215,711)</u>
Total investment return	7,887	(167,074)		(159,187)
Contributions		60,900		60,900
Appropriation of endowment assets for expenditure	(33,266)	(98,341)		(131,607)
Other changes:				
Transfers to create board- designated endowment funds	<u>12,850</u>	<u>-</u>	<u>-</u>	<u>12,850</u>
Endowment net assets, end of year	<u>\$ 624,950</u>	<u>\$ 416,884</u>	<u>\$ 301,683</u>	<u>\$1,343,517</u>

(See auditor's report.)

DIOCESE OF NORTHERN INDIANA OF THE EPISCOPAL CHURCH, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2009

NOTE 7 – ENDOWMENTS - CONTINUED

Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or IPMIFA requires the Organization to retain as a fund of perpetual donation. There were no such deficiencies as of December 31, 2009 and 2008.

Return Objectives and Risk Parameters

The Organization has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the organization must hold in perpetuity or for a donor-specified period(s) as well as board-designated funds. Under this policy, as approved by the Board of Trustees, the majority of the endowment assets are invested in a manner that is intended to produce fixed income using a laddering approach. The remainder of the endowment assets are invested in a mixture of equity and bonds assuming a moderate level of risk

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Organization targets a diversified assets allocation of 60% equity and 40% fixed income for the growth portion of the endowment.

Spending Policy and How the Investment Objectives Relate to Spending Policy

The Organization has a policy of appropriating for distribution the interest income for several of the funds and budgets the amounts of the other distributions based on the historical investment income. This is consistent with the organization's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

(See auditor's report.)

DIOCESE OF NORTHERN INDIANA OF THE EPISCOPAL CHURCH, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2009

NOTE 8 - SUBSEQUENT EVENTS

The date to which events occurring after December 31, 2009, the date of the most recent balance sheet, have been evaluated for possible adjustment to the financial statements or disclosure is September 24, 2010, which is the date on which the financial statements were available to be issued.

NOTE 9 – RESTATEMENT OF FINANCIAL STATEMENTS

The 2008 Statement of Financial Position has been restated to recognize the gift of property in Syracuse, Indiana never recorded in the financial statements. The value was estimated based on an appraisal of the property that was obtained many years after the gift and using consumer price indexes to calculate the approximate value at the time of the gift.

(See auditors' report.)

DIOCESE OF NORTHERN INDIANA OF THE EPISCOPAL CHURCH, INC.

SCHEDULES OF ACTIVITY FOR TEMPORARILY AND PERMANENTLY RESTRICTED NET ASSETS

For the year ended December 31, 2009

	Delphi Fund	Krause Fund	Emma Wallach Theological Fund	Education Fund	WCRS Diocesan Endowment Fund	Clergy Conference	Other (see page 22)	Total
<b>TEMPORARILY RESTRICTED NET ASSETS</b>								
Revenue, Gains and Other Support:								
Contributions	\$ 6,973	\$ 646	\$ 11,513	\$ 3,513	\$ 7,123	\$ 337	\$ 32,546	\$ 44,059
Interest	(6,261)	(561)	4,656	(7,956)	(41,736)	(321)		23,248
Realized gains (losses)	4,043	362	(1,325)	13,129	85,755	214		(58,160)
Unrealized gains (losses)			871					104,374
Net Assets released from restrictions		(500)		(7,392)			(39,306)	(47,198)
Released for program expenses	(7,966)							(7,966)
Time restrictions								
Contributions:								
Held for Long-term Investment								
Increase (decrease) in temporarily restricted net assets	(3,211)	(53)	15,715	1,294	51,142	230	(6,760)	58,357
Temporarily Restricted Net Assets - Beginning	168,569	10,724	37,808	26,381	128,121	10,840	34,441	416,884
Temporarily Restricted Net Assets - Ending	\$ 165,358	\$ 10,671	\$ 53,523	\$ 27,675	\$ 179,263	\$ 11,070	\$ 27,681	\$ 475,241
<b>PERMANENTLY RESTRICTED NET ASSETS</b>								
Permanently Restricted Net Assets - Beginning	\$ 47,241	\$ 17,840	\$ -0-	\$ 100,000	\$ 136,602	\$ -0-	\$ -0-	\$ 301,683
Permanently Restricted Net Assets - Ending	\$ 47,241	\$ 17,840	\$ -0-	\$ 100,000	\$ 136,602	\$ -0-	\$ -0-	\$ 301,683

(See auditors' report.)

DIOCESE OF NORTHERN INDIANA OF THE EPISCOPAL CHURCH, INC.

SCHEDULES OF ACTIVITY FOR TEMPORARILY AND PERMANENTLY RESTRICTED NET ASSETS

For the year ended December 31, 2008

TEMPORARILY RESTRICTED NET ASSETS

	Delphi Fund	Krause Fund	Emma Wallach Theo- logical Fund	Education Fund	Diocesan Endowment Fund	Wawasee Properties	Clergy Conference	Other (see page 23)	2008 Total
Revenue, Gains and Other Support:									
Contributions	\$ 9,699	\$ 900	\$ 2,500	\$ 4,651	\$ 8,203	\$ -	\$ 433	\$ 58,400	\$ 60,900
Interest	2,716	243	4,791	(4,421)	(39,822)	-	120	-	28,677
Realized gains (losses)	(8,473)	(759)	447	(19,965)	(124,164)	-	(375)	-	(40,717)
Unrealized gains (losses)			(1,298)						(155,034)
Net Assets released from restrictions		(500)	(4,856)	(1,150)		(20,854)		(60,756)	(88,116)
Released for program expenses	(10,225)								(10,225)
Time restrictions									
Contributions:									
Held for Long-term Investment									
Increase (decrease) in temporarily restricted net assets	(6,283)	(116)	1,584	(20,885)	(155,783)	(20,854)	178	(2,356)	(204,515)
Temporarily Restricted Net Assets - Beginning	174,832	10,840	36,224	47,266	283,904	20,854	10,662	36,797	621,399
Temporarily Restricted Net Assets - Ending	<u>\$ 168,569</u>	<u>\$ 10,724</u>	<u>\$ 37,808</u>	<u>\$ 26,381</u>	<u>\$ 128,121</u>	<u>\$ -</u>	<u>\$ 10,840</u>	<u>\$ 34,441</u>	<u>\$ 416,884</u>

PERMANENTLY RESTRICTED NET ASSETS

Permanently Restricted Net Assets - Beginning	\$ 47,241	\$ 17,840	\$ -0-	\$ 100,000	\$ 136,602	\$ -0-	\$ -0-	\$ -0-	\$ 301,683
Permanently Restricted Net Assets - Ending	<u>\$ 47,241</u>	<u>\$ 17,840</u>	<u>\$ -0-</u>	<u>\$ 100,000</u>	<u>\$ 136,602</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 301,683</u>

(See auditors' report.)

DIOCESE OF NORTHERN INDIANA OF THE EPISCOPAL CHURCH, INC.  
SCHEDULES OF ACTIVITY FOR UNRESTRICTED ENDOWMENT

For the year ended December 31, 2009

	Episcopate Fund	WCRS Reserve Fund	General Convention	Lambeth Conference	Sabbaticals	Historiographer	Bishop's Assoc.	Wawasee Fund	Youth Fund	Social Ministry Fund	Election of Bishop	Total
Revenue, Gains and Support:												
Interest	\$ 4,213	9,439	231	129	448	104	933	205	768	733	530	\$ 17,733
Realized gains (losses)	(3,799)	(8,544)	3	(115)	(399)	(94)	(1,839)	(217)	(714)	9	(489)	(16,198)
Unrealized gains (losses)	2,453	5,673	(140)	74	238	61	2,809	159	470	(444)	316	11,689
Total	2,867	6,568	94	88	307	71	1,903	147	524	298	357	13,224
Designations by the governing board:												
Investment returns utilized for current operations (withdrawals)	(4,834)	(11,177)	(21,410)	850					(10,765)	(76,970)	3,000	(125,156)
Held for long-term investment (deposits)	(4,834)	(11,177)	(21,410)	850					7,865			11,715
Total	(1,967)	(4,609)	(21,316)	938	307	71	1,903	147	(2,900)	(76,672)	3,000	(113,441)
Increase (decrease) in net assets	130,947	302,810	21,316	3,866	13,467	3,166	27,799	4,423	23,997	76,672	16,487	624,950
Net Assets - Beginning	\$ 128,980	\$ 298,201	\$ -	\$ 4,804	\$ 13,774	\$ 3,237	\$ 29,702	\$ 4,570	\$ 21,621	\$ -	\$ 19,844	\$ 524,733
Net Assets - Ending												

(See auditors' report.)

DIOCESE OF NORTHERN INDIANA OF THE EPISCOPAL CHURCH, INC  
SCHEDULES OF ACTIVITY FOR UNRESTRICTED ENDOWMENT

For the year ended December 31, 2008

	Episcopate Fund	WCRS Reserve Fund	General Convention	Lambeth Conference	Sabbaticals	Historiographer	Bishop's Assoc.	Wawasee Fund	Equipment Fund	Youth Fund	Social Ministry Fund	Election of Bishop	Total
<b>Revenue, Gains and Support</b>													
Interest	\$ 5,885	13,609	635	\$ 360	\$ 595	\$ 140	\$ 1,133	\$ 196	\$ 28	\$ 1,058	\$ 3,583	\$ 625	\$ 27,847
Realized gains (losses)	1,647	3,812	125	115	164	38	(832)	54	14	292	822	156	6,407
Unrealized gains (losses)	(5,141)	(11,888)	(251)	(1,641)	(514)	(121)	(4,161)	(1,659)	(19)	(915)	(2,582)	(442)	(25,367)
<b>Total</b>	<b>2,391</b>	<b>5,533</b>	<b>509</b>	<b>311</b>	<b>245</b>	<b>57</b>	<b>(3,860)</b>	<b>81</b>	<b>23</b>	<b>435</b>	<b>1,823</b>	<b>339</b>	<b>7,887</b>
<b>Designations by the governing board</b>													
Investment returns utilized for current operations (withdrawals)	(6,204)	(14,347)	9,000	(11,389)	850				(1,326)			3,000	(33,266)
Held for long-term investment (deposits)	(6,204)	(14,347)	9,000	(10,339)					(1,326)			3,000	12,850
<b>Total</b>	<b>(3,813)</b>	<b>(8,814)</b>	<b>9,509</b>	<b>(10,228)</b>	<b>245</b>	<b>57</b>	<b>(3,860)</b>	<b>81</b>	<b>(1,303)</b>	<b>435</b>	<b>1,823</b>	<b>3,339</b>	<b>(12,529)</b>
<b>Net Assets - Beginning</b>	<b>134,760</b>	<b>311,624</b>	<b>11,807</b>	<b>14,094</b>	<b>13,222</b>	<b>3,109</b>	<b>31,659</b>	<b>4,342</b>	<b>1,303</b>	<b>23,562</b>	<b>74,849</b>	<b>13,148</b>	<b>637,479</b>
<b>Net Assets - Ending</b>	<b>\$ 130,947</b>	<b>\$ 302,810</b>	<b>\$ 21,316</b>	<b>\$ 3,866</b>	<b>\$ 13,467</b>	<b>\$ 3,166</b>	<b>\$ 27,799</b>	<b>\$ 4,423</b>	<b>\$ -</b>	<b>\$ 23,997</b>	<b>\$ 76,672</b>	<b>\$ 16,487</b>	<b>\$ 624,950</b>

DIOCESE OF NORTHERN INDIANA OF THE EPISCOPAL CHURCH, INC.

SCHEDULES OF OTHER ACTIVITY REVENUE AND EXPENSE

For the year ended December 31, 2009

OTHER TEMPORARILY RESTRICTED

ACTIVITY	Net Assets Beginning of Year	Revenue	Expense	Net Revenue/ (Expense)	Net Assets Released	Net Assets End of Year
Bishop association	\$ 3,121	\$ -	\$ 1,000	\$ (1,000)	\$ (1,000)	\$ 2,121
Bishop discretionary fund	6,363	12,250	12,128	122	(12,128)	6,485
Bishop gift	12,003		3,454	(3,454)	(3,454)	8,549
Darkness Day						-
Retired Bishop	78	4,360	2,503	1,857	(2,503)	1,935
Camp for Prisoners Children	8,409	15,536	20,121	(4,585)	(20,121)	3,824
Camp scholarships	1,584	300		300		1,884
Wells mission trip		100	100		(100)	-
Syracuse Seawall	2,883					2,883
<b>TOTAL</b>	<b>\$ 34,441</b>	<b>\$ 32,546</b>	<b>\$ 39,306</b>	<b>\$ (6,760)</b>	<b>\$ (39,306)</b>	<b>\$ 27,681</b>

(See auditors' report.)

## DIOCESE OF NORTHERN INDIANA OF THE EPISCOPAL CHURCH, INC.

## SCHEDULES OF OTHER ACTIVITY REVENUE AND EXPENSE

For the year ended December 31, 2008

## OTHER TEMPORARILY RESTRICTED

ACTIVITY	Net Assets Beginning of Year	Revenue	Expense	Net Revenue/ (Expense)	Net Assets Released	Net Assets End of Year
Bishop association	\$ 3,121	\$ -		\$ -		\$ 3,121
Bishop discretionary fund	8,285	14,405	16,327	(1,922)	(16,327)	6,363
Bishop gift	18,650		6,647	(6,647)	(6,647)	12,003
Darkness Day		110	110		(110)	-
Retired Bishop	760		682	(682)	(682)	78
Camp for Prisoners Children	2,999	29,205	23,795	5,410	(23,795)	8,409
Camp scholarships	99	1,485		1,485		1,584
Wells mission trip		13,195	13,195		(13,195)	-
Syracuse Seawall	2,883					2,883
TOTAL	<u>\$ 36,797</u>	<u>\$ 58,400</u>	<u>\$ 60,756</u>	<u>\$ (2,356)</u>	<u>\$ (60,756)</u>	<u>\$ 34,441</u>

(See auditors' report.)

DIOCESE OF NORTHERN INDIANA OF THE EPISCOPAL CHURCH, INC.

STATEMENTS OF FUNCTIONAL EXPENSES

For the year ended December 31, 2009

UNRESTRICTED FUNDS

	Program Services	Adminis- trative	Retreat Center	Total All Funds
Assessments - national	\$ 70,198			\$ 70,198
Dues	782			782
Commissions and ministries:				
Revitalization and development	35,734			35,734
Service/Outreach	85,037			85,037
Ministries	4,944			4,944
Christian education	2,130			2,130
Youth	24,873			24,873
Clergy retreat	8,985			8,985
Millennium development	5,003			5,003
Salaries and payroll taxes		\$ 260,154		260,154
Housing		58,000		58,000
Pension, annuity and health		69,877		69,877
Other benefits		36,787		36,787
Rent		21,282		21,282
Maintenance		3,956	\$ 21,182	25,138
Telephone		8,806	580	9,386
Depreciation expense		14,210		14,210
Professional fees		4,800		4,800
Insurance - retired clergy		33,966		33,966
Convention and conferences		36,152		36,152
Travel		4,973		4,973
Minimum salary		4,806		4,806
Supplies		11,163	3,644	14,807
Postage		2,747		2,747
Other expenses	15,580	5,468		21,048
General expenses released from restrictions	7,892			7,892
Insurance		3,693	9,134	12,827
Communications		360		360
Other activity expenses (see page 22)	39,306			39,306
	<u>39,306</u>	<u>581,200</u>	<u>34,540</u>	<u>916,204</u>
TOTAL	<u>\$ 300,464</u>	<u>\$ 581,200</u>	<u>\$ 34,540</u>	<u>\$ 916,204</u>

(See auditors' report.)

DIOCESE OF NORTHERN INDIANA OF THE EPISCOPAL CHURCH, INC.

STATEMENTS OF FUNCTIONAL EXPENSES

For the year ended December 31, 2008

UNRESTRICTED FUNDS

	Program Services	Adminis- trative	Retreat Center	Total All Funds
Assessments - national	\$ 68,901			\$ 68,901
Dues	801			801
Commissions and ministries:				
Revitalization and development	35,548			35,548
Service/Outreach	7,887			7,887
Ministries	6,031			6,031
Youth	33,355			33,355
Clergy retreat	10,743			10,743
Millennium development	5,000			5,000
Salaries and payroll taxes		\$ 238,866		238,866
Housing		56,000		56,000
Pension, annuity and health		63,871		63,871
Other benefits		35,976		35,976
Rent		21,282		21,282
Maintenance		4,788	\$ 19,896	24,684
Telephone		7,098	487	7,585
Depreciation expense		15,095		15,095
Professional fees		4,810		4,810
Insurance - retired clergy		32,844		32,844
Convention and conferences		16,780		16,780
Travel		4,524		4,524
Minimum salary		4,350		4,350
Supplies		12,434	1,778	14,212
Postage		2,273		2,273
Other expenses	7,893	10,165		18,058
General expenses released from restrictions	27,360			27,360
Insurance		5,658	7,003	12,661
Communications		435		435
Other activity expenses (see page 23)	60,756			60,756
<b>TOTAL</b>	<b>\$ 264,275</b>	<b>\$ 537,249</b>	<b>\$ 29,164</b>	<b>\$ 830,688</b>

(See auditors' report.)

## FORWARD IN FAITH 12-31-09

### NEW CONGREGATIONS

The Foundation makes grants from the corpus with recommendations from the Bishop and the Revitalization and Development Committee. The money is in the Merrill Lynch income account.

Balance 1-09	\$ 385,331.48
Additions	\$ 267.14
Withdrawals	\$
Earnings	\$ 14,047.33
Fee	\$ -1,940.84
Accrued Interest	\$ -1,662.30
Realized	\$ -9,479.98
Unrealized	\$ 7,381.75
Balance12-09	\$ 393,944.58

### CONGREGATION REVITALIZATION

The Foundation makes grants from interest of corpus only, and makes loans from corpus with recommendations from the Bishop and the Revitalization and Development Committee. The money is in the Merrill Lynch income account.

Balance 1-09	\$ 545,537.63
Additions	\$ 379.97
Withdrawals	\$ -11,877.83
Earnings	\$ 19,811.90
Fee	\$ -2,731.35
Accrued Interest	\$ -2,363.06
Realized	\$ -13,438.73
Unrealized	\$ 10,526.52
Balance12-09	\$ 545,845.05

## OUTREACH

The Foundation makes grants from the interest of corpus with recommendations from the Bishop and the Social Outreach and Economic Justice Committee. The money is in the Merrill Lynch income account.

Balance 1-09	\$ 139,283.48
Additions	\$ 77,113.30
Earnings	\$ 6,684.70
Fee	\$ -979.15
Accrued Interest	\$ -678.39
Withdrawals	\$ -6,000.00
Realized	\$ -5,373.46
Unrealized	\$ 4,619.92
Balance 12-09	\$ 214,670.40

## EDUCATION

Grants are made from the interest of corpus by the Commission on Ministry with recommendations from the Bishop. The money is in the Merrill Lynch income account and the growth fund.

	<b>INCOME</b>	<b>GROWTH</b>
Balance 1-09	\$78,709.54	\$35,977.95
Additions	\$ 68.85	
Withdrawals	\$ -2,905.50	
Earnings	\$ 2,811.01	\$ 968.10
Fee	\$ -386.84	\$ -496.97
Accrued Interest	\$ -335.46	\$
Realized	\$ -1,896.76	\$ -5,175.24
Unrealized	\$ 1,474.48	\$11,654.72
Balance 12-09	\$ 77,539.32	\$42,928.56

## DIOCESAN ENDOWMENT Growth account Merrill Lynch.

Balance 1-09	\$ 264,723.36
Additions	\$
Withdrawals	\$
Earnings	\$ 7,123.15
Fee	\$ -3,656.73
Realized	\$ -38,079.10
Unrealized	\$ 85,754.66
Balance 12-09	\$ 315,865.34

*Diocese of Northern Indiana*  
**Balance Sheet (UNAUDITED)**  
OPERATING FUND 01, September 2010

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	Current Year
<hr/>	
ASSETS	
CHECKING ACCOUNTS	
Oper. Checking-Key Bank	\$23,834.75
SHORT TERM INVESTMENTS	
Certificates of Deposit	65,849.04
FIXED ASSETS	
LAND AND BUILDINGS	
Wawasee Center&All Saints	<u>300,000.00</u>
TOTAL ASSETS	<u><u>\$389,683.79</u></u>
FUND BALANCE	
Fund Balance	<u>\$389,683.79</u>
TOTAL FUND BALANCE	389,683.79
TOTAL LIABILITIES AND FUND BALANCE	<u><u>\$389,683.79</u></u>

*Diocese of Northern Indiana*  
**Income and Expense Statement (UNAUDITED)**  
 OPERATING FUND 01, September 2010

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	Current Period	Current Budget	Year to Date	Year to Date Budget	Annual Budget	YTD Budget Difference
<b>INCOME</b>						
Assessments-Congregations	\$62,526.40	\$56,420.85	\$490,224.34	\$507,787.65	\$677,050.25	-\$17,563.31
Assessments Prior Year	0.00	0.00	7,155.33	12,247.09	12,247.09	-5,091.76
Outreach Income	0.00	500.00	5,500.00	4,500.00	6,000.00	1,000.00
Miscellaneous Income	-2,810.48	0.00	0.00	0.00	0.00	0.00
Youth Income	8,100.00	1,350.00	16,200.00	12,150.00	16,200.00	4,050.00
Summer Camp Income	20.00	1,666.67	18,330.46	15,000.03	20,000.00	3,330.43
CR&D Income-Hispanic Min	4,000.00	666.67	8,000.00	6,000.03	8,000.00	1,999.97
<b>INTEREST INCOME</b>						
Checking Account Interest	20.55	25.00	178.94	225.00	300.00	-46.06
<b>INVESTMENT INCOME</b>						
Earnings on Investment	0.00	0.00	11,631.23	18,600.00	24,800.00	-6,968.77
CD gains/losses	869.99	0.00	570.21	0.00	0.00	570.21
Subtotal Investment Income	869.99	0.00	12,201.44	18,600.00	24,800.00	-6,398.56
<i>Budgeted</i>	0.00	0.00	11,631.23	18,600.00	24,800.00	-6,968.77
<i>Non-Budgeted</i>	869.99		570.21			
<b>TOTAL INCOME</b>						
	72,726.46	60,629.19	557,790.51	576,509.80	764,597.34	-18,719.29
<i>Budgeted</i>	74,666.95	60,629.19	557,220.30	576,509.80	764,597.34	-19,289.50
<i>Non-Budgeted</i>	-1,940.49		570.21			
<b>EXPENSES</b>						
<b>NATIONAL CHURCH EXPENSE</b>						
Nat'l Church Assessment	\$5,822.02	\$5,822.02	\$52,398.18	\$52,398.18	\$69,864.23	\$0.00
Provincial Synod	0.00	0.00	785.00	800.00	800.00	-15.00
Millennium Dev. Goals	0.00	407.54	3,423.35	3,667.86	4,890.50	-244.51
Subtotal National Church Expense	5,822.02	6,229.56	56,606.53	56,866.04	75,554.73	-259.51
<i>Budgeted</i>	5,822.02	6,229.56	56,606.53	56,866.04	75,554.73	-259.51
<i>Non-Budgeted</i>	0.00					
<b>REVITAL. &amp; DEVELOP.</b>						
Congregational Rev.& Dev	7,263.08	2,911.01	28,554.31	26,199.09	34,932.11	2,355.22
<b>YOUTH EXPENSE</b>						
Summer Camp Support	0.00	0.00	41,123.46	24,000.00	24,000.00	17,123.46
<b>OTHER PROGRAM EXPENSES</b>						
Commission on Ministry	0.00	500.00	1,742.61	4,500.00	6,000.00	-2,757.39
<i>Communications</i>	0.00	83.33	360.00	749.97	1,000.00	-389.97
Cursillo Support	0.00	66.67	0.00	600.03	800.00	-600.03
Ecumenical Relations	0.00	250.00	2,708.73	2,250.00	3,000.00	458.73
Outreach	0.00	500.00	5,500.00	4,500.00	6,000.00	1,000.00
Subtotal Other Program Expenses	0.00	1,400.00	10,311.34	12,600.00	16,800.00	-2,288.66
<i>Budgeted</i>	0.00	1,400.00	10,311.34	12,600.00	16,800.00	-2,288.66
<i>Non-Budgeted</i>	0.00					

*Diocese of Northern Indiana*  
**Income and Expense Statement (UNAUDITED)**  
 OPERATING FUND 01, September 2010

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	Current Period	Current Budget	Year to Date	Year to Date Budget	Annual Budget	YTD Budget Difference
<b>OFFICE OF THE BISHOP</b>						
Bishop-Stipend	6,355.33	6,355.33	57,197.97	57,197.97	76,263.99	0.00
Bishop-Housing Allowance	3,333.33	3,333.33	29,999.99	29,999.97	40,000.00	0.02
Bishop-Pension Provision	0.00	0.00	15,679.87	15,695.64	20,927.52	-15.77
Bishop-H & L Insurance	1,223.50	1,173.99	11,011.50	10,565.91	14,087.90	445.59
Bishop-Cont Ed & Wellness	0.00	83.00	1,415.31	747.00	1,000.00	668.31
Bishop-Auto and Expense	1,599.43	2,083.33	18,132.57	18,749.97	25,000.00	-617.40
<b>Subtotal Office Of The Bishop</b>	<b>12,511.59</b>	<b>13,028.98</b>	<b>133,437.21</b>	<b>132,956.46</b>	<b>177,279.41</b>	<b>480.75</b>
<i>Budgeted</i>	<i>12,511.59</i>	<i>13,028.98</i>	<i>133,437.21</i>	<i>132,956.46</i>	<i>177,279.41</i>	<i>480.75</i>
<i>Non-Budgeted</i>	<i>0.00</i>					
<b>CANON TO THE ORDINARY</b>						
Canon-Stipend	5,512.51	5,512.51	49,612.59	49,612.59	66,150.14	0.00
Canon-Housing Allowance	1,666.67	1,666.67	15,000.03	15,000.03	20,000.00	0.00
Canon-Pension Provision	0.00	0.00	11,614.52	11,630.25	15,507.03	-15.73
Canon-H & L Insurance	758.50	791.80	6,826.50	7,126.20	9,501.60	-299.70
Canon-Cont Ed & Wellness	0.00	83.00	30.97	747.00	1,000.00	-716.03
Canon-Auto and Expense	362.19	666.67	6,872.15	6,000.03	8,000.00	872.12
<b>Subtotal Canon To The Ordinary</b>	<b>8,299.87</b>	<b>8,720.65</b>	<b>89,956.76</b>	<b>90,116.10</b>	<b>120,158.77</b>	<b>-159.34</b>
<i>Budgeted</i>	<i>8,299.87</i>	<i>8,720.65</i>	<i>89,956.76</i>	<i>90,116.10</i>	<i>120,158.77</i>	<i>-159.34</i>
<i>Non-Budgeted</i>	<i>0.00</i>					
<b>VOCATIONS DIRECTOR</b>						
Vocat. Director.-Stipend	1,544.16	1,544.17	13,897.45	13,897.53	18,530.00	-0.08
Vocat. Dir-Housing Allow	250.00	250.00	2,250.00	2,250.00	3,000.00	0.00
Vocat. Dir-Auto and Expen	0.00	83.33	0.00	749.97	1,000.00	-749.97
<b>Subtotal Vocations Director</b>	<b>1,794.16</b>	<b>1,877.50</b>	<b>16,147.45</b>	<b>16,897.50</b>	<b>22,530.00</b>	<b>-750.05</b>
<i>Budgeted</i>	<i>1,794.16</i>	<i>1,877.50</i>	<i>16,147.45</i>	<i>16,897.50</i>	<i>22,530.00</i>	<i>-750.05</i>
<i>Non-Budgeted</i>	<i>0.00</i>					
<b>OTHER STAFF EXPENSES</b>						
Salary-Camp Director	0.00	0.00	6,000.00	6,000.00	6,000.00	0.00
Salary-Diocesan Secretary	3,336.66	3,336.67	30,029.95	30,030.03	40,040.00	-0.08
Salary-Dioc. Treasurer	2,134.82	2,134.83	19,213.39	19,213.47	25,617.95	-0.08
Salary-Wawasee Director	506.54	217.20	2,352.60	1,954.80	2,606.36	397.80
Salary-Sr. Hi Camp Direct	833.33	833.33	7,499.97	7,499.97	10,000.00	0.00
Staff-Payroll Taxes	507.92	537.19	4,871.38	4,834.71	6,446.22	36.67
Staff-Pension Provision	492.44	857.05	7,822.78	7,713.45	10,284.62	109.33
Staff-Travel	0.00	416.67	3,299.88	3,750.03	5,000.00	-450.15
Staff-Life & Medical Ins	1,255.80	1,481.80	14,302.20	13,336.20	17,781.60	966.00
<b>Subtotal Other Staff Expenses</b>	<b>9,067.51</b>	<b>9,814.74</b>	<b>95,392.15</b>	<b>94,332.66</b>	<b>123,776.75</b>	<b>1,059.49</b>
<i>Budgeted</i>	<i>9,067.51</i>	<i>9,814.74</i>	<i>95,392.15</i>	<i>94,332.66</i>	<i>123,776.75</i>	<i>1,059.49</i>
<i>Non-Budgeted</i>	<i>0.00</i>					

**Diocese of Northern Indiana**  
**Income and Expense Statement (UNAUDITED)**  
**OPERATING FUND 01, September 2010**

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	Current Period	Current Budget	Year to Date	Year to Date Budget	Annual Budget	YTD Budget Difference
<b>ADMINISTRATIVE EXPENSES</b>						
Audit Fees	0.00	400.83	0.00	3,607.47	4,810.00	-3,607.47
Clergy Assistance	0.00	417.00	2,280.21	3,753.00	5,000.00	-1,472.79
Clergy Retreat & Conferen	100.00	916.67	6,998.77	8,250.03	11,000.00	-1,251.26
Conferences-Other	0.00	158.00	630.00	1,422.00	1,900.00	-792.00
Diaconal Ministry Expense	0.00	75.00	0.00	675.00	900.00	-675.00
Equipment Expense	770.00	478.00	4,565.37	4,302.00	5,740.00	263.37
Hospitality	64.26	250.00	2,476.21	2,250.00	3,000.00	226.21
Insur-Retr'd Clgy & Widow	3,375.00	3,041.67	32,229.00	27,375.03	36,500.00	4,853.97
Insurance-Other	0.00	500.00	3,882.75	4,500.00	6,000.00	-617.25
Office Utilization	1,773.50	1,774.00	15,961.50	15,966.00	21,282.00	-4.50
Postage	-7.67	250.00	1,254.30	2,250.00	3,000.00	-995.70
Maintenance	180.60	333.33	3,489.50	2,999.97	4,000.00	489.53
Standing Committee Expens	0.00	33.33	285.99	299.97	400.00	-13.98
Supplies	91.40	626.00	2,565.05	5,634.00	7,500.00	-3,068.95
Telephone	846.91	566.67	6,113.13	5,100.03	6,800.00	1,013.10
<b>Subtotal Administrative Expenses</b>	<b>7,194.00</b>	<b>9,820.50</b>	<b>82,731.78</b>	<b>88,384.50</b>	<b>117,832.00</b>	<b>-5,652.72</b>
<i>Budgeted</i>	<i>7,194.00</i>	<i>9,820.50</i>	<i>82,731.78</i>	<i>88,384.50</i>	<i>117,832.00</i>	<i>-5,652.72</i>
<i>Non-Budgeted</i>	<i>0.00</i>					
<b>DIOCESAN CONVENTION</b>						
Diocesan Convention Costs	-1,068.00	333.33	-1,280.00	2,999.97	4,000.00	-4,279.97
Secretarial Costs-Convent	0.00	83.33	500.00	749.97	1,000.00	-249.97
<b>Subtotal Diocesan Convention</b>	<b>-1,068.00</b>	<b>416.66</b>	<b>-780.00</b>	<b>3,749.94</b>	<b>5,000.00</b>	<b>-4,529.94</b>
<i>Budgeted</i>	<i>-1,068.00</i>	<i>416.66</i>	<i>-780.00</i>	<i>3,749.94</i>	<i>5,000.00</i>	<i>-4,529.94</i>
<i>Non-Budgeted</i>	<i>0.00</i>					
<b>OTHER MISCELLANEOUS</b>						
Bank Service Charges	3.50	12.50	70.75	112.50	150.00	-41.75
Contingent & Emergencies	0.00	300.27	3,416.10	2,702.43	3,603.27	713.67
<b>Subtotal Other Miscellaneous</b>	<b>3.50</b>	<b>312.77</b>	<b>3,486.85</b>	<b>2,814.93</b>	<b>3,753.27</b>	<b>671.92</b>
<i>Budgeted</i>	<i>3.50</i>	<i>312.77</i>	<i>3,486.85</i>	<i>2,814.93</i>	<i>3,753.27</i>	<i>671.92</i>
<i>Non-Budgeted</i>	<i>0.00</i>					
<b>* INVESTMENT EXPENSES</b>						
Realized Losses	47,189.52	0.00	47,189.52	0.00	0.00	47,189.52
<b>TOTAL EXPENSES</b>	<b>98,077.25</b>	<b>54,532.37</b>	<b>604,157.36</b>	<b>548,917.22</b>	<b>721,617.04</b>	<b>55,240.14</b>
<i>Budgeted</i>	<i>50,887.73</i>	<i>54,532.37</i>	<i>556,967.84</i>	<i>548,917.22</i>	<i>721,617.04</i>	<i>8,050.62</i>
<i>Non-Budgeted</i>	<i>47,189.52</i>		<i>47,189.52</i>			
<b>TRANSFER ACCOUNTS</b>						
Transfer from budget	\$0.00	-\$2,583.33	-\$16,930.00	-\$23,249.97	-\$31,000.00	\$6,319.97
<b>TOTAL TRANSFERS</b>	<b>0.00</b>	<b>-2,583.33</b>	<b>-16,930.00</b>	<b>-23,249.97</b>	<b>-31,000.00</b>	<b>6,319.97</b>
<i>Budgeted</i>	<i>0.00</i>	<i>-2,583.33</i>	<i>-16,930.00</i>	<i>-23,249.97</i>	<i>-31,000.00</i>	<i>6,319.97</i>
<i>Non-Budgeted</i>	<i>0.00</i>					
<b>EXCESS INCOME\EXPENSES</b>						
	<b>-\$25,350.79</b>	<b>\$3,513.49</b>	<b>-\$63,296.85</b>	<b>\$4,342.61</b>	<b>\$11,980.30</b>	<b>-\$67,639.46</b>
<i>Budgeted</i>	<i>23,779.22</i>	<i>3,513.49</i>	<i>-16,677.54</i>	<i>4,342.61</i>	<i>11,980.30</i>	<i>-21,020.15</i>
<i>Non-Budgeted</i>	<i>-49,130.01</i>		<i>-46,619.31</i>			

\* Loss on sale of property in Monticello

DIOCESE OF NORTHERN INDIANA  
SEPTEMBER 30, 2010

PARISH	ASSESSMENT	ADJUSTED	DUE MONTHLY	DUE 9-30-2010	PAID 9-30-2010	PAST DUE	OVERPAYMENT
ANGOLA, HOLY FAMILY	\$ 7,329.40		\$ 610.78	\$ 5,497.02	\$ 5,497.06		0.04
BERNE, ST GEORGE	\$ 3,481.06		\$ 290.09	\$ 2,610.81	\$ 2,610.79	\$ 0.02	
BRISTOL, ST JOHN'S	\$ 14,413.13		\$ 1,201.09	\$ 10,809.81	\$ 10,809.81		
CHESTERTON, ST FRANCIS'	\$ 8,946.32		\$ 745.53	\$ 6,709.77	\$ 6,709.77		
CROWN POINT, ST. CHRISTOPHER'S	\$ 8,065.88		\$ 672.16	\$ 6,049.44	\$ 6,049.44		
CULVER, ST. ELIZABETH	\$ 4,713.27		\$ 392.77	\$ 3,534.93	\$ 3,534.93		
EAST CHICAGO, GOOD SHEPHERD	\$ 3,578.91		\$ 298.24	\$ 2,684.16	\$ 2,684.16		
ELKHART, ST. DAVIDS	\$ 18,446.82		\$ 1,537.24	\$ 13,835.16	\$ 12,354.40	\$ 1,480.76	
ELKHART, ST. JOHN THE EVANGELIST	\$ 44,170.95		\$ 3,660.91	\$ 33,128.19	\$ 33,128.19		
FORT WAYNE, GRACE CHURCH	\$ 28,307.67		\$ 2,358.97	\$ 21,230.73	\$ 18,871.76	\$ 2,358.97	
FORT WAYNE, ST. ALBANS	\$ 13,739.99	\$ 12,000.00	\$ 1,145.00	\$ 10,305.00	\$ 10,305.00		
FORT WAYNE, TRINITY	\$ 80,665.94		\$ 6,722.16	\$ 60,499.44	\$ 60,499.44		
GARY, ST. AUGUSTINES	\$ 13,385.51		\$ 1,115.46	\$ 10,039.14	\$ 8,924.40	\$ 1,114.74	
GARY, ST. BARNABAS IN THE DUNES	\$ 5,306.76		\$ 442.23	\$ 3,980.07	\$ 3,095.61	\$ 884.46	
GAS CITY, ST. PAUL'S	\$ 4,459.13		\$ 371.59	\$ 3,344.31	\$ 3,344.31		
GOSHEN, ST. JAMES'	\$ 7,373.51		\$ 614.46	\$ 5,530.14	\$ 5,530.14		
GRIFFITH, ST. TIMOTHY'S	\$ 9,880.75		\$ 823.40	\$ 7,410.60	\$ 6,587.20	\$ 823.40	
HOBART, ST. STEPHEN'S	\$ 8,160.14		\$ 660.01	\$ 6,120.09	\$ 4,760.07	\$ 1,360.02	
HOWE, ST. MARKS	\$ 5,349.21		\$ 445.77	\$ 4,011.93	\$ 4,011.93		
HUNTINGTON, CHRIST THE KING	\$ 10,553.90	\$ 3,000.00	\$ 877.83	\$ 7,900.47	\$ 3,887.40	\$ 4,013.07	
KOKOMO, ST. ANDREW	\$ 57,872.59		\$ 4,822.72	\$ 43,404.48	\$ 43,404.48		
LAPORTE, ST. PAUL'S	\$ 19,058.23	\$ 6,352.75	\$ 1,588.19	\$ 14,293.71	\$ 12,705.52	\$ 1,588.19	
LOGANSPOUT, TRINITY	\$ 10,567.66		\$ 880.64	\$ 7,925.76	\$ 7,927.66		\$ 1.90
MARION, GETHESEMANE	\$ 24,866.79		\$ 2,071.40	\$ 18,642.60	\$ 18,642.60		
MICHIGAN CITY, ST ANDREW'S BY THE LAKE	\$ 4,363.25	\$ 4,400.00	\$ 363.60	\$ 3,272.40	\$ 3,272.40		
MICHIGAN CITY, TRINITY	\$ 15,860.09	\$ 8,000.00	\$ 1,321.67	\$ 11,895.03	\$ 9,251.69	\$ 2,643.34	
MISHAWAKA, ST. PAUL'S	\$ 24,162.70		\$ 2,013.56	\$ 18,122.04	\$ 18,122.04		
MUNSTER, ST. PAUL'S	\$ -	\$ 27,334.72					
PLYMOUTH, ST. THOMAS'	\$ 15,347.77	\$ 8,000.00	\$ 1,278.98	\$ 11,510.82	\$ 11,510.82		
RENSSELAER, ST. PETERS	\$ 1,137.21		\$ 94.77	\$ 852.93	\$ 93.52	\$ 759.41	
SOUTH BEND, CATHEDRAL OF ST JAMES	\$ 52,524.08		\$ 4,377.01	\$ 39,393.09	\$ 39,511.73		\$ 118.64
SOUTH BEND, HOLY TRINITY	\$ 7,892.27		\$ 657.69	\$ 5,919.21	\$ 5,261.52	\$ 657.69	
SOUTH BEND, ST MICHAEL'S	\$ 38,478.21		\$ 3,206.52	\$ 28,858.68	\$ 28,858.68		
SYRACUSE, ALL SAINTS'	\$ 4,099.42		\$ 341.62	\$ 3,074.58	\$ 3,074.58		
VALPARAISO, ST. ANDREWS	\$ 47,616.70		\$ 3,968.06	\$ 35,712.54	\$ 35,712.54		
WARSAW, ST. ANNE'S	\$ 52,905.03		\$ 4,408.75	\$ 39,678.75	\$ 39,678.75		
TOTAL	\$ 677,050.25	\$ 69,087.47	\$ 56,420.87	\$ 507,787.83	\$ 490,224.34	\$ 17,684.07	\$ 120.58

	Current Year
<b>ASSETS</b>	
<b>CHECKING ACCOUNTS</b>	
Oper. Checking-Key Bank	\$90,928.51
Discretionary Fund	11,812.48
Subtotal Checking Accounts	102,740.99
<b>SHORT TERM INVESTMENTS</b>	
Certificates of Deposit	65,849.04
<b>LONG TERM INVESTMENTS</b>	
ML-Episcopate Fund	128,773.77
ML-Bshp. Assoc. Growth	7,821.42
ML-Bshp. Assoc. Income	23,596.07
ML-Gen'l Convention Fun	199.06
ML-Historiographer Fund	3,287.23
ML-Lambeth Fund	4,877.88
ML-Sabbatical Fund	13,985.76
ML-WCRS Endowment IncFu	297,386.26
ML-Youth Ministries	21,874.98
ML-Wawasee Inc. Fund	7,567.55
ML-WCRS Growth Fund	287,746.98
ML-Delphi Fund	212,042.71
ML-Education Growth Fun	39,107.05
ML-Emma Wallach Fund	56,740.88
BA-Krause Fund	8,243.30
ML-Krause Fund	18,999.39
ML-Education Inc fund	77,313.01
ML-Election of 8th Bish	20,149.89
ML-Clergy Conferences	11,239.73
ML Rally fund	4,280.99
Subtotal Long Term Investments	1,245,233.91
<b>FIXED ASSETS</b>	
<b>LAND AND BUILDINGS</b>	
Wawasee Center&All Saints	300,000.00
<b>TOTAL ASSETS</b>	<b>\$1,713,823.94</b>
<b>FUND BALANCE</b>	
Fund Balance	\$1,713,823.94
<b>TOTAL FUND BALANCE</b>	1,713,823.94
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$1,713,823.94</b>

September 2010

Fund	Beginning Balance	Direct Transactions	Income	Expense	Transfer	Ending Balance
01 - OPERATING FUND	3,615,034.58	-3,200,000.00	72,726.46	98,077.25	0.00	389,683.79
January 2010 - September 2010	3,652,980.64	-3,200,000.00	557,790.51	604,157.36	-16,930.00	389,683.79
02 - UR-WAWASEE FUND	15,085.09	0.00	1,586.13	2,962.42	0.00	13,708.80
January 2010 - September 2010	10,642.49	0.00	24,731.08	24,664.77	3,000.00	13,708.80
03 - UR-COMPANEROS EN	16,772.26	0.00	0.00	0.00	0.00	16,772.26
January 2010 - September 2010	14,337.83	0.00	4,781.48	11,347.05	9,000.00	16,772.26
04 - UR-YOUTH FUND	3,877.94	0.00	0.00	13.20	0.00	3,864.74
January 2010 - September 2010	168.78	0.00	8,534.67	9,768.71	4,930.00	3,864.74
06 - UR-ML EPISCOPATE	128,773.77	0.00	0.00	0.00	0.00	128,773.77
January 2010 - September 2010	128,980.43	0.00	2,632.77	2,839.43	0.00	128,773.77
07 - UR-ML BSHP.ASSOC.	7,821.42	0.00	0.00	0.00	0.00	7,821.42
January 2010 - September 2010	8,585.73	0.00	398.33	1,162.64	0.00	7,821.42
08 - UR-ML BSHP.ASSOC. INCOME	23,596.07	0.00	0.00	0.00	0.00	23,596.07
January 2010 - September 2010	23,238.02	0.00	447.72	89.67	0.00	23,596.07
09 - UR-ML EQUIPMENT FUND	0.00	0.00	0.00	0.00	0.00	0.00
January 2010 - September 2010	0.00	0.00	0.00	0.00	0.00	0.00
10 - UR-ML GEN'L CONVENTION	199.06	0.00	0.00	0.00	0.00	199.06
January 2010 - September 2010	0.00	0.00	199.30	0.24	0.00	199.06
11 - UR-ML HISTORIOGRAPHER F	3,287.23	0.00	0.00	0.00	0.00	3,287.23
January 2010 - September 2010	3,237.33	0.00	62.39	12.49	0.00	3,287.23
12 - UR-ML LAMBETH FUND	4,877.88	0.00	0.00	0.00	0.00	4,877.88
January 2010 - September 2010	4,803.86	0.00	92.55	18.53	0.00	4,877.88
13 - UR-LAMBETH FUND WACHVIA	0.00	0.00	0.00	0.00	0.00	0.00
January 2010 - September 2010	0.00	0.00	0.00	0.00	0.00	0.00
14 - UR-ML SABBATICAL	13,985.76	0.00	0.00	0.00	0.00	13,985.76
January 2010 - September 2010	13,773.53	0.00	265.38	53.15	0.00	13,985.76
15 - UR-ML CENTENNIAL FUND	0.00	0.00	0.00	0.00	0.00	0.00
January 2010 - September 2010	0.00	0.00	0.00	0.00	0.00	0.00
16 - UR-ML WCRS ENDOWMENT F	297,386.26	0.00	0.00	0.00	0.00	297,386.26
January 2010 - September 2010	298,200.84	0.00	5,747.70	6,562.28	0.00	297,386.26
17 - UR-ML YOUTH MINISTRIES	13,774.98	0.00	0.00	-8,100.00	0.00	21,874.98
January 2010 - September 2010	21,620.76	0.00	327.96	73.74	0.00	21,874.98
18 - TR-ML WAWASEE FUND	7,567.55	0.00	0.00	0.00	0.00	7,567.55
January 2010 - September 2010	7,452.72	0.00	143.59	28.76	0.00	7,567.55
19 - TR-ML WCRS GROWTH FUND	287,746.98	0.00	0.00	0.00	0.00	287,746.98
January 2010 - September 2010	315,865.34	0.00	14,654.58	42,772.94	0.00	287,746.98

September 2010

Fund	Beginning Balance	Direct Transactions	Income	Expense	Transfer	Ending Balance
20 - TR-ML DELPHI FUND	212,042.71	0.00	0.00	0.00	0.00	212,042.71
January 2010 - September 2010	212,597.75	0.00	4,123.63	4,678.67	0.00	212,042.71
21 - TR- ML EDUCATION GROWTH	39,107.05	0.00	0.00	0.00	0.00	39,107.05
January 2010 - September 2010	42,928.56	0.00	1,991.67	5,813.18	0.00	39,107.05
22 - TR-ML EMMA WALLACH FUN	56,740.88	0.00	0.00	0.00	0.00	56,740.88
January 2010 - September 2010	53,522.68	0.00	3,516.99	298.79	0.00	56,740.88
23 - TR-BA KRAUSE FUND	8,243.30	0.00	0.00	0.00	0.00	8,243.30
January 2010 - September 2010	9,455.63	0.00	352.59	1,564.92	0.00	8,243.30
24 - TR-ML SEMINARIAN FUND	0.00	0.00	0.00	0.00	0.00	0.00
January 2010 - September 2010	0.00	0.00	0.00	0.00	0.00	0.00
25 - PR-ML KRAUSE FUND	18,999.39	0.00	0.00	0.00	0.00	18,999.39
January 2010 - September 2010	19,055.00	0.00	363.69	419.30	0.00	18,999.39
26 - PR-ML EDUCATION INCOME	77,313.01	0.00	0.00	0.00	0.00	77,313.01
January 2010 - September 2010	77,539.32	0.00	1,479.92	1,706.23	0.00	77,313.01
27 - TR-ML SOCIAL MINISTRY	0.00	0.00	0.00	0.00	0.00	0.00
January 2010 - September 2010	0.00	0.00	0.00	0.00	0.00	0.00
28 - UR-SPECIAL OFFERINGS	19,851.62	0.00	0.00	1,185.70	0.00	18,665.92
January 2010 - September 2010	19,574.55	0.00	6,216.37	7,125.00	0.00	18,665.92
29 - DISCRETIONARY FUND	13,524.98	0.00	-1,472.50	240.00	0.00	11,812.48
January 2010 - September 2010	6,484.88	0.00	12,907.52	7,579.92	0.00	11,812.48
30 - ML-ELECTION OF 8TH BISHOP	20,149.89	0.00	0.00	0.00	0.00	20,149.89
January 2010 - September 2010	19,844.11	0.00	382.34	76.56	0.00	20,149.89
31 - CLERGY INSURANCE	2,428.78	0.00	9,141.37	10,356.69	0.00	1,213.46
January 2010 - September 2010	-2,225.72	0.00	96,649.39	93,210.21	0.00	1,213.46
32 - ML-CLERGY CONFERENCES	11,239.73	0.00	0.00	0.00	0.00	11,239.73
January 2010 - September 2010	11,069.17	0.00	213.27	42.71	0.00	11,239.73
33 - ML-WAWASEE PROPERTY	0.00	0.00	0.00	0.00	0.00	0.00
January 2010 - September 2010	0.00	0.00	0.00	0.00	0.00	0.00
34 - ML-RALLY FUND	4,280.99	0.00	0.00	0.00	0.00	4,280.99
January 2010 - September 2010	4,216.03	0.00	88.00	23.04	0.00	4,280.99
36 - CAMP CHILDRENOF	12,868.58	0.00	0.00	0.00	0.00	12,868.58
January 2010 - September 2010	3,823.81	0.00	15,305.26	6,260.49	0.00	12,868.58
<b>Totals</b>	<b>4,936,577.74</b>	<b>-3,200,000.00</b>	<b>81,981.46</b>	<b>104,735.26</b>	<b>0.00</b>	<b>1,713,823.94</b>
January 2010 - September 2010	<b>4,981,774.07</b>	<b>-3,200,000.00</b>	<b>764,400.65</b>	<b>832,350.78</b>	<b>0.00</b>	<b>1,713,823.94</b>

THE DIOCESE OF NORTHERN INDIANA, INC.  
 PAYMENTS MADE ON 2009 ASSESSMENTS  
 1-1-10 to 9-30-10

PARISH

Angola, Holy Family	\$649.51
Elkhart, St. David's	\$6,621.89 forgiven by council
Gary, St. Augustine's	\$2,368.20
Gary, St. Barnabas'	\$2,953.46
Griffith, St. Timothy's	\$owes \$778.94
Hobart, St. Stephen's	\$1,091.64
Munster, St. Paul's	\$9,628.87 forgiven by council
Rensselaer, St. Peter's	\$ 92.52
TOTAL	\$7,155.33



TOTAL MERRILL

Primary Account: 620-02044

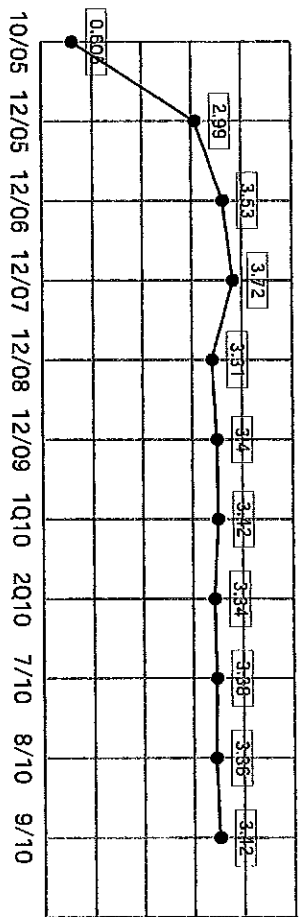
# YOUR MERRILL LYNCH REPORT

EPISCOPAL DIOCESE OF N INDIANA  
 117 N LAFAYETTE BLVD  
 SOUTH BEND IN 46601-1507

## PORTFOLIO SUMMARY

	September 30	August 31	Month Change
<b>Net Portfolio Value</b>	<b>\$3,416,786.78</b>	<b>\$3,359,167.13</b>	<b>\$57,619.65</b> ▲
Your assets	\$3,416,786.78	\$3,359,167.13	\$57,619.65 ▲
Your liabilities <sup>1</sup>	-	-	-
Your Net Cash Flow (Inflows/Outflows)	(\$11,964.11)	\$1.35	-
Securities You Transferred In/Out	-	-	-
<b>Subtotal Net Contributions</b>	<b>(\$11,964.11)</b>	<b>\$1.35</b>	-
Your Dividends/Interest Income	\$8,309.52	\$5,917.32	\$2,392.20
Your Market Change	\$61,274.24	(\$30,046.71)	\$91,320.95
<b>Subtotal Investment Earnings</b>	<b>\$69,583.76</b>	<b>(\$24,129.39)</b>	<b>\$93,713.15</b>

Net Portfolio Value (in millions), 2005-2010



<sup>1</sup> Includes cash/margin debit balances and short market values. See Your Balance Sheet and account statements for more details.

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Need Investment Guidance? Call Your Financial Advisor

Your Financial Advisor:  
 THE SIMON BISSELL GROUP  
 100 NORTH MICHIGAN SUITE 500  
 SOUTH BEND IN 46601  
 (574) 282-3649

Primary Account: 620-02044

24-Hour Assistance: (800) MERRILL

# YOUR ACCOUNTS

September 01, 2010 - September 30, 2010

Account No. Account Type/Managing Firm September 30 August 31 Page

## BEYOND BANKING

Ask your Financial Advisor about the Merrill Accolades™ American Express® Card with premium travel benefits.

## INVESTMENTS

EPISCOPAL DIOCESE OF N INDIANA	620-02044	EMA/BlackRock Sh-Term Tax FI (R)	2,710,659.96	2,715,556.80	6*
EPISCOPAL DIOCESE OF N INDIANA	620-02045	EMA/BlackRock WDP All Equity	706,126.82	643,610.33	15*
<i>Subtotal</i>			<b>3,416,786.78</b>	<b>3,359,167.13</b>	

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These summary reports are provided for informational purposes only and contain information from accounts linked for delivery in a single package. The underlying accounts may have different owners and use of "you" or "your" in these reports refer to all owners. The enclosed separate account statements are the official record for each account.



TOTAL MERRILL

Primary Account: 620-02044

# YOUR BALANCE SHEET (for your ML accounts)

September 01, 2010 - September 30, 2010

## ASSETS

	September 30	August 31
Cash/Money Accounts	83,034.95	83,687.80
Fixed Income	2,640,600.11	2,639,217.79
Equities	607,358.26	556,435.53
Mutual Funds	70,143.53	63,424.90
Options	-	-
Other	-	-
<i>Subtotal (Long Portfolio)</i>	<b>3,401,136.85</b>	<b>3,342,766.02</b>
Estimated Accrued Interest	15,649.93	16,401.11
<b>TOTAL ASSETS</b>	<b>\$3,416,786.78</b>	<b>\$3,359,167.13</b>

## LIABILITIES

Margin Loan/Debit Balance	-	-
Short Market Value	-	-
<i>Subtotal</i>	-	-
<b>NET PORTFOLIO VALUE</b>	<b>\$3,416,786.78</b>	<b>\$3,359,167.13</b>

## OTHER LIABILITIES (not included in Net Portfolio Value)

Loan Management Account <sup>(1)</sup>	-	-
Mortgages	-	-
Home Equity Loans	-	-
Business Loans	-	-
<i>Subtotal</i>	-	-
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>-</b>

<sup>(1)</sup> Secured by assets in a Merrill Lynch account

## CASH FLOW

	This Report	Year to Date
<b>Opening Cash/Money Accounts</b>	<b>\$83,687.80</b>	
<b>CREDITS</b>		
Funds Received	791.20	7,482.88
Electronic Transfers	-	-
Other Credits	-	55.24
<i>Subtotal</i>	<b>791.20</b>	<b>7,538.12</b>
<b>DEBITS</b>		
Electronic Transfers	-	-
Margin Interest Charged	-	-
Other Debits	(12,755.31)	(84,437.71)
Visa Purchases (debits)	-	-
ATM/Cash Advances	-	-
Checks Written/Bill Payment	-	-
<i>Subtotal</i>	<b>(12,755.31)</b>	<b>(84,437.71)</b>
<b>Net Cash Flow</b>	<b>(\$11,964.11)</b>	<b>(\$76,899.59)</b>
Dividends/Interest Income	8,309.52	58,256.16
Security Purchases/Debits	(30,235.82)	(1,471,420.72)
Security Sales/Credits	33,237.56	1,535,215.64
<b>Closing Cash/Money Accounts</b>	<b>\$83,034.95</b>	
Securities You Transferred In/Out	-	4,961.25

Primary Account: 620-02044

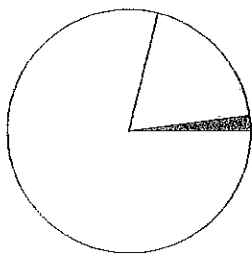
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# YOUR PORTFOLIO REVIEW

September 01, 2010 - September 30, 2010

## ASSET ALLOCATION \*

Estimated Accrued Interest not included  
May not reflect all holdings



**Percent**

- Fixed Income 79%
- Equities 19%
- Cash/Money Accounts 2%

**TOTAL 100%**

\* Includes the categorical values for the underlying portfolio of individual mutual funds, closed end funds, and UITs

## BOND MATURITY SCHEDULE

Does not include Fixed Income Mutual Funds

Maturity Years	% of Total Bond Assets	Par Value	Estimated Market Value
<1	11%	274,000	279,247.87
1-2	43%	1,114,000	1,143,814.36
2-5	46%	1,174,000	1,217,537.88
<b>Total</b>	<b>100%</b>	<b>2,562,000</b>	<b>\$2,640,600.11</b>

## CURRENT INCOME



	This Report	Year To Date
Tax-Exempt Interest	5,777.88	46,901.65
Taxable Dividends	2,531.64	11,354.51
<b>Total</b>	<b>\$8,309.52</b>	<b>\$58,256.16</b>

**Your Estimated Annual Income \$76,884.96**

## TOP FIVE PORTFOLIO HOLDINGS

Based on Estimated Market Value

Security	Current Value	% of Portfolio
U.S. TREASURY NOTE	190,056.72	5.59%
U.S. TREASURY NOTE	174,418.32	5.13%
FEDERAL HOME LN MTG CORP	165,492.72	4.87%
U.S. TREASURY NOTE	152,895.00	4.50%
U.S. TREASURY NOTE	151,443.81	4.45%



TOTAL MERRILL

Primary Account: 620-02044

# YOUR MONTHLY INCOME & GAIN/(LOSS) REVIEW

September 01, 2010 - September 30, 2010

## INCOME SUMMARY

Account No.	This Report					Year to Date				
	Tax-Exempt Interest	Taxable Interest	Tax-Exempt Dividends	Taxable Dividends	Total This Report Income	Tax-Exempt Interest	Taxable Interest	Tax-Exempt Dividends	Taxable Dividends	Total YTD Income
620-02044	-	5,778	-	3	5,781	-	46,902	-	90	46,991
620-02045	-	-	-	2,529	2,529	-	-	-	11,265	11,265
<b>TOTAL</b>	-	\$5,778	-	\$2,532	\$8,310	-	\$46,902	-	\$11,355	\$58,256

## GAIN/(LOSS) SUMMARY

Account No.	Realized Gains/(Losses)			Long Term Capital Gain Distributions			Unrealized Gains/(Losses)		
	This Report Short Term	YTD Short Term	This Report Long Term	Year To Date	Short Term	Long Term	Short Term	Long Term	
620-02044	-	446.77	-	-	24,305.57	26,984.60	-	-	
620-02045	2,265.85	5,701.53	480.60	-	11,990.88	(5,155.04)	-	-	
<b>TOTAL</b>	\$2,265.85	\$6,148.30	\$480.60	-	\$36,296.45	\$21,829.56	-	-	