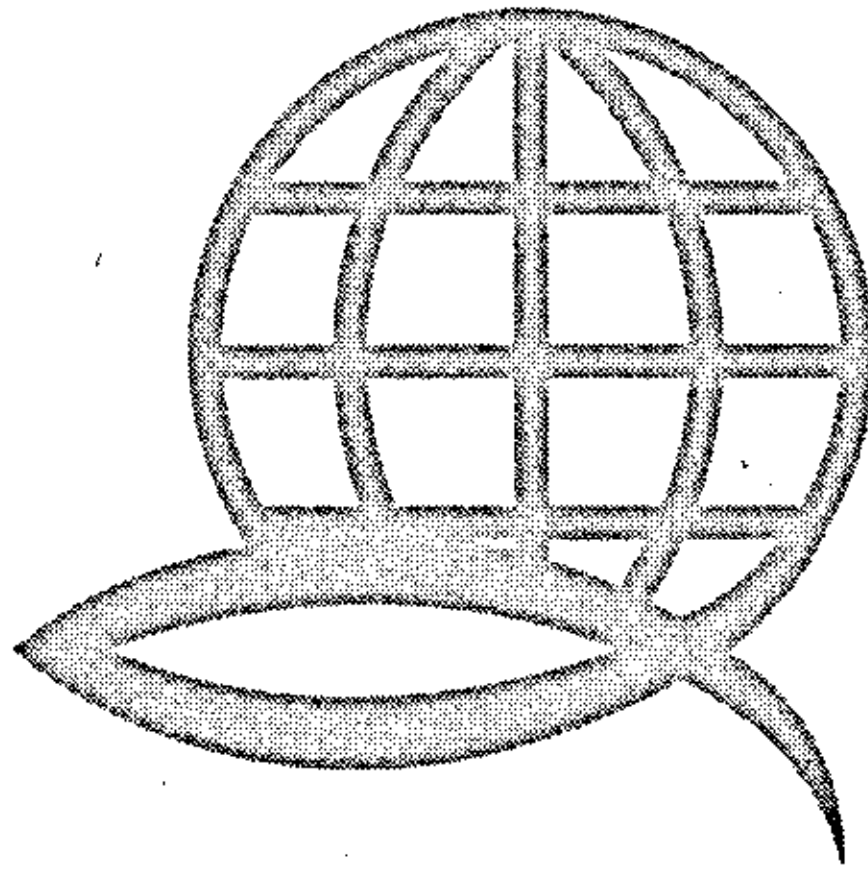


Minutes
of the
One-Hundred Fourteenth Annual Session
of the
Arkansas State Association
of
Free Will Baptists

Camp Beaverfork
Conway, Arkansas
August 8-9, 2011



Moderator of the 114th Session

Nelson Henderson
P.O. Box 86
Pocahontas, Arkansas 72455

Clerk for the 114th Session

Wendell Leckbee
3731 Lakeshore Drive
North Little Rock, Arkansas 72116

MINUTES
of the
114th Annual Session
of the
ARKANSAS STATE ASSOCIATION OF
FREE WILL BAPTISTS

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OFFICERS AND STANDING BOARDS

2011-2012

EXECUTIVE BOARD

Bobby Shepherd.....	2012
Mark Stripling.....	2012
Kevin Barnett.....	2013
Will Harmon	2013
Paul Payne.....	2014
David Taylor	2014

MISSION BOARD

Ken Winningham	2012
Jeff Holland.....	2012
Joe Short.....	2013
Blaine Rogers.....	2013
Michael Morrison.....	2014
David Winfrey.....	2014

YOUTH BOARD

Tim Foreman.....	2012
Jason Nichols	2012
Alan Thomas	2013
B.J. Duvall	2013
Jason Sullivan	2014
Joey Postlewaite.....	2014

CHRISTIAN EDUCATION BOARD

Clark Snow.....	2012
Kendall Ross	2012
Ryan Johnson	2013
Greig Caswell.....	2013
Cody Alley	2014
David Ponder	2014

MODERATOR.....	Nelson Henderson
ASSISTANT MODERATOR.....	Randy Scott
CLERK	Wendell Leckbee
ASSISTANT CLERK	Keith Bowden

OFFICERS OF DISTRICT ASSOCIATIONS

ANTIOCH

Moderator-Denver Robinson
297 Highway 247
Casa, AR 72025
(501)727-5432

Clerk-Robert Williams
3894 Hwy 9
Springfield, AR 72157
(501)354-4857

ARKANSAS

Moderator-David Williams
P.O. Box 63
Harvey, AR 72841
(479)299-4967

Clerk-Mandy Frazer
6005 Wagon Wheel Lane
Danville, AR 72833
(479)637-3114

CENTRAL

Moderator-Marshall Smith
1206 Foxwood Drive
Jacksonville, AR 72076
(501)982-2633
mmarshes@aristotle.net

Clerk-Lori Hudman
618 Madden Road
Jacksonville, AR 72076
(501)749-1334
hogcomet@gmail.com

FELLOWSHIP

Moderator-David Bishop
403 Avenue 2 NE
Atkins, AR 72823
(479)641-7520
davidbishop@arkansas.net

Clerk-Keith Bowden
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keithbowden@suddenlink.net

HARMONY

Moderator-Ronnie Garrett
P. O. Box 96
Plainview, AR 72857
(479)272-4186

Clerk-Rhonda Mitchell
P.O. Box 233
Belleville, AR 72824
(479)495-0058

LITTLE MISSOURI RIVER

Moderator-David Taylor
103 Chisholm Trail
Hot Springs, AR 71913
(501)620-3147
taylorlorgolf@juno.com

Clerk-Deshe Ledbetter
P. O. Box 1374
Glenwood, AR 71943
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NEW HOPE

Moderator-Michael Morrison
245 Friendship Road
Rosebud, AR 72137
(501)556-5320

Clerk-Jan Morrison
245 Friendship Road
Rose Bud, AR 72137
501-556-5320

OFFICERS OF DISTRICT ASSOCIATIONS

NORTHWEST

Moderator-James Edwards
14638 West Tower Road
Omaha, AR 72662
(870)426-1911

Clerk-Joey Wilson
404 North Oak
Harrison, AR 72601
(870)688-4379

OLD MOUNT ZION

Moderator-Paul Payne
3017 East Emma
Springdale, AR 72764
(479)751-3047
westsidepreacher@aol.com

Clerk-Carla Henson
P. O. Box 14
Avoca, AR 72711
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POLK BAYOU

Moderator-David Winfrey
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(870)252-3419
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Clerk-Billy Corter
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SALINE

Moderator-Billy Wilson
13370 Highway 189
New Edinburg, AR 71660
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Clerk-Tracy Nichols
115 Smith Road
Warren, AR 71671
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wbtracy@sbcglobal.net

SOCIAL BAND

Moderator-Nelson Henderson
P. O. Box 86
Pocahontas, AR 72455
(870)892-5094
mnhenderson@yahoo.com

Clerk-Shirley Smith
3817 Pebble Beach Drive
Jonesboro, AR 70404
(870)935-2646
prattgirl4@hotmail.com

SOUTHEAST ARKANSAS

Moderator-Phillip Payne
644 B Hwy 144 West
Lake Village, AR 71653
(870)265-3755
preacherpayne@yahoo.com

Clerk-Celesta Payne
644 B Hwy 144 West
Lake Village, AR 71653
(870)265-3755

ZION HOPE #2

Moderator-Lloyd Shores
3517 Mountain Grove Road
Alma, AR 72921
(479)632-4539
shoreslr@gmail.com

Clerk-Gary O'Kelley
P. O. Box 1424
Van Buren, AR 72957
(479)632-3612

PROCEEDINGS

Monday Evening, August 8, 2011

The 114th annual session of the Arkansas State Association of Free Will Baptists met at Camp Beaverfork, Conway, AR on August 8-9, 2011.

Phil Whiteaker was responsible for the music during the State Association. Debbie Stripling served as the pianist.

Wendell Leckbee, Clerk, welcomed those present and called the session to order. He introduced the Moderator, Nelson Henderson, who made announcements, welcomed those in attendance, and led in prayer.

The Committee on Committees was elected as follows: Joey Postlewaite, Jim Walker, Eddie Davis, Kevin Haralson and Adam Abel.

Report of the Arkansas Women Active for Christ was given by Lisa Bowden, President. Motion passed to receive the report.

Phil Whiteaker led the congregation in singing "*I will call upon the Lord*" and "*Christ the Rock Medley*".

Tim Landers read Psalms 32 for the Scripture reading and led in prayer.

Nelson Henderson introduced Loyce Culwell, Deacon, Mt. Bethel in Rosebud who spoke from Mark 10:46 regarding the urgency of hearing the Word.

Tim Campbell introduced the speaker, David Ponder, pastor of Arbor Grove, who spoke after special music by Suzi Ponder. His message was "Lessons from David's Faults". His text was II Samuel 12:3.

The Report of the Committee on Committees was received.

Mark Stripling, Chairman of the Executive Board, brought the report regarding the Constitutional changes which was tabled until the business session tomorrow.

After announcements the meeting was adjourned.

Tuesday Morning, August 9, 2011

The service opened with a welcome from Nelson Henderson who presented the Moderator's Message "The Legacy of Arkansas Free Will Baptists" with emphasis on First-Pocahontas. His text was Psalms 32:1-2.

The Report of the Credentials Committee was read by the clerk. Motion passed to accept the report and seat the delegates.

Visitors were recognized and welcomed.

Keith Burden brought words of greeting from the National Executive Office.

Elizabeth Hodges, WNAC Executive Director, expressed appreciation to ARWAC which was the number one state in the following areas: total gifts through WNAC, giving to missions/ministry causes, membership and contributions to WNAC's general fund.

Report of the Executive Director was given by Tim Campbell. The report was accepted and the budget adopted after Ricky Taylor, Auditor, presented his report.

A partial **Report of the Nominating Committee** was read by the clerk. Paul Payne and David Taylor were elected to the Executive Board. David Copeland was recognized for his service on the Executive Board.

Mark Stripling, Chairman of the Executive Board, reported on the report to form corporation bylaws and changes to the constitution, after changes were removed from the table. After presentation to the body, changes were adopted. The Executive Board recommended that their board plus the Executive Committee, the chairman of each board and the directors of the departments be formed as a committee to address the handling of the debt of the State Association. They requested any suggestions. This was adopted.

Kurt Hetherington represented Brotherhood Mutual-James Green and Associates in presenting a check for \$23,598 to the State Office. This was paid on the new roof for the State Office Building.

Report of the Credentials Committee was received.

Report of the Christian Education Board was given by David Ponder. The report was accepted and the budget adopted. Kevin Jewel was recognized for his service on the Christian Education Board. Cody Alley and David Ponder were elected to the board.

Larry Powell spoke on behalf of the Home Missions Board.

Matt Markins brought greetings from Randall House Publications.

A report on Hillsdale Free Will Baptist College was given by Bob Thompson.

Matt Pinson reported on Free Will Baptist Bible College.

The meeting was adjourned.

Tuesday Morning Worship Service, August 9, 2011

The service opened with Phil Whiteaker leading the congregation in singing "*Trust and Obey*" and *Learning to Lean*". Paul Payne led in prayer.

Keith Bowden, Assistant Clerk, gave the Scripture reading from Psalms 17 and led in prayer.

Nelson Henderson introduced the speaker, Jared Higginbotham, Pastor First, Dardanelle. His subject was "The Lessons from David's Obedience". His text was II Samuel 22:1-4.

Phil Whiteaker led the congregation in singing "*Only Trust Him*".

The Moderator, Nelson Henderson dismissed the session.

Tuesday Afternoon, August 9, 2011

Clint Morgan brought words of greeting from International Missions. Sam McVay, Development Department, commended Arkansas giving and for sending young people to E-Team.

Ray Lewis, Board of Retirement and Insurance, reported on the 10% growth in each fund. He discussed the Labor of Love Fund which has a goal this year of 1,000 people giving \$10 a month to the fund.

David Brown, FWB Foundation, brought greetings and thanks from the department.

Report of the Camp Director was given by Brian Kesterson after Ricky Taylor reviewed the Audit Report. He stressed the mission of influencing the lives of young people. Attendance at the camp sessions was 977 youth and staff. The campers raised \$1,526.34 which was presented to John Fowlkes representing the Gideon's. Everyone was encouraged to keep in touch by reviewing the web site at www.CampBeaverfork.org. The report was accepted and the budget adopted.

Report of the Youth Board was given by Joey Postlewaite. He presented plaques to Tim Landers and Ken Brown for their service on the Youth Board. Jason Sullivan and Joey Postlewaite were elected to the board.

Report of the Missions Director was given by Don Matchett. Ricky Taylor presented the Audit Report. The report was received and the budget adopted. Don Matchett discussed the lease-purchase sale of the Cabot property. He also discussed the new model for missionary projects in the future: (1) find a missionary (2) build a congregation (3) build a facility. Cody Alley brought greetings from the mission church-Grace Point, Cabot. Michael Morrison and David Winfrey were re-elected to the board.

Johnny Miller reported on Free Will Baptist Family Ministries and asked prayer for Dr. Kilgore who had been in attendance for the State Meeting, but went to the emergency room with back spasms. Johnny Miller was re-elected as a Trustee.

Ken Akers represented National Master's Men Department. He spoke regarding Disaster Relief and the many areas where Free Will Baptists assisted those in need. He reported Master's Men accepting responsibility for "Impact" at the National Association meetings. He also discussed the Bible Studies that are available.

Bill Hayes, pastor of Hillview-Reynoldsburg, OH, represented "Impulse Ministry" and spoke about the organization of mission trips for different groups.

George Hyatt, Harvest Ministries, reported on their ministry and their trip to the work in Mexico.

Doug Little discussed his ministry and his efforts to work in pre-paid legal. He explained how individuals and churches can benefit. He can be contacted at doughlittle@comcast.net.

Report of the Registration Committee was read by the clerk and motion to receive, the report was carried.

Report of the Resolution Committee was read by the clerk and adopted. Travis Alexander led in prayer.

Report of the Obituary Committee was read by the assistant clerk. Nelson Henderson led in prayer.

Delegates to the 2012 National Association were named as follows: Mike Birmingham, Lori Hudman, Brenda Housley, Carolyn Winfrey and Mary Bromley.

State Officers elected for the next year were as follows: Nelson Henderson, Moderator; Randy Scott, Assistant Moderator; Wendell Leckbee, Clerk; Keith Bowden, Assistant Clerk.

The meeting was adjourned.

Tuesday Evening Worship Service, August 9, 2011

Pre-meeting music was presented by the North Little Rock Choir after which Nelson Henderson called the session to order.

Report of the Master's Men was given by Jared Fowlkes, President. The report was received.

The Statistics Report was read and adopted.

Phil Whiteaker led the congregation in singing "Wonderful Grace of Jesus" and "*Your Grace Still Amazes Me*". David Harper led in prayer.

The missions offering of \$1050.55 was received. Tommy Jones led in prayer.

After he read Psalms 23, Randy Scott led in prayer.

Jerry Lewis, Deacon at First-North Little Rock, gave his personal testimony regarding our need to count upon the Lord. His text was Revelation 5:5.

Randy Scott, Pastor of Sutton-Pocahontas, introduced Kevin Jewel, Pastor of Daisy-Kirby who spoke on the subject "Lessons about David's God". His text was II Samuel 11:26-27.

James Kilgore, President of Free Will Baptist Family Ministries, who had been ill during his time at the State Meeting, was able to come and make some remarks regarding the faithfulness of the people who prayed and made contact with him over his surgeries and during his recovery over the past two years. He also expressed his appreciation for all the different types of support for Family Ministries and the Florence Crittenton Home.

REPORTS

REPORT OF THE COMMITTEE ON COMMITTEES

Credentials: Bruce Thurman, Mark Stripling, Bobby Shepherd, Tim Harris, Tim Landers

Nominating: Cody Alley, Ken Winningham, David Winfrey, Doug Adkins, Jeff Holland

Obituary: Bill Sagely, Tom DuBose, Jerry Bromley, David Bishop, Tim Forman

Resolution: Jackie Brown, Alan Thomas, David Taylor, David Williams, Will Harmon

REPORT OF THE CREDENTIALS COMMITTEE

The following district associations have represented by letter, delegates and fees: Antioch, Arkansas, Central, Fellowship, Harmony, Little Missouri River, New Hope, Old Mount Zion, Polk Bayou, Saline, Social Band, Southeast, Unity and Zion Hope #2.

Northwest Association: One church did not pay: Mt. Olivet.

We recommend those who have sent in letters and fees be received and their delegates be seated.

Respectfully submitted: Credentials Committee
Bruce Thurman, Mark Stripling, Tim Harris, Tim Landers, Bobby Shepherd

REPORT OF THE ARKANSAS WOMEN ACTIVE FOR CHRIST

The 8th Annual Presidents Luncheon was held on March 12, 2011 at the Conway First FWB Church. The theme was "The Passion of Christ." Lisa Bowden compared our passion with Christ's passion. Christ had passion for: His people, His friends, His Father's Will, and His Purpose. 25 ladies attended and shared ideas and had a great time of fellowship. Lunch was served by the Arkansas WAC Executive Committee. Decorations were by Liz McCoy.

The 57th Annual Retreat was held on May 6-7, 2011, at Camp Beaverfork with 111 registered. The theme was "What's Your iPlan" taken from Philippians 4:11-13. The speakers were Sheila Harris, Jayne Hannah, Debbie Stripling, Dorcas Duvall, Elizabeth Hodges and Debe Taylor. Singing by Suzie Ponder with Debbie Stripling at the piano. Special music was by Suzie Ponder. Decorations were by the Central District.

The 57th Annual session of the Arkansas Women Active for Christ met August 8, 2011 at Camp Beaverfork in Conway. The theme was "In His Image." The theme scripture was Ephesians 5:1-2. The speaker was Angie Outlaw, Missionary to Central Asia. Jan Morrison led in worship with Jayne Hannah as the pianist. Special music was by Jan, Marley & Jessica Morrison of New Hope. A brunch was held during the morning break in the camp kitchen instead of having the annual banquet.

Home and International Missionaries gave greetings and updates during the Missionary Share Time.

WNAC report was given by Elizabeth Hodges, our WNAC Executive Director.

11 Districts reported with 66 Locals and membership of 743. A total of 95 registered, including 1 International Missionary and 2 Home Missionaries.

Total receipts for 2010 were \$70,597.00. Our giving to International Missions was \$31,148.43 (Acts 1:8 receiving \$21,537.33 of this amount), National Home Missions \$6,950.00, Children's Home \$3,177.30, Florence Crittenton Home \$3,082.80 and our 2010 State Project was 20/20/20 with a total of \$6,099.29. Our 2011 State Project is WNAC Office.

The following resolutions and recommendations were adopted. (See Attached)

No Annual Banquet was held due to high cost of food and rental fees.

Respectfully Submitted,
Lisa Bowden
Arkansas WAC President

ARKANSAS WOMEN ACTIVE FOR CHRIST RESOLUTION COMMITTEE REPORT

August 8, 2011

We, the Resolution Committee, submit the following recommendations:

1. That we actively support the marriage definition of one man and one woman by contacting our senators and representatives.
2. That we give continued prayers support and encouragement to our missionaries around the world.
3. That we pray for our nation to return to God and Biblical truths and prayerfully support our military.
4. That we give a standing vote of thanks to our Executive Committee for today's program; Tonya Kesterson, Brenda Adaire, Judy Short, Woodlawn Church, Saline, Fellowship, and Antioch District for their help with the brunch, Brian Kesterson and his parking attendants for their hospitality, Ben Campbell for operating the sound system and Power Point, to all the participants on the program, missionaries for sharing and Angie Outlaw for being our speaker.

Respectfully Submitted,
Debe Taylor, Chairperson
Lisa Harris
Modean Bowman
Shirley Smith
Becky Wendel

RESOLUTIONS COMMITTEE REPORT

Forasmuch as our nation is in such physical and spiritual turmoil, be it resolved that we return to the biblical principles of II Chronicles 7:14 in that we pray, repent and express humility as we earnestly seek the face of God for forgiveness and healing. Be it also resolved that we as a denomination pray that God would give his pastors according to his heart which shall feed our congregations with spiritual knowledge and godly understanding.

Respectfully submitted: Jackie Brown, Alan Thomas, David Williams, Will Harmon, David Taylor

REGISTRATION COMMITTEE REPORT

The following have registered during the 114th annual session of the Arkansas State Association of Free Will Baptists, held at Camp Beaverfork.

78 Ministers, 14 Deacons, 33 delegates, 5 Missionaries and 120 visitors for a total of 250.

Respectfully submitted: Greig and Diana Caswell, Ronnie and Linda Whitten

STATISTICS REPORT

The Arkansas State Association of Free Will Baptists reports 15 associations comprised of 200 churches. The statistics for membership, baptism, etc, are based on the 180 churches who reported.

There are 81 churches located in the city/town; 106 churches rural; 88 with full time pastors and 83 with part time pastors.

There are 282 ordained ministers, 47 licensed ministers, and 409 ordained deacons.

The churches reported 469 baptisms with 703 members added, 514 members lost with a total membership of 19,940.

Sunday school enrollment was 8,928, CTS enrollment was 1,214, Women Active for Christ membership was 1,006 and Master's Men enrollment was 249.

There were 6 churches with day cares; 8 churches with kindergartens, 4 churches with Christian day school.

Total income of all churches reporting was \$11,025,616.88 and 45 churches with budgets.

There were 53 churches with parsonages, and a total value of all property including parsonages, \$86,223,542.00.

REPORT OF ARKANSAS MASTER'S MEN

Master's Men report to the 2011 Arkansas Free Will Baptists State Association, August 8-9, 2011 at Camp Beaverfork.

Banquet was held on Tuesday evening August 9, at 5:00. We met at Ryan's Steak-house with 31 in attendance.

A report of the 2010-2011 project was that \$43,815 has been raised for re-wiring Camp Beaverfork. We voted to make the 2011-2012 Project to raise the remaining \$74,685 to complete the wiring project.

Our message for the evening was from Bro. Jeff Holland of First Free Will Baptist Church, Charleston, AR. We were challenged not to get together for socializing but to fellowship, which involves being productive for God.

The 2011 Spring Retreat/Workday was held at Camp Beaverfork with around 20 in attendance for both days. Bro. Greig Caswell of Center Point Free Will Baptist Church in Vilonia brought our message on discipling new converts in our churches. A short testimony service concluded our evening. We spent the day Saturday doing odd jobs to help the camp get ready for summer.

PROPOSED CONSTITUTIONAL CHANGE FOR ARKANSAS WAC

Article V

Meetings:

Existing: The Annual Meeting for the convention shall be held the day preceding the Arkansas State Association.

Proposed: The Annual Meeting for the convention shall be held the 2nd Saturday in the month of March.

Explanation for the change:

The starting date for many school districts across the state has been moved up one week in August. This new school change causes conflict for a good number of our delegation in attending the State WAC meeting in August.

The new school starting date will also cause families to move their before school trips up which may conflict with the August state meeting.

We would not be meeting in conjunction with the Arkansas State Association therefore, moving the state to the spring would allow the convention to meet on a Saturday. A Saturday meeting would hopefully give opportunity for more ladies to attend and not have to miss work.

Recommendation from the Executive Committee:

We recommend that the retreat date be moved to the fall contingent upon the passing of the 2011 proposed constitutional change regarding the annual state WAC meeting date.

RECOMMENDATIONS FROM THE EXECUTIVE COMMITTEE

1. We recommend the 2012 State Project be the WNAC office.
2. We recommend distributing \$1000 from the Velda Tucker Trust Fund to John & Cheryl Reed, Missionaries to Green Bay, Wisconsin. These funds will give them missionary support as they strive to minister in the Green Bay area.

We recommend distributing \$1000 from the Velda Tucker Trust Fund to Doug Bishop, a Missionary Kid, attending the Free Will Baptist Bible College.

3. We recommend that Jana Ray from the Little Missouri River District fulfill Pat Hunnicutt's term upon election as Member-at-Large for a one year term or until the 2012 election of officers.

Respectfully submitted,
Arkansas WAC Executive Committee:

Lisa Bowden	Janie Campbell
Kim Landers	Belinda Adaire
Brenda Housley	Sandy Forman
Melissa Haralson	Judy Short

2011 OBITUARY REPORT

ANTIOCH

Gwendelyn Singleton
Janice Waldo
Claudie McDonald
Herb Laymon
Bertha McCuin
Hershel Robinson
Rev. Joseph Hubbard
Louise Miller
Frank Boerner
Laquita McGrew
Julie Henderson
Terry Gunsolley
Nettie Rackley
Louise Goats
Rev. George Latham

ARKANSAS

Naomi Johnson
Opal Skidgel
Rev. Jerrell Willingham
Sandy Morgan
Janell McLain

CENTRAL

Tony Thompson
Lynn Porter
Max Hargett
James Merritt
Ella Harvell
Roy Puckett
Paul Wooley

FELLOWSHIP

Beatrice Graves
Ora Bond
Zula Hice
Ruby Kiggins
Rilla Brown (Non-member)
Leon "Tom" Thomasson
Jesse Johnson
Ted Rachel
Gaynell Davis
Mike Colflesh
Joan Epperson
JoRita Cook
Joe Melton
David Long
Pat Hunnicutt
Belva Vaughn

HARMONY

Mildred Pendergraft
Tabitha Huffman
A. D. Morris
Richard (Dick) Hancock
Palmer Cravens
Rev. Paul Newton
Oleta Hale
Mary Themax
Tommy Nell George
Mike Patton
John Coppage
Mattie Green
Paul Phillips

LITTLE MISSOURI RIVER

Joe Nichols
Donna Turner
Tammy Davis
Pearline McCauley

NEW HOPE

Dwight West
Pat Moss
Evelyn Walden
Willa Mae Turner
Lorene Fowlkes
Daniel Huett

NORTHWEST ASSOCIATION

Ruth Goins
Judy Booth
Vernon McWilliams
Louise McWilliams
Al Dodrill

OLD MT. ZION

Bernell Morris
J. C. Austin
Roger Kenney
Kenneth Nelson
Azalea Arnold
Irene Lynch
Jonah Clark
Wilma Clark
Dorothy Grigg
Nora Mitchell
Edward Niccum
Jessie Phillips
Harold Clardy
Virginia Jones
Dual Ramsey
Dean Whillock
David Mudd
Gerald Dobbs
Imogene Gabbard
Bill Hulse
Willie Nail
Hubert Martin
Jocie Reynolds
Hollis Watson
Jeffrey Freitag
Johnny Kendrick
Brenda Kester
Hershel Owen
Douglas Ross
Daisy Smithson
Jimmy Snow
Judy Taylor
Charles Houghland
Mary Smith
Sue Taylor
Dorothy Carpenter
Sarah Gibbs
Cloe Hawthorn
Connie Rhodes
Betty Shipley
Charles Baker
Hazel Wade
Lois Watson

POLK BAYOU

Elwood Vines-Deacon
Sylvia Trewyn
Angelee Eakes
Jim Sellers
Marie Sellers
Eldon Smith
Larry Bice

SALINE

Ercille Stanley
Kenneth Harton
Ilene Harton
Bradley Smith
J.C. Taylor
Lois Park
Vera McClellan
Lawrence Burris
Debbie Pippen
Betty Murry
Barbara Beaty
La Don Martin
Joyce Pennington
Thomas O. Wolfe
Mitch Greenwood
Josie Owen
Sandra Luker
Rice Culp
Onie Mac Evans
Steven Allen Herron
John Willie Reed
Ernest Johnson
Bobby Gracie
Connie Asbury

SOCIAL BAND

Iola Willford
Faye Scudder
Alba Johnson
J. F. Ford
Clinton Holder
Dwain Jarrett
Jerry Yates
Marie Branham
Jason Quarry
Jewel Morrow
Cleatus Gramling
James Smitherman
Mardell Hutcheson
Donna Porter
Jim Luter
John Thomas
Brooks Little
Ralph Jarrett
Corinne Rutlege
Frankie Williams
Dorothy Green
Jack McKelvey
J. D. Bennett
Dora Walker

S.E. ARKANSAS

None Reported

UNITY

None Reported

ZION HOPE #2

Theo Franks
Elise Arnold
Imogene Allen
Manuel Pence
Bobby Swofford
Don Arner
Harry Napier
Connie Hyatt
Casey Gregory
Bill Abner
Wanda Peterman
Ruth Taff
Maxine Johnson
Anna Taylor

*We, the Obituary
Committee submit
these names as saints
who have entered
eternal rest in
presence of God
Almighty.*

*We have lost 178 in
the past year. These
include 4 ministers
and 1 deacon.
Our loss is
Heaven's gain.*

*We move that you
accept this report.*

*Respectfully
submitted:*

Obituary Committee:
*Bill Sagely
Tom DuBose
Jerry Bromley
David Bishop
Tim Foreman*

2011 Proposed Cooperative Budget				
	Plan A		Plan B	
Agency	%	\$	%	\$
Minister's Retirement		20,000.00		20,000.00
State Office Division	25.00%	140,500.00	25.00%	140,500.00
State Mission Division	21.50%	120,830.00	21.50%	120,830.00
Youth Division	17.50%	98,350.00	17.50%	98,350.00
Christian Education Division	3.00%	16,860.00	3.00%	16,860.00
In State Total:	67.00%	396,540.00	67.00%	396,540.00
National Association	33.00%	185,460.00	26.00%	172,478.00
Hillsdale			7.00%	12,982.00
Total:	100.00%	582,000.00	100.00%	582,000.00
Plan B = 7% of \$210,750.00				

Arkansas Free Will Baptists

A.C.T.S. 1:8	507,106	518,163	(11,057)	-2.18%
Coop	458,230	560,331	(102,101)	-22.28%
Hillsdale Free Will Baptist College	21,665	18,302	3,363	15.52%
Association (numbers from National Agencies)				
Executive Office	83,460	103,842	(20,382)	-19.63%
International Missions	548,944	525,063	23,881	4.55%
National Home Missions	199,939	236,770	(36,831)	-15.56%
Free Will Baptist Bible College	38,390	65,050	(26,660)	-40.98%
Board of Retirement	12,896	17,794	(4,898)	-27.53%
Master's Men	14,942	18,822	(3,880)	-20.61%
Women Nationally Active for Christ	15,960	16,506	(546)	-3.31%
Free Will Baptist Foundation	6,120	7,613	(1,493)	-19.61%
Commission for Theological Integrity	510	635	(125)	-19.68%
Media Commission	510	635	(125)	-19.68%
Music Commission	510	587	(77)	-13.11%
Historical Commission	510	635	(125)	-19.68%
Total National Agencies	922,692	993,952	(71,260)	-7.17%

Executive Committee Summaries

March 2, 2010

Members Present: Nelson Henderson, David Harper, Keith Bowden, and Tim Campbell

The committee met and planned the 2010 state meeting.

Adjourned.

November 4, 2010 (Joint Mtg. w/ Exec. Board)

The Committee's met at the State Office. Present were Nelson Henderson, Tim Campbell, Mark Stripling, Paul Payne, Phil Whiteaker, Bobby Shepherd, Wendell Leckbee, Keith Bowden, Randy Scott and Tommy Tims.

Nelson Henderson called the meeting to order and led in prayer.

Tim Campbell discussed his efforts on the alcohol issue. He also discussed a survey he completed on co-op giving. He asked for ideas to develop the program further.

Phil Whiteaker addressed the fact that we did not have by-laws or a proper state constitution. All the interests at the state level are no longer corporations but are departments of the state association. State law requires that non-profit corporations are required to have by-laws. His recommendation was that the governance portion of the constitution be placed in the by-laws rather than the constitution. By-laws are a separate document from the constitution and are not filed with the state.

It was recommended that Phil Whiteaker would do a skeleton draft breaking apart the constitution and by-laws. These drafts are to be reviewed at a meeting at the state office on December 2 at 10 am.

Ken Brown has resigned from the Camp Board because of business concerns. That board has recommended Tim Foreman to replace him and he was elected.

Respectfully Submitted:

Nelson Henderson (Moderator)

Randy Scott (Assistant Moderator)

Wendell Leckbee (Clerk)

Keith Bowden (Assistant Clerk)

Tim Campbell (Executive Director)

Executive Board Summaries

January 12, 2010

Members present: Bobby Shepherd, Jim Walker, Paul Payne, Tommy Timms, and Mark Stripling. Also attending: Tim Campbell, Nelson Henderson, and David Harper

MSC- to approve minutes from previous meeting.

Reviewed financial reports from Tim Campbell.

MSC to give \$1,500.00 to Barbara Johnson to help with funeral expenses for Rev. Keith Johnson in honor of his service to Arkansas Free Will Baptists.

March 13, 2010

Members present: Paul Payne, Jim Walker, Mark Stripling and Bobby Shepherd. Also attending: Nelson Henderson and Tim Campbell.

MSC to approve minutes from the previous meeting.

Reviewed financial reports from Tim Campbell.

MSC to place Jason Nichols on the Youth Board replacing Chris Brown who resigned due to moving from the State.

MSC to adjust Tim Campbell's housing from \$1,400.00 per month to \$1,700.00 per month beginning in May.

June 3, 2010

The following people were present: Mark Stripling, Bobby Shepherd, Paul Payne, David Copeland, Nelson Henderson, and Tim Campbell.

MSC to adopt the 2011 budget as proposed and amended.

June 17, 2010 Conference Call

Members present: Jim Walker, Bobby Shepherd, Mark Stripling, Paul Payne, David Copeland, Tommy Tims, Nelson Henderson, David Harper, and Tim Campbell.

MSC to approve the purchase of a new air conditioning unit for the State Office Building

for the price of \$6,400.00.

MSC to give permission to the Mission Board to sell the property in Cabot, Arkansas.

MSC to nominate David Harper to fill the position on the Christian Education Board vacated by Kendall Ross.

July 9, 2010

Members present: Mark Stripling, Bobby Shepherd, Paul Payne, Tommy Tims, Jim Walker, David Copeland, Nelson Henderson, David Harper, Keith Bowden, and Tim Campbell.

MSC to approve the auditor's report given by Ricky Taylor.

MSC to retain Ricky Taylor as our state auditor.

MSC to authorize the Executive Board's Secretary, David Copeland, to write a letter in response to the Mission Board's letter requesting permission to sell the Cabot property informing them of the Executive Board's approval to their request.

MSC to authorize Tim Campbell to rent the property next door to the State Office on the condition that the renters tile the entire floor.

November 4, 2010 (Joint Mtg. w/ Exec. Committee)

The Committee's met at the State Office at 10am on Thursday, November 4. Present were Nelson Henderson, Tim Campbell, Mark Stripling, Paul Payne, Phil Whiteaker, Bobby Shepherd, Wendell Leckbee, Keith Bowden, Randy Scott and Tommy Tims.

Nelson Henderson called the meeting to order and led in prayer.

Tim Campbell discussed his efforts on the alcohol issue. He also discussed a survey he completed on coop giving. He asked for ideas to develop the program further.

Phil Whiteaker addressed the fact that we did not have by-laws or a proper state constitution. All the interests at the state level are no longer corporations but are departments of the state association. State law

requires that non-profit corporations are required to have by-laws. His recommendation was that the governance portion of the constitution be placed in the by-laws rather than the constitution. By-laws are a separate document from the constitution and are not filed with the state.

It was recommended that Phil Whiteaker would do a skeleton draft breaking apart the constitution and by-laws. These drafts are to be reviewed at a meeting at the state office on December 2 at 10am..

Ken Brown has resigned from the Camp Board because of business concerns. That board has recommended Tim Foreman to replace him and he was elected.

December 14, 2010

Members present: Mark Stripling, Bobby Shepherd, Paul Payne, Tommy Tims, Randy Scott, David Copeland, Nelson Henderson, Wendell Leckbe, Keith Bowden, and Tim Campbell.

Financial Report was given by Tim Campbell.

The Board discussed the State Constitution and By-Laws. MSC to appoint Keith Bowden, Mark Stripling, and David Copeland to serve as a subcommittee to draft the needed changes in the Constitution and By-Laws and present these recommendations to the Board for approval at a later date.

MSC to replace Dwayne Roper (because of his resignation) with David Winfrey on the State Mission Board.

MSC to adjourn.

Respectfully Submitted:

Mark Stripling (Chairman)

Paul Payne (Vice Chairman)

David Copeland (Secretary)

Tommy Tims

Bobby Shepherd

Will Harmon

Nelson Henderson (Moderator)

Randy Scott

Tim Campbell (ex-officio)

2010 Budget to Actual & 2012 Proposed Budget

	Jan - Dec 10	Budget	\$ Over Budget	Proposed
Income				
40100 · State Office Income				
40101 · Rental	11,973.07	16,800.00	(4,826.93)	16,800.00
40102 · Coop	136,198.86	140,500.00	(4,301.14)	140,500.00
40103 · Secretarial Transfers	7,500.00	5,100.00	2,400.00	7,800.00
40105 · VISION Subscriptions	8,993.44	8,900.00	93.44	8,900.00
40106 · Sunday School Receipts	317,653.38	340,000.00	(22,346.62)	320,000.00
40107 · State Association Fees	6,060.00	6,180.00	(120.00)	6,180.00
40108 · Computer Tranfers	1,325.00	980.00	345.00	1,325.00
40109 · Utility Tranfers	1,607.80	6,500.00	(4,892.20)	3,500.00
40110 · Other Income	147,083.86	4,000.00	143,083.86	4,000.00
40111 · National Assoc. Fees	-	300.00	(300.00)	300.00
40115 · Interest Income	43.06			50.00
40117 · State Meeting Income	1,226.95	700.00	526.95	800.00
40118 · Minister's Benevolent Fund	3,500.00			
40119 · Operational Transfers	8,459.30	4,000.00	4,459.30	8,100.00
40120 · Interfund Transfer	62,000.00			
40125 · State Office Acct Income	-	100.00	(100.00)	
Total 40100 · State Office Income	713,624.72	534,060.00	179,564.72	518,255.00
Total Income	713,624.72	534,060.00	179,564.72	518,255.00
Gross Profit	713,624.72	534,060.00	179,564.72	518,255.00
Expense				
50100 · State Office Expense				
50101 · Director's Salary	33,053.06	33,681.96	(628.90)	33,681.96
50102 · Director's Housing	19,200.00	18,300.00	900.00	18,300.00
50103 · Director's Insurance	9,462.00	8,700.00	762.00	11,500.00
50104 · Director's Retirement	2,400.00	2,400.00	-	2,400.00
50105 · Director's Social Security	9,808.51	9,400.00	408.51	9,800.00
50106 · Travel	13,065.90	8,000.00	5,065.90	10,000.00
50107 · Vehicle Payment	7,324.20	5,900.00	1,424.20	7,325.00
50108 · National Association	2,027.91	1,500.00	527.91	1,200.00
50109 · Board Mileage & Meals	5,540.00	4,500.00	1,040.00	4,500.00
50110 · Phone	3,403.12	3,200.00	203.12	3,400.00
50111 · Postage/UPS/Meter Rent/Freight	20,318.10	20,950.00	(631.90)	20,300.00
50112 · Dinners & Promotion	3,498.95	2,000.00	1,498.95	1,000.00
50115 · Printing	15,854.65	11,000.00	4,854.65	15,900.00
50116 · Web Site & Internet	2,853.71	1,000.00	1,853.71	200.00
50117 · Audit & Audit Expenses	6,789.94	7,000.00	(210.06)	7,000.00
50118 · Computer & Office Equipment	9,673.55	4,000.00	5,673.55	4,000.00
50119 · Contingency Tranfer	-	3,035.12	(3,035.12)	9,600.00
50120 · Vehicle Contingency	1,415.84	2,000.00	(584.16)	1,000.00
50121 · Miscellaneous	6,480.90	4,075.00	2,405.90	6,126.04
50122 · Utilities	7,388.50	9,300.00	(1,911.50)	7,400.00
50123 · Pest & Dust Control	545.09	550.00	(4.91)	550.00
50124 · Yard Maintenance	704.00	750.00	(46.00)	700.00
50125 · Property Insurance	3,352.00	4,400.00	(1,048.00)	3,400.00
50126 · Property Taxes	1,842.44	1,450.00	392.44	1,850.00
50127 · Supplies	3,008.97	2,500.00	508.97	2,500.00
50128 · Repairs & Maintenance	8,508.29	6,000.00	2,508.29	2,000.00
50129 · Improvements	123.16	1,000.00	(876.84)	500.00
50131 · Literature for Resale	211,192.28	200,000.00	11,192.28	212,000.00
50134 · Sunday School Expense	1,552.52	800.00	752.52	1,500.00
50136 · Workmans Comp Insurance	848.00	800.00	48.00	900.00
50137 · Sales Tax	24,110.04	25,800.00	(1,689.96)	24,000.00
50139 · Bookstore Expense	155,879.22	34,327.92	121,551.30	18,772.00
50143 · Arkansas Mentoring Program	-	650.00	(650.00)	-
50145 · Vehicle Insurance	756.10	700.00	56.10	750.00
50149 · Bulletin Expense	8,735.99	12,400.00	(3,664.01)	8,800.00
50150 · State Meeting Expense	8,426.71	8,290.00	136.71	4,000.00
50151 · Minister's Benevolent Fund	3,500.00			
50153 · Intefund Transfer	32,000.00			
50156 · Theological Meetings	1,387.52	1,000.00	387.52	-
50157 · State Office Expense - Other	2,465.58			-
50158 · A.C.T.S. 1 8 Repayment	1,200.00			1,200.00
50180 · Payroll Taxes	17,273.50	2,700.00	14,573.50	5,000.00
Total 50100 · State Office Expense	666,970.25	464,060.00	202,910.25	463,055.00
66000 · Payroll Expenses	66,244.49	62,000.00	4,244.49	55,200.00
Total Expense	733,214.74	526,060.00	207,154.74	518,255.00
Net Income	(19,590.02)	8,000.00	(27,590.02)	-

2008 Arkansas Free Will Baptist Association Receipts										
Association	COOP	A.C.T.S. 1:8	State Miss.	N.H.M.	I.M.	FWBBC	Hillsdale	FWBFM	Misc.	Totals
Antioch	6,767.22	18,269.70			71.00					25,107.92
Antioch ARWAC		449.00								449.00
Antioch Youth		1,011.14								1,011.14
Arkansas		8,045.99			1,000.00					9,045.99
Central	67,597.34	78,396.60	454.00	29,832.91	26,336.33	18,676.90	3,534.79	179.13	40,073.98	265,081.98
Central ARWAC		2,875.40								2,875.40
Fellowship	35,609.00	53,149.00		470.00	2,200.00				7,830.00	99,258.00
Fellowship ARWAC		4,583.00	100.00							4,683.00
Fellowship Youth		1,765.49								1,765.49
Harmony	4,687.34	6,055.46	837.00	110.00	656.00		1,544.00	750.00	1,220.00	15,859.80
Harmony ARWAC										
Little MO River	19,809.53	25,473.78	504.96	505.00	2,205.00	2,867.44	700.00	5,022.26		57,087.97
Little MO River ARWAC		995.00							300.00	1,295.00
New Hope	23,458.46	17,183.39	820.00		2,952.33	600.00	1,505.24		1,051.00	47,570.42
New Hope ARWAC		910.00		195.00						1,105.00
New Hope Master's Men									325.00	325.00
Northwest	4,841.57	10,428.16		11,872.00	216.00		70.00	1,200.00		28,627.73
Northwest ARWAC										
Old Mt. Zion	37,432.77	16,512.76	100.00	4,969.47	6,895.00			4,066.00	1,171.61	71,147.61
Old Mt. Zion ARWAC		424.88								424.88
Old Mt. Zion Youth										-
Polk Bayou	68,105.62	49,241.15	628.70	4,367.00	7,490.07	1,120.00		2,017.68	3,895.57	136,865.79
Polk Bayou ARWAC		6,115.00								6,115.00
Polk Bayou Master's Men		400.00							247.00	647.00
Saline	56,672.03	52,021.06	1,453.72	4,269.79	1,860.00		2,025.00	4,272.00	50.00	122,623.60
Saline ARWAC		2,162.00								2,162.00
Social Band	85,887.46	70,214.48	1,127.93	7,461.80	10,934.26	1,275.07	1,640.12	2,745.07	2,407.29	183,693.48
Social Band ARWAC		2,376.00			100.00					2,476.00
Social Band Youth		13.54			3,600.00					3,613.54
Southeast	500.81									500.81
Unity	130,115.99	36,018.24	600.00	1,985.00	1,032.08		10,645.73	55.00	803.00	181,255.04
Unity ARWAC		851.45								851.45
Zion Hope	6,044.32	7,010.55		200.00	196.14			180.00		13,631.01
Zion Hope ARWAC		1,542.00								1,542.00
Individuals		15,393.00		430.00	51.70				1,670.00	17,544.70
Other	701.00	17,218.87	333.23	174.44	673.33					19,100.87
ARWAC			945.00						2,809.75	3,754.75
Totals	548,230.46	483,822.36	7,904.54	66,842.41	68,153.24	24,539.41	21,664.88	20,487.14	60,744.45	1,302,388.89
Totals ARWAC		23,283.73			100.00				3,109.75	26,493.48
Grand Totals	548,230.46	507,106.09	7,904.54	66,842.41	68,253.24	24,539.41	21,664.88	20,487.14	63,854.20	1,328,882.37
2009 Totals	560,330.97	518,163.00	127.95	87,121.37	47,270.86	31,060.00	18,302.11	21,921.65	63,715.51	1,328,518.27
\$ Increase or Decrease	(12,100.51)	(11,056.91)	7,776.59	(20,278.96)	20,982.38	(6,520.59)	3,362.77	(1,434.51)	138.69	364.10
% Increase or Decrease	-2.16%	-2.13%	6077.84%	-23.28%	44.39%	-20.99%	18.37%	-6.54%	0.22%	0.03%

2010 Gifts to National Ministries

States	Executive	FWBBC	FWB Foundation	Home Missions	International Missions	Master's Men	Retirement & Insurance	WNAC	Commission for Theo. Integrity	Historical Commission	Media Commission	Music Commission	Totals
Alabama	\$6,082.13	\$65,389.38	\$302.52	\$663,478.96	\$431,372.00	\$2,268.99	\$667.54	\$8,154.95	\$22.97	\$22.88	\$22.89	\$21.40	\$1,177,806.61
Alaska	0.00	0.00	0.00	16,000.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	16,100.00
Arizona	254.90	263.88	40.88	18,347.21	23,388.92	38.89	1,449.88	2,285.50	1.63	1.55	1.56	1.40	46,076.20
Arkansas	83,459.93	38,390.28	6,120.39	199,939.43	548,944.26	14,941.92	12,895.76	15,960.35	510.04	510.04	510.04	510.04	922,692.48
California	6,711.46	5,850.65	425.07	162,434.99	92,994.54	959.60	1,053.50	1,885.00	37.63	37.63	37.63	34.28	272,461.98
Canada	647.38	543.80	93.00	43,360.51	19,056.90	205.08	119.67	9.55	3.16	3.05	3.06	2.57	64,047.73
Colorado	17,587.75	0.00	1,295.50	34,454.89	526.50	0.00	3,009.46	0.00	107.48	107.48	107.48	0.00	57,196.54
Connecticut	0.00	0.00	0.00	0.00	25.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	25.00
Delaware	0.00	83.34	0.00	0.00	17,434.71	0.00	0.00	0.00	0.00	0.00	0.00	0.00	17,518.05
Florida	5,309.00	33,147.11	363.00	110,679.06	149,065.45	639.00	847.00	2,040.25	30.25	30.25	30.25	19.25	302,199.87
Georgia	10,081.73	80,547.64	833.30	217,829.90	367,899.58	1,697.49	1,767.36	14,492.68	59.08	58.67	258.73	51.68	695,577.84
Hawaii	0.00	2,557.00	0.00	3,086.00	425.00	2,557.00	0.00	0.00	0.00	0.00	0.00	0.00	8,625.00
Idaho	0.00	413.00	0.00	5,594.96	9,881.69	0.00	0.00	5.84	0.00	0.00	0.00	0.00	15,895.49
Illinois	12,215.01	19,615.67	895.77	146,575.96	242,508.79	3,619.25	2,090.15	3,214.00	74.64	74.64	74.64	69.61	431,028.13
Indiana	1,596.41	3,429.05	244.44	26,869.96	46,572.52	1,980.12	463.88	630.32	174.15	174.15	4.03	3.59	82,142.62
Iowa	0.00	330.00	0.00	2,700.00	2,835.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5,865.00
Kansas	158.72	620.51	11.64	11,616.95	21,662.91	27.17	27.17	0.00	0.97	0.97	0.97	0.97	34,128.95
Kentucky	4,761.94	13,884.84	386.19	88,068.32	126,998.35	1,910.07	849.99	5,198.00	29.20	29.08	29.09	26.93	242,172.00
Louisiana	0.00	600.00	0.00	20,330.00	3,470.58	0.00	0.00	0.00	0.00	0.00	0.00	0.00	24,400.58
Maine	0.00	0.00	0.00	6,670.00	525.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7,195.00
Maryland	0.00	125.00	0.00	0.00	9,769.56	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9,894.56
Massachusetts	0.00	1,000.00	0.00	120.00	487.75	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,607.75
Michigan	8,158.05	12,032.72	609.61	96,862.11	157,140.06	3,538.27	1,366.18	4,907.00	47.50	47.37	47.39	43.25	284,799.51
Mid-Atlantic Association	0.00	0.00	0.00	28,975.03	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	28,975.03
Minnesota	0.00	25.00	0.00	700.00	720.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,445.00
Mississippi	4,517.85	24,440.58	272.65	166,906.50	90,528.32	587.16	636.17	2,427.50	22.71	22.71	22.71	20.96	290,405.82
Missouri	93,646.98	47,346.57	6,872.06	232,719.46	619,154.49	15,072.48	16,028.42	8,083.86	572.30	572.28	572.28	527.59	1,041,168.77
Montana	0.00	0.00	0.00	200.00	300.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	500.00
Nevada	0.00	0.00	0.00	0.00	70.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	70.00
Nebraska	0.00	0.00	0.00	0.00	12,250.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	12,250.00
New Hampshire	0.00	0.00	0.00	4,800.00	125.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4,925.00
New Jersey	0.00	1,475.00	2.21	1,000.00	270.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,747.21
New Mexico	440.83	460.76	30.12	26,901.97	4,576.50	67.14	75.42	230.25	2.69	2.69	2.69	2.39	32,793.45
New York	0.00	2,010.00	0.00	1,589.40	925.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4,524.40
North Carolina	16,476.17	150,599.66	1,637.70	557,381.71	774,234.83	3,090.06	3,094.12	14,220.16	96.15	94.45	94.69	785.47	1,521,805.17
Northeast Association	0.00	200.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	200.00
Northwest Association	910.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.57	5.57	5.57	0.00	927.51
Ohio	17,514.39	19,472.74	1,365.53	165,344.46	221,022.11	3,364.93	3,074.07	5,917.13	107.24	106.98	107.02	96.20	437,492.80
Oklahoma	71,595.06	53,010.27	5,336.02	193,791.06	568,021.34	12,688.84	12,302.20	12,901.19	435.98	435.63	435.68	392.60	931,345.87
Oregon	0.00	261.10	66.79	160.00	751.50	143.53	155.85	0.00	0.00	0.00	0.00	5.13	1,543.90
Pennsylvania	0.00	3,065.00	0.00	19,427.00	9,016.73	0.00	0.00	0.00	0.00	0.00	0.00	0.00	31,508.73
Rhode Island	0.00	0.00	0.00	0.00	350.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	350.00
South Carolina	4,504.83	103,617.92	158.46	127,003.23	519,437.36	181.70	374.01	5,834.18	2.71	2.29	2.35	1.19	761,120.23
South Dakota	0.00	125.00	0.00	0.00	1,765.06	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,890.06
Tennessee	14,231.19	271,540.83	3,277.54	491,186.55	1,264,358.84	11,584.01	6,086.83	11,623.74	1,860.26	302.34	302.42	266.98	2,076,621.53
Texas	6,119.73	26,407.97	1,033.91	169,576.64	133,100.43	978.69	1,402.78	2,141.64	37.24	35.92	36.11	31.36	340,902.42
Utah	1,547.21	450.35	113.46	240.21	1,592.08	239.47	264.75	0.00	9.47	9.47	9.47	8.57	4,484.51
Virginia	1,527.98	23,842.99	148.13	185,248.74	87,769.88	110.26	217.86	3,269.98	4.88	4.58	4.64	3.94	302,153.86
Washington	0.00	3,508.00	0.00	6,568.98	4,052.00	0.00	0.00	3.15	0.00	0.00	0.00	0.00	14,132.13
West Virginia	1,131.75	10,757.82	51.83	99,480.98	149,622.51	130.00	546.13	1,417.08	216.91	4.32	216.91	4.09	263,580.33
Wisconsin	0.00	0.00	0.00	12,675.00	620.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	13,295.00
Wyoming	0.00	0.00	0.00	489.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	489.00
Puerto Rico	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Virgin Islands	0.00	0.00	0.00	32,264.20	10,935.24	0.00	0.00	225.00	0.00	0.00	0.00	0.00	43,424.44
Other	0.00	0.00	0.00	296,362.49 *	79,710.40 *	0.00	0.00	0.00	0.00	0.00	0.00	24.72	376,097.61
Foundation	0.00	0.00	0.00	8,350.25	0.00	0.00	0.00	0.00	0.00	0.00	0.00	25.99	8,376.24
WNAC	0.00	2,535.00	0.00	80,167.53	0.00	0.00	212.00	0.00	0.00	0.00	0.00	0.00	82,914.53
TOTALS	\$391,189.18	\$1,023,976.43	\$31,987.72	\$4,784,529.60	\$6,828,364.69	\$82,621.12 *	\$71,078.15	\$127,078.30 *	\$4,472.81	\$2,696.99	\$2,940.30	\$2,982.15	\$13,353,917.44

*HM--Other includes interest, miscellaneous sources and states.

*IM--Other includes miscellaneous incomes, investment gains/(losses).

*Master's Men--Total does not include dues, sales, DRT, Conference or Tournament fees, or restricted Endowment contributions.

*WNAC--Total does not include Memorial Student Loan Fund, Foreign Student Scholarship or gifts designated to other departments.

2009 - 2010 Cooperative Comparisons Church - by - Church

	2009	2010
New Life Free Will Baptist	935.13	1,013.16
Slaty Crossing Free Will Baptist	5,027.64	5,754.06
Capital City Free Will Baptist	600	425
Crossroads Free Will Baptist, Jacksonvill	4,549.11	4,225.85
First Free Will Baptist, Conway	2,784.20	3,865.31
First Free Will Baptist, Hot Springs	390	317.5
First Free Will Baptist, Malvern	1,443.40	454.2
First Free Will Baptist, North Little Roc	11,124.56	12,202.15
First Free Will Baptist, Russellville	40,997.51	39,323.98
Grace Point Free Will Baptist	4,457.46	1,938.90
New Beginnings Free Will Baptist	-	27.5
Oak Park Free Will Baptist	5,287.81	4,816.95
Fellowship Associaton	331	
First Free Will Baptist, Dardanelle	3,824.00	2,445.00
Harmony Free Will Baptist, Russellville	3,522.24	2,354.00
Mt. Vernon Free Will Baptist	2,400.00	2,200.00
Oak Grove Free Will Baptist, Atkins	4,406.00	3,159.00
Union Grove Free Will Baptist	18,581.00	16,282.00
Welcome Home Free Will Baptist	3,039.00	2,812.00
Woodlawn Free Will Baptist	6,999.00	6,357.00
Corley Free Will Baptist	809.5	746.72
Danville Free Will Baptist	375	300
Plainview Free Will Baptist	1,578.00	1,574.50
Ranger Free Will Baptist	654.74	659.73
Upper Spring Creek Free Will Baptist	900.43	859.89
Wilson Free Will Baptist	635.13	546.5
CrossPointe Free Will Baptist, Shreveport		157.47
Daisy Free Will Baptist	4,271.15	4,171.94
Glenwood Free Will Baptist	2,851.23	2,510.55
Grace Fellowship Free Will Baptist	1,120.50	1,012.50
Hatfield Free Will Baptist	1,033.24	869.99
Lake Hills Free Will Baptist	10,064.05	8,614.26
Lodi Free Will Baptist	1,822.86	1,600.27
Pleasant Grove Free Will Baptist-New Hope	1,653.22	872.55
Center Point Free Will Baptist, Vilonia	4,553.00	3,505.00
Chapel Lane Free Will Baptist	352.96	1,854.26
Friendship Free Will Baptist	1,137.87	1,608.93
Mt. Bethel Free Will Baptist	10,844.04	10,449.16
Rolling Oaks	600	
Sharon Free Will Baptist	3,193.20	3,778.83
South Heights Free Will Baptist	2,297.71	2,262.28
Eureka Springs	280.42	
Moore Free Will Baptist	2,224.80	2,136.00
Mt. Olivet Free Will Baptist	140	240
Oak Grove Free Will Baptist	1,508.38	1,462.64
Oak Lane Free Will Baptist	720	780
Trinity Free Will Baptist, Green Forest	339.71	322.93
New Sulphur Free Will Baptist	1,901.76	3,752.90
Calvary Free Will Baptist	6,272.88	5,578.50
Clifty Chapel Free Will Baptist	833.93	1,051.56
Eastgate Free Will Baptist	300	225
New Horizon Free Will Baptist	505.29	855.13

Phillips Chapel Free Will Baptist	17,964.38	18,429.11
Rogers	3,600.00	
West Ridge Free Will Baptist	1,800.00	1,800.00
Westside Free Will Baptist Church	8,815.31	5,740.57
Allen Chapel Free Will Baptist	25,223.90	22,400.00
Ballews Chapel Free Will Baptist	6,239.00	6,886.00
Blackland Chapel Free Will Baptist	6,326.12	6,385.17
First Free Will Baptist, Batesville	15,271.00	12,621.00
First Free Will Baptist, Cave City	600	1,150.00
First Free Will Baptist, Tuckerman	11,383.24	10,412.39
Macedonia Free Will Baptist		202.68
Mt. Harmony Free Will Baptist--Saffell, A	6,744.47	7,631.30
New Bethel Free Will Baptist	2,290.41	382.08
Oak Grove Free Will Baptist, Lynn		35
Corbin Ferry Free Will Baptist	420	430.5
Faith Free Will Baptist, Warren	2,173.59	1,949.75
First Free Will Baptist, Crossett	840.7	1,745.23
First Free Will Baptist, Star City	9,807.03	15,105.27
First Free Will Baptist, Warren	7,202.50	8,569.40
Free Hill Free Will Baptist		227.5
Grace (WI)	210	
Harmony Free Will Baptist, Warren	6,227.21	8,937.03
Hillview Free Will Baptist	210	201.6
Landmark (LA)	70	
Macedonia Free Will Baptist, New Edinburg	480.75	304.44
Mt. Pleasant Free Will Baptist	52.5	52.5
Oak Grove Free Will Baptist, Wilmar	1,890.24	1,797.85
Pine Hill Free Will Baptist	770	770
Pleasant Grove Free Will Baptist-Hamburg,	14	52.5
Pleasant Valley Free Will Baptist	6,484.53	5,335.97
Rose Hill Free Will Baptist	2,800.00	2,800.00
Spring Hill Free Will Baptist	84	70
Trinity Free Will Baptist, Hamburg	1,774.26	6,794.56
Willoughby Free Will Baptist	472.5	378
Yorktown Free Will Baptist	1,241.68	1,150.22
Arbor Grove Free Will Baptist	2,557.90	2,710.18
Cornerstone Free Will Baptist, Bono	3,545.45	651.31
Faith Free Will Baptist, Jonesboro	8,800.00	10,400.00
First Free Will Baptist, Jonesboro	7,500.00	7,775.00
First Free Will Baptist, Pocahontas	14,555.33	14,133.17
First Free Will Baptist, Walnut Ridge	9,842.17	9,950.34
Old Reyno Free Will Baptist	5,646.81	5,945.84
Poplar Valley Free Will Baptist	1,903.25	2,075.97
Sutton Free Will Baptist	18,299.83	23,280.65
United Free Will Baptist	7,142.00	8,965.00
Southeast Arkansas Association	472.34	500.81
Bethlehem Free Will Baptist	17,576.46	10,030.47
Cavanaugh Free Will Baptist	85,614.64	90,221.14
Central Free Will Baptist, Central City	4,066.00	3,952.01
First Free Will Baptist, Charleston	6,156.18	4,500.00
First Free Will Baptist, Greenwood	7,735.50	7,577.10
Ozark Free Will Baptist	10,429.44	10,605.24
South Side Free Will Baptist	3,726.28	3,230.03
Vista	2,160.00	
Catcher Free Will Baptist	347	108.33
Cornerstone Free Will Baptist, Charleston	2,141.26	826.46
Enterprize Free Will Baptist	214.74	419.22
First Free Will Baptist, Fort Smith	739	997.24
First Free Will Baptist, Mulberry	1,421.00	1,334.21
Kenner Chapel Free Will Baptist	627.87	665.37
Oliver Springs Free Will Baptist	474.32	1,693.49
CrossPoint (UT)	638.82	

Cooperative Support for 2010

Antioch Association

Antioch.....	0
Baker's Creek.....	0
Ben Hur	0
Cherry Hill.....	0
Clarksville	0
Dover	0
Faith, Little Rock.....	0
First, Atkins.....	0
First, Benton	0
Hector.....	0
Hickory Grove.....	0
Holman	0
Johnson.....	0
Maple Springs.....	0
Morrilton.....	0
New Life.....	1,013.16
Ola	0
Pine Ridge	0
Slaty Crossing	5,754.06
Smith Springs	0
South Mountain	0
St. Joe	0
Sweet Home	0

Arkansas Association

Boles.....	0
Brooklyn.....	0
Egypt	0
Freedom	0
Harmony, Waldron	0
Hosanna	0
Keener.....	0
Mulberry.....	0
Potts	0
Union Hill	0

Central Association

Bethel	0
Capitol City	425.00
Cross Roads.....	4,225.85
First, Conway.....	3,865.31
First, Hot Springs.....	317.50
First, Malvern.....	454.20
First N. Little Rock	12,202.15
First, Russellville..	39,323.98
GracePoint.....	1,938.90
New Beginnings.....	27.50
Oak Park.....	4,816.95

Fellowship Association

Fellowship Assoc.	0
First, Dardanelle	2,445.00
Harmony	2,354.00
Mt. Vernon	2,200.00
Oak Grove	3,159.00
Union Grove	16,282.00
Welcome Home	2,812.00
Woodlawn.....	6,357.00

Harmony Association

Corley	746.72
Danville.....	300.00
Plainview	1,574.50
Ranger.....	659.73
Upper Spring Creek..	859.89
Wilson.....	546.50

Little MO River Association

Daisy.....	4,171.94
Grace Fellowship...	1,012.50
Glenwood	2,510.55
Hatfield	869.99
CrossPointe, LA.....	157.47
Lake Hills.....	8,614.26
Lodi.....	1,600.27
Pleasant Grove.....	872.55

New Hope Association

Cedar Heights.....	0
Center Point.....	3,505.00
Chapel Lane	1,854.26
Friendship.....	1,608.93
Greenbrier	0
Mt. Bethel	10,449.16
Rolling Oaks	0
Sardis	0
Sharon	3,778.83
Soda Valley.....	0
South Heights	2,262.28

Northwest Association

Eureka Springs	0
First, Berryville.....	0
First, Mt. Home	0
Gospel Lighthouse, MO....	0
Moore	2,136.00
Mt. Olivet, MO.....	240.00
Oak Grove	1,462.64
Oak Lane	780.00
Trinity.....	322.93

Old Mt. Zion Association

Bentonville	0
Calvary	5,578.50
Christian Home.....	0
Clifty Chapel	1,051.56
Durham.....	0
Eastgate	225.00
Faith, Springdale	0
First, Fayetteville	0
First, Lowell	0
Freedom	0
Greenland Memorial	0
Hope	0
Huntsville	0
Land of Goshen	0
Mt. Zion.....	0
New Horizon	855.13
New Sulphur	3,752.90
Pea Ridge.....	0
Phillips Chapel....	18,429.11
Pilgrim's Rest.....	0
Rogers.....	0
West Ridge	1,800.00
Westside.....	5,740.57

Polk Bayou Association

Allen Chapel	22,400.00
Ballews Chapel.....	6,886.00
Blackland Chapel...	6,385.17
First, Cave City	1,150.00
First, Batesville	12,621.00
First, Newport	0
First, Tuckerman..	10,412.39
Grace, Newport	0
Macedonia	202.68
Mt. Harmony	7,631.30
New Bethel	382.08
New Home.....	0
Oak Grove, Lynn	35.00
Oakland, Bradford	0
Pool's Chapel	0
Quail Valley.....	0
Weaver's Chapel	0

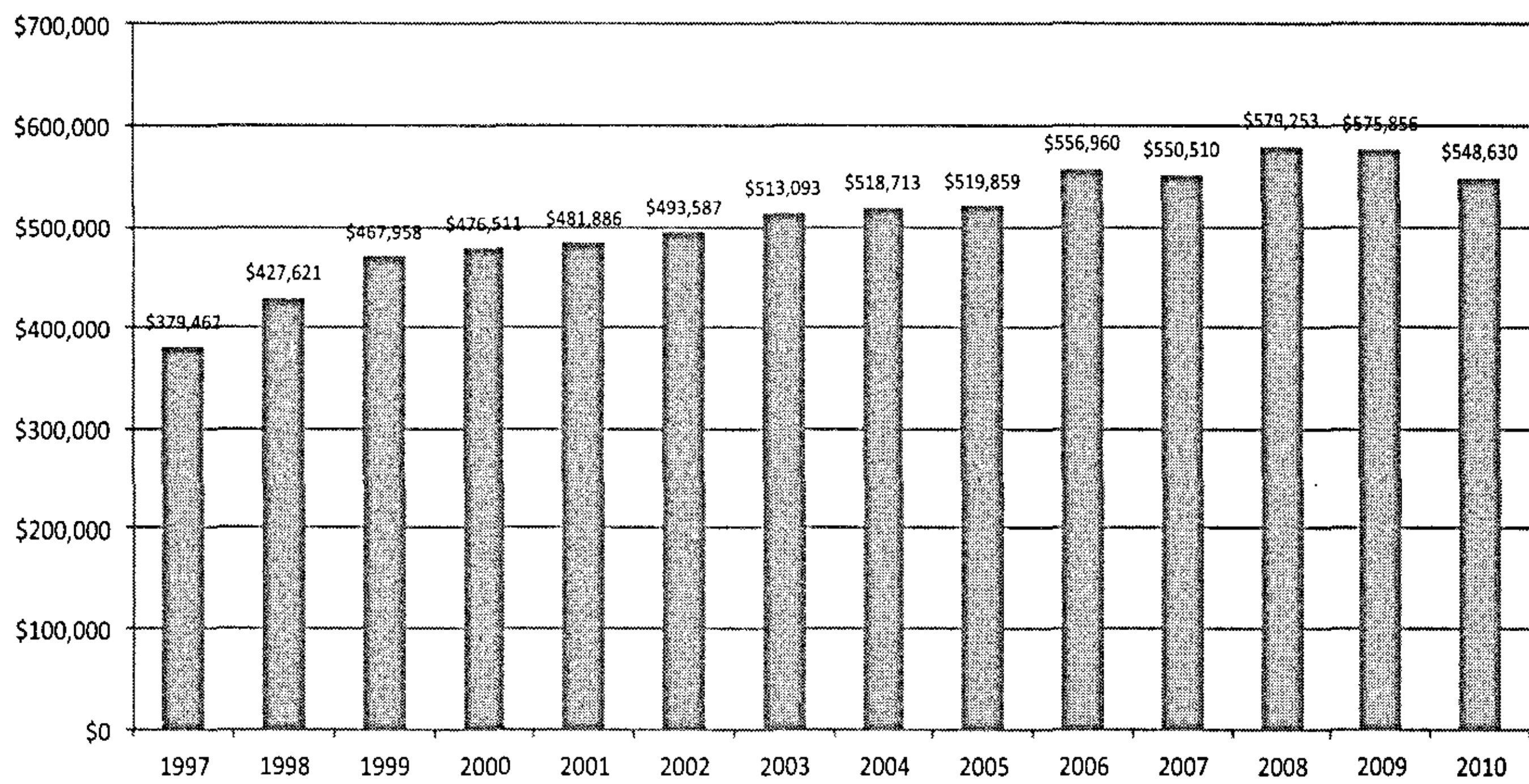
Saline Association

Corbin Ferry.....	430.50
Fairview	0
Faith, Warren.....	1,949.75
First, Crossett	1,745.23

Cooperative Support for 2009

First, Monticello 0	Faith, Jonesboro.. 10,400.00	Heritage Temple, AZ 0
First, Star City..... 15,105.27	First, Corning 0	Ozark 10,605.24
First, Warren 8,569.40	First, Jonesboro..... 7,775.00	Pleasant Hill..... 0
Free Hill, Rison 227.50	First, Paragould 0	Riverview Fellowship 0
Grace, WI 0	First, Pocahontas 14,133.17	Shady Grove..... 0
Harmony, Warren...8,937.03	First, Walnut Ridge 9,950.34	South Side3,230.03
Hillview, LA201.06	Grandview 0	Vista, Van Buren0
Landmark, LA0	Harmony, Mt. Home..... 0	<u>Zion Hope #2 Association</u>
Macedonia304.44	Northside,Pocahontas 0	First, Alma..... 0
Mt. Horeb..... 0	O’Kean..... 0	Catcher 108.33
Mt. Pleasant.....52.50	Old Reyno.....5,945.84	Centerpoint, Mulberry 0
Oak Grove, Wilmar 1,797.85	Pioneer 0	Cornerstone.....826.46
Pine Hill770.00	Poplar Valley..... 2,075.97	Cottonwood, OK 0
Pleasant Grove.....52.50	Pruett Chapel..... 0	Eighty-One, Rudy 0
Pleasant Valley5,335.97	Sharum..... 0	Enterprise, Lavaca....419.22
Rolfe Chapel..... 0	Sutton 23,280.65	First, Booneville 0
Rose Hill2,800.00	United 8,965.00	First, Fort Smith997.24
Spring Hill70.00	Warm Springs..... 0	First, Mulberry..... 1,334.21
Trinity6,794.56	<u>Southeast Association</u>	Freedom, Alma 0
Willoughby378.00	Southeast District500.81	Heritage Oaks..... 0
Yorktown1,150.22	<u>Unity Association</u>	Independence..... 0
<u>Social Band Association</u>	Bethlehem 10,030.47	Kenner Chapel.....665.37
Arbor Grove2,710.18	Cavanaugh90,221.14	Oliver Springs..... 1,693.49
Coffman0	Central3,952.01	Riverdale 0
CornerStone 651.31	First, Charleston4,500.00	Other
Elnora 0	First, Greenwood...7,577.10	CrossPoint, UT 0

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**ARKANSAS STATE ASSOCIATION OF
FREE WILL BAPTISTS, INC.**

FINANCIAL STATEMENTS

DECEMBER 31, 2010 AND 2009

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JOHN W. STOTTMAN, JR., CPA PA

A PROFESSIONAL ASSOCIATION
Certified Public Accountant

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INDEPENDENT AUDITOR'S REPORT

To The Board of Directors
Arkansas State Association of Free Will Baptists, Inc.

I have audited the accompanying statements of financial position of Arkansas State Association of Free Will Baptists, Inc. (a nonprofit Corporation) as of December 31, 2010 and 2009, and the related statements of activities, and cash flows for the years then ended. The financial statements are the responsibility of the Organization's management. My responsibility is to express an opinion on these financial statements based on my audit.

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

The Organization has elected to record the values of land and buildings, specifically the state offices at Conway, Arkansas, at the current appraised values. Generally accepted accounting principles require that operational assets be valued at actual cost less appropriate adjustments for depreciation and substantial decreases for obsolescence. Due to limited records and the extensive use of donations relating to the establishment of the above mentioned property, it was not practical for me to extend my examination of such records beyond the amounts recorded.

In my opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had the actual cash and donations records referred to in the preceding paragraph been susceptible to satisfactory audit tests, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of Arkansas State Association of Free Will Baptists, Inc. as of December 31, 2010 and 2009 and its results of operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Russellville, Arkansas
July 10, 2011

Members

American Institute of
Certified Public Accountants
Arkansas Society of
Certified Public Accountants

ARKANSAS STATE ASSOCIATION OF
FREE WILL BAPTISTS, INC.
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2010 AND 2009

ASSETS

ASSETS:	<u>2010</u>	<u>2009</u>
Cash	\$ 141,996	\$ 135,042
Accounts Receivable	2,572	2,750
Inventory	2,535	2,593
Property, Plant & Equipment		
Less Accumulated Depreciation	<u>409,338</u>	<u>412,548</u>
Total Assets	<u>\$ 556,441</u>	<u>\$ 552,933</u>

LIABILITIES AND NET ASSETS

LIABILITIES:		
Accounts Payable	\$ 21,693	\$ 12,152
Designated Contributions Payable	249,212	262,693
Sales Tax Payable	75	99
Payroll Taxes Payable	1,756	1,742
Notes Payable	<u>159,414</u>	<u>172,968</u>
Total Liabilities	432,150	449,654
NET ASSETS:		
Unrestricted	118,786	95,912
Permanently Restricted	<u>5,505</u>	<u>7,367</u>
Total Net Assets	<u>124,291</u>	<u>103,279</u>
Total Liabilities and Net Assets	<u>\$ 556,441</u>	<u>\$ 552,933</u>

The Accompanying Notes Are an Integral Part of These Financial Statements.

ARKANSAS STATE ASSOCIATION OF
FREE WILL BAPTISTS, INC.
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

	2010			2009	
	UNRESTRICTED	TEMPORARILY RESTRICTED	PERMANENTLY RESTRICTED	TOTAL	TOTAL
REVENUE:					
Designated contributions-					
National Home Missions	\$	\$	\$ 66,842	\$ 66,842	\$ 87,121
Designated contributions-					
International Missions			68,469	68,469	47,421
Designated contributions-					
Acts 1:8			507,106	507,106	518,163
Designated contributions-					
Free Will Baptist Bible College			24,539	24,539	31,060
Designated contributions-					
Hillsdale			21,665	21,665	18,302
Designated contributions-Other			106,688	106,688	88,904
Cooperative Contributions	548,230			548,230	560,331
Sunday school literature sales	312,252			312,252	307,261
Vision sales and advertising	8,772			8,772	8,538
National Association fees	20,200			20,200	20,300
State convention fees	6,060			6,060	6,090
Rental income	13,581			13,581	19,385
Interest income	801			801	702
State Cooperative income			160,023	160,023	128,108
Other income	62,183		13,415	75,598	40,622
Net Assets released from restrictions:					
Restrictions satisfied by payments	956,609		(956,609)	0	0
Total Revenue	1,928,688	0	12,138	1,940,826	1,882,308
EXPENSES:					
Designated contributions	795,309			795,309	790,971
Cooperative contributions	548,230			548,230	560,331
Cost of sales - S. S. literature	231,242			231,242	233,295
C.E. Scholarships	2,275			2,275	1,400
State convention expense	8,427			8,427	8,198
Interest expense	10,942			10,942	11,864
Property taxes	1,842			1,842	1,749
Payroll taxes	5,096			5,096	4,957
Property insurance	3,352			3,352	3,526
Website cost	2,854			2,854	2,557

The Accompanying Notes Are an Integral Part of These Financial Statements.

ARKANSAS STATE ASSOCIATION OF
FREE WILL BAPTISTS, INC.
STATEMENTS OF ACTIVITIES - (CONTINUED)
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

	2010			2009	
	UNRESTRICTED	TEMPORARILY RESTRICTED	PERMANENTLY RESTRICTED	TOTAL	TOTAL
EXPENSES: (CONTINUED)					
Workman's comp insurance	\$ 848	\$	\$	\$ 848	\$ 864
Utilities	7,366			7,366	8,595
Janitor	2,295			2,295	2,075
Supplies	10,500			10,500	8,686
Miscellaneous	18,070			18,070	18,395
Salary, housing, retirement insurance & social security	73,924			73,924	71,485
Board mileage & meals	10,319			10,319	10,372
Auto & travel expenses	12,863			12,863	11,129
Repairs & maintenance	4,203			4,203	9,023
Telephone	3,869			3,869	4,237
Postage & printing	37,011			37,011	37,176
Computer expense	480			480	600
Secretary salaries	54,924			54,924	53,966
Stockroom expense	945			945	1,366
Professional fees	6,790			6,790	6,465
Retreat & conference expense	17,643			17,643	18,134
National Association fees	20,700			20,700	20,700
Ministers benevolence expenses	0		14,000	14,000	3,500
Depreciation	13,495			13,495	11,845
Total Expenses	1,905,814	0	14,000	1,919,814	1,917,461
Increase (Decrease) In Net Assets	22,874	0	(1,862)	21,012	(35,153)
Net Assets - Beginning of Year	95,912	0	7,367	103,279	138,432
Net Assets - End of Year	\$ 118,786	\$ 0	\$ 5,505	\$ 124,291	\$ 103,279

The Accompanying Notes Are an Integral Part of These Financial Statements.

ARKANSAS STATE ASSOCIATION OF
FREE WILL BAPTISTS, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

CASH FLOWS FROM OPERATING ACTIVITIES:	<u>2010</u>	<u>2009</u>
Increase <Decrease> in net assets	\$ 21,012	\$ <35,153>
Depreciation	13,495	11,845
<Increase> decrease in:		
Accounts receivable	178	1,132
Inventory	58	<400>
Due from State	0	6,000
Increase <decrease> in:		
Accounts payable	9,541	10,121
Payroll taxes payable	14	181
Sales tax payable	<24>	<371>
Designated contributions payable	<u><13,481></u>	<u>6,917</u>
Net Cash Provided by Operating Activities	30,793	272
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property & equipment	<u><10,285></u>	<u><41,968></u>
Net Cash Used by Investing Activities	<10,285>	<41,968>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from debt	138,706	31,329
Repayment of debt	<u><152,260></u>	<u><13,046></u>
Net Cash Provided by Financing Activities	<13,554>	18,283
Net Increase <Decrease> in Cash	6,954	<23,413>
Cash at Beginning of Year	<u>135,042</u>	<u>158,455</u>
Cash at End of Year	\$ <u>141,996</u>	\$ <u>135,042</u>
SUPPLEMENTAL DISCLOSURES:		
Cash Paid During the Year for Interest	\$ <u>9,195</u>	\$ <u>11,864</u>

The Accompanying Notes Are an Integral Part of These Financial Statements.

ARKANSAS STATE ASSOCIATION OF
FREE WILL BAPTISTS, INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2010 AND 2009

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Arkansas State Association of Free Will Baptists, Inc. is a nonprofit corporation organized to provide central leadership and representation for Free Will Baptists of Arkansas and to handle certain receipts and disbursements of Free Will Baptist Churches. The corporation's support comes primarily from COOP receipts and Sunday School literature sales.

The Corporation is exempt from federal income tax under section 501 (c)(3) of the Internal Revenue Code.

The following significant accounting policies have been followed in the preparation of the financial statements:

Basis of Accounting

The Corporation prepares its financial statements using the accrual basis of accounting, which involves the application of generally accepted accounting principles; consequently, revenues and gains are recognized when earned, and expenses and losses are recognized when incurred.

Basis of Presentation

Financial statement presentation follows the recommendations of the Accounting Standards Codification 958-210-55. Under Accounting Standards Codification, the Organization is required to report information regarding its financial position and activities according to three classes of net assets; unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles includes the use of estimates that affect the financial statements. Accordingly, actual results could differ from those estimates.

Contributions

The Corporation accounts for contributions in accordance with the recommendations of the Accounting Standards Codification 958-605-55. In accordance with Accounting Standards 958-605-55, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence or nature of any donor restrictions.

All donor-restricted support is reported as an increase in temporarily or permanently restricted net assets depending on the nature of the restriction. When a 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. The Corporation has no temporarily restricted net assets.

ARKANSAS STATE ASSOCIATION OF
FREE WILL BAPTISTS, INC.
NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)
DECEMBER 31, 2010 AND 2009

Property and Equipment and Depreciation

Auto, office furniture and equipment and building improvements are recorded at cost. Depreciation is computed using the straight-line method based on the estimated useful lives of the related assets. Expenditures for repairs and maintenance are charged to operations when incurred, while major betterments and renewals are capitalized. The following useful lives were used to calculate depreciation:

Auto	5 years
Office furniture & equipment	5 years
Building improvements	10 - 25 years

Cash Equivalents

The Corporation considers all highly liquid investments with a maturity of nine months or less when purchased to be cash equivalents.

Inventory

Inventory is stated at the lower of cost (first in, first out method) or market.

NOTE 2 - PROPERTY & EQUIPMENT

A summary of property is as follows:

	<u>2010</u>	<u>2009</u>
Auto	\$ 31,213	\$ 31,213
Office Furniture & Equipment	78,450	74,599
Building Improvements	<u>49,612</u>	<u>43,178</u>
	159,275	148,990
Less Accumulated Depreciation	<u>104,937</u>	<u>91,442</u>
	54,338	57,548
Land and Building	<u>355,000</u>	<u>355,000</u>
Total Property and Equipment	<u>\$ 409,338</u>	<u>\$ 412,548</u>

ARKANSAS STATE ASSOCIATION OF
FREE WILL BAPTISTS, INC.
NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)
DECEMBER 31, 2010 AND 2009

NOTE 3 - COOPERATIVE CONTRIBUTIONS AND EXPENDITURES

The Corporation receives contributions to be cooperatively allocated among board approved organizations. The percentage allocation of Cooperative Contributions for the years ended December 31, 2010 and 2009 was as follows:

	<u>2010</u>		<u>2009</u>	
	<u>PLAN A</u>	<u>PLAN B</u>	<u>PLAN A</u>	<u>PLAN B</u>
State General Fund	25%	25%	20.5%	20.5%
State CTS Board	17.5%	17.5%	17.5%	17.5%
State Missions Board	21.5%	21.5%	21.5%	21.5%
Christian Education Board	3%	3%	3%	3%
National Association	33%	26%	37.5%	30.5%
Hillsdale	0%	7%	0%	7%
TOTAL	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>

NOTE 4 - DESIGNATED CONTRIBUTIONS PAYABLE

The Corporation receives designated contributions from churches and individuals that are to be forwarded to the appropriate organization or individual. The Corporation is to remit these contributions in the following month after collection.

NOTE 5 - CONTINGENCY FUND

Arkansas State Association of Free Will Baptists, Inc. makes periodic payments to a contingency fund to be used in case of an emergency at the discretion of the executive board. This amount is included in Cash and Cash Equivalents on the Statement of Financial Position.

NOTE 6 - RESTRICTIONS ON NET ASSETS

Permanently restricted net assets are available for the following purposes:

	<u>2010</u>	<u>2009</u>
Ministers Benevolent Fund	\$ <u>5,505</u>	\$ <u>7,367</u>
	\$ <u>5,505</u>	\$ <u>7,367</u>

These net assets are restricted due to donor restrictions.

ARKANSAS STATE ASSOCIATION OF
FREE WILL BAPTISTS, INC.
NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)
DECEMBER 31, 2010 AND 2009

NOTE 7 - NOTES PAYABLE

	<u>2010</u>	<u>2009</u>
Note payable – Simmons First Bank, Conway, Arkansas, requires monthly installments of \$ 1,232, including principal and interest at an annual percentage rate of 7.75%. Note is secured by real estate.	\$ 0	\$ 142,484
Note payable – Simmons First bank, Conway, Arkansas, requires monthly installments of \$ 610, including principal and interest at an annual percentage rate of 6.25%. Note is secured by vehicle.	24,908	30,484
Note payable – Free Will Baptist Foundation, Nashville, Tennessee, requires monthly installments of \$ 1,564, including principal and interest at an annual percentage rate of 4.5%. Note is secured by real estate.	<u>134,506</u>	<u>0</u>
Total Debt	\$ <u>159,414</u>	\$ <u>172,968</u>

The aggregate maturities of these notes are as follows:

2011	\$ 18,920
2012	\$ 18,898
2013	\$ 20,928
2014	\$ 20,788
2015 and thereafter	\$ 79,880

NOTE 8 - CONCENTRATION OF CREDIT RISK

The Board has an accounting risk of loss in the area of cash and cash equivalents to the extent cash funds are not insured by a governmental agency. The amount of accounting risk of loss on December 31, 2010 is \$ 19,714.

NOTE 9 – CONTINGENT LIABILITIES

The Executive Board of The Arkansas State Association of Free Will Baptists, Inc. has signed the notes for Arkansas State Home Mission Board of the Arkansas State Association of Free Will Baptists, Camp Beaverfork and Arkansas Free Will Baptists Youth Camp. If these entities are unable to cover there obligations, the Arkansas State Association of Free Will Baptists, Inc. will be liable for those obligations.

Christian Education Board Summaries

May 11, 2010

The CE Board met at the State Office.

Members present were: Tim Campbell, Randy Scott, David Ponder, Kevin Jewell, Clark Snow & Greig Caswell

The Board examined the Profit and Loss report for 2009

MSC to accept report

MSC to Accept the 2010 Proposed Budget

We discussed moving the minister's retreat to Feb 28th & March 1st – 2nd 2011. Contact will be made with the 4 H Center to see if these dates are available.

Retreat speaker Paul Harrison confirmed the new dates of 2- 28 and 3-1 & 2 would fit his schedule.

Tom Dubose submitted a written complaint to Randy Scott concerning the golf outing at the 2010 minister's retreat. Randy responded to Tom's complaint in writing. After discussing the issue, the board concluded that Bro. Randy had adequately and sufficiently handled the complaint. Greig Caswell, the board secretary will send a letter to Bro. Tom apologizing for the perceived offense and explaining that after the board discussed the issue that we were in agreement that Bro. Randy's response was adequate and sufficient. MSC for this motion.

August 3, 2010

The Christian Education Board met at the State Association Meeting in Monticello, AR. Members present were: Randy Scott, David Ponder, David Harper, Clark Snow & Greig Caswell

Scholarship applications were reviewed a motion was made to award seven scholarships this year. Each recipient will receive \$325.00 per semester.

MSC

The recipients are:

Nicholas Hewett

Miranda Thomas

Kendall Ross

Ben Campbell

Kali Bonnema

Jonathan Wesley Loyd

Kenyan Savage

New officers were elected

David Ponder --- Chairman

Clark Snow --- Vice – Chairman

Greig Caswell --- Secretary

October 25, 2010

The Board met at the State office. Members present were: Tim Campbell, Kevin Jewell, David Ponder, David Harper, Clark Snow, Ryan Johnston & Greig Caswell

The Board examined the Profit and Loss report for 2010.

MSC

Reviewed plans for the 2011 Minister's Retreat

Motion made to pay an honorarium to the guest speaker plus expenses.

MSC

Discussed preliminary plans for 2012 Minister's Retreat.

Venue --- Arkansas 4-H Center, Ferndale, AR

Speaker --- Harry Reeder, alternate --- Hershel York

Dates --- Feb 27th -29th, 2012

MSC

Discussed reinstating the Women's Conference.

We are inviting Janie Campbell to our Spring meeting to share with us preliminary plans about the Women's Conference ~~ such as who to have on the committee, how frequently to have the conference, how and when the conference committee would report to the C E Board, etc.

Motion made to sponsor a Sunday School Growth conference at the East Gate Free Will Baptist church in Siloam Springs, AR. Dates, speaker, etc. TBA

MSC

Respectfully Submitted

David Ponder (Chairman)

Clark Snow (Vice-Chairman)

Greig Caswell (Secretary)

Ryan Johnston

Kevin Jewell

David Harper

Proposed 2012 Budget

	2010	Budget	\$ + or -	2012 Proposed
Income				
40500 · Christian Educaiton Income				
40501 · Coop Income	16,343.85	16,860.00	-516.15	16,860.00
40502 · Minister's Retreat Income	6,610.00	8,800.00	-2,190.00	6,600.00
40505 · Interest Income	24.95	50	-25.05	25
40508 · Minister's Wive Retreat	1,420.00	2,000.00	-580	2,000.00
Total 40500 · Christian Educaiton Income	24,398.80	27,710.00	-3,311.20	25,485.00
Total Income	24,398.80	27,710.00	-3,311.20	25,485.00
Expense				
50500 · Christian Education Expense				
50501 · Minister's Retreat	13,478.08	13,500.00	-21.92	11,500.00
50502 · Board Mileage & Meals	1,279.57	2,000.00	-720.43	1,400.00
50503 · Phone	150	450	-300	200
50504 · Printing & Postage	838.3	1,000.00	-161.7	1,000.00
50506 · Secretarial Expense	1,200.00	1,200.00	-	1,200.00
50507 · Computer	480	480	-	480
50508 · Audit	-	500	-500	500
50509 · Computer/Internet	321.54	130	191.54	100
50510 · Miscellaneous	1,310.53	750	560.53	1,000.00
50512 · Scholarships	2,275.00	4,000.00	-1,725.00	4,000.00
50515 · Christian Education Conference	994.62			200
50517 · Minister's Wives Retreat	3,169.60	3,700.00	-530.4	3,905.00
50500 · Christian Education Expense - Other	253.62			-
Total 50500 · Christian Education Expense	25,750.86	27,710.00	-1,959.14	25,485.00
Total Expense	25,750.86	27,710.00	-1,959.14	25,485.00
Net Income	-1,352.06	-	-1,352.06	-

Mission Board Summaries

January 26, 2010

All members were present along with Tim Campbell and Don Matchett. After prayer requests were taken Brian Kesterson opened the meeting in prayer.

Motion MSC to accept the minutes from our previous meetings.

Don Matchett reported on the financial statements from APPLE, ACTS 1:8, and the Missions Board Budget. A very positive report was given concerning our ACTS 1:8 missionaries.

After a report concerning the work in Monroe, LA a motion was MSC to extend the loan to them for another year.

Motion MSC to adopt Don's Report

Cody Alley, missionary to Cabot, AR gave his report concerning the work there. He reported many positive contacts having been made and that he felt the corner was being turned for the good in the work there. He also gave his financial report.

Motion MSC to accept the report.

Brian Kesterson tendered his resignation to the Board anticipating his upcoming position as the Camp Beaverfork Director. Motion MSC to accept the resignation effective February 1, 2010.

Meeting was adjourned with the setting of our next meeting for April 6, 2010 at the State Offices. Dismissed in prayer by Michael Morrison.

September 7, 2010 (Conference Call)

Chairman Ken Winningham called the meeting to order and called roll. Members present were Ken Winningham, Joe Ray Short, Jeff Holland, Michael Morrison and Blaine Rogers. Also present were Don Matchett and Cody Allen

Joe Ray Short opened the meeting with prayer.

The purpose of the meeting was to consider the proposals offered by the Changeport Assembly of God for the property located at 3525 HWY 89 South Cabot AR.

Don when over the proposal

Blaine Rogers made a motion to accept the proposal and allow Cody Alley to move forward with the transition to move the mission work to one of the schools in Cabot.

Jeff Holland seconded the motion.

The floor was then open for discussion.

After several questions were asked and the proposal discussed the motion was passed.

Cody Alley then discussed the churches plans for the next two years.

Jeff Holland closed in prayer,

December 12, 2010

The meeting convened at the state office in Conway. Board members present were Ken Winningham, Joe Ray Short, Michael Morrison, Jeff Holland. Also present for the meeting were State Missions Director Don Matchett and Executive Secretary Tim Campbell.

The meeting was opened in prayer by Bro. Joe Ray Short.

Officers to serve for 2011 were elected. Bro. Ken Winningham was elected chairman, Bro Joe Ray Short was elected Vice chairman and Bro Michael Morrison was elected as secretary.

Minutes for the September conference call were read, Bro Joe made a motion to accept the minutes and Bro Jeff seconded the motion. Motion was passed

Bro Don gave the director's report:

Acts 1:8 giving was down from last year, special project give to the National Mission and a sluggish economy were possible reason for giving being down.

It was reported that Cody Alley's ministry insurance was made to the State and the State disburses the money to the Insurance Provider. Bro Don suggested that Cody make this payment direct and cut out the State as acting as a middle man. Motion was made by Bro Michael and Seconded by Bro Joe that we have Bro Cody make his payments direct. Motion was passed.

Bro Don went over his schedule. He mentioned that he would be working on making video clips to give to pastors to share with their churches and making podcast when missionaries were home to share as well.

The singing in North West Arkansas had 30-40 people in attendance and an offering of \$900.00

The Fishing Tournament for 2011 would be hosted by the Mt Home church.

The Church purchasing the Mt Calvary property in Conway was late on their payment. It was suggested that they go to the bank and refinance their loan to get a better interest rate lower payments and to pay off the amount owed to the State Missions.

International Mission not doing much better even with all the special appeals and projects they are down 4%.

Bro Don reminded National Home Missions that they still owed us \$45,000

John Reed's account is \$1300 in the red

Randy Ledbetter would be leaving the Salt Lake work December 15, 2010,

Brother Joe made the motion to receive Bro. Don's report, Bro Jeff seconded the motion. Motion passed.

Bro Don made Bro Cody report because Cody was unable to attend due to health problems his son was having.

The Church in Cabot is well attendance is up compared to this time last year, They are focused on paying off their debt. Services doing well and the church is unified.

The board addressed several challenges dealing with the direction of the Missions policies of the state.

Motion was made to accept this report by Bro Jeff and seconded by Bro Joe. Motion was passed

Dwayne Roper resigned from the mission's board. After careful consideration the board recommended David Winfrey be considered for this position by the Executive Board.

With no further business to discuss motion was made to dismiss by Bro Joe, seconded by Bro Jeff. Motion was passed.

Respectfully Submitted:

Ken Winningham (Chair)

Joe Short (Vice-Chair)

Michael Morrison (Secretary)

Jeff Holland

Blaine Rogers

David Winfrey

Don Matchett (ex-officio)

Tim Campbell (ex-officio)

		2010 Budget To Actual		
		Jan - Dec 10	Budget	\$ Over Budget
Income				
40401 · Coop		117131	120830	-3699
40402 · Interest Income		79.51		
40404 · Apple Payment - Cabot		10603.25		
40405 · Cabot Insurance Payment		2500		
40406 · Bank Payment / Ins - Cabot		4850	15000	-10150
40408 · Mt. Cavalry Property Receipts		5967.79	5825	142.79
40411 · Misc. Income		2049.72	500	1549.72
40413 · Designated-SM General Fund		370	150	220
40414 · Designated-Cabot		6302.54	800	5502.54
40415 · Changepoint Church Lease Paymt		6300		
40450 · ACTS 18 For Cabot		49883.19	50000	-116.81
40461 · Fishing Tournament Income		5580	5000	580
40462 · Teen Mission Trips		6337	10000	-3663
Total Income		217954	208105	9849
Expense				
50401 · Phone		1978.4	1500	478.4
50402 · Secretarial		2925		
50403 · Computer		5825.18	1100	4725.18
50404 · Board Expense		2746.68	5000	-2253.32
50405 · Audit		3425	2500	925
50406 · Miscellaneous		3959.92	5300	-1340.08
50407 · Director's Salary		29450.2	29450	0.2
50408 · Director's Housing		18000	18000	0
50409 · Director's Retirement		1200	1200	0
50410 · Director's Insurance		8787.88	6150	2637.88
50411 · Director's Social Security		5444.91	7200	-1755.09
50411b · Director's Bonus		950		
50412 · Mission Director's Conventions		4299.81	1500	2799.81
50413 · Vehicle Payment		5065.92	5064	1.92
50414 · Vehicle Maintenance/Repair		734.08	1200	-465.92
50415 · Office Expense		1593.83	1800	-206.17
50416 · Travel				
50416a · Travel-Fuel		3054.27		
50416b · Travel-Meals		2955.99		
50416c · Travel-Lodging		670.06		
50416 · Travel - Other		0	8000	-8000
Total 50416 · Travel		6680.32	8000	-1319.68
50417 · Postage		963.1	1500	-536.9
50418 · Printing		1692	1650	42
50420a · Cabot Missionary Insurance		3876.92		
50422 · Cabot Missionary Bonus		950		
50423 · Cabot Property Insurance		2068.5	3000	-931.5
50427 · Rent		3600	3600	0
50430 · Designated-AFWB Expense		150		
50432 · Cabot Expense		3509.54		
50440 · Utilities		1494.64	2000	-505.36
50461 · State Meeting		531.21		
50462 · Fishing Tournament		2861.45	5000	-2138.55
50463 · Conway Property To Apple		2914.86	5825	-2910.14
50464 · Teen Mission Trips Expense		5083.81	10000	-4916.19
50465 · Contingency		0	10813	-10813
50466 · Secretarial Expense		975	3900	-2925
50500 · FWB Foundation-Apple		7995.6		
50656 · A.C.T.S. 18 Promotion		3040.56		
50658 · State Missionary Convention		236.43		
50662 · Auto Insurance		714.7	968	-253.3
50665 · Apple Loan (for Cabot)		25278.2	14885	10393.2
6560 · Payroll Expenses		47551.28	50000	-2448.72
Total Expense		218554.93	208105	10449.93
Net Income		-600.93	0	-600.93

Arkansas Free Will Baptist Missions Budget 2012

Income

Variable Income Account

Co-op	\$120,830.00
Designated SM General Fund	\$150.00
Fishing Tournament income	\$5,000.00
Teen Mission trip income	\$10,000.00
Designated to Gracepoint	\$4,000.00
Misc. Income Interest and Reimbursements	\$500.00

Transfer Income Accounts

A.C.T.S. 1:8 Receipts for Cabot Missionary	\$53,800.00
Payment from ChangePoint AG	\$25,200.00

Total Receipts	<div style="border-top: 1px solid black; border-bottom: 3px double black;">\$219,480.00</div>
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Expenses

Variable Expense Accounts

Phone	\$1,500.00
Computer	\$1,500.00
Utilities	\$2,000.00
Board Mileage/Meals	\$6,000.00
Miscellaneous	\$4,100.00
Missions Director's conventions	\$2,500.00
Mission Director's travel	\$8,000.00
Auto Repair and Maintenance	\$1,266.00
Office Expense	\$2,000.00
Postage	\$1,500.00
Printing	\$1,650.00
Fishing Tournament Expenses & Payout to ACTS 1:8	\$5,000.00
Teen Mission trip expenses	\$10,000.00
State mission church expense	\$3,000.00

Payroll Expense	\$53,800.00
Missionary Bonus	\$950.00

Fixed Expense Accounts

Audit	\$2,500.00
Rent	\$3,600.00
Mission Director's Salary	\$30,650.00
Mission Director's Housing	\$18,000.00
Mission Director's Retirement	\$1,200.00
Mission Director's Social Security	\$7,200.00
Mission Director's Insurance	\$9,300.00
Mission Directors Bonus	\$1,100.00
Secretarial Expense	\$3,900.00
APPLE Loan - Cabot	\$25,200.00
Designated to APPLE for Cabot property	\$3,000.00
Payment on Auto	\$5,064.00
Auto Insurance	\$4,000.00

Total Expenses	<div style="border-top: 1px solid black; border-bottom: 3px double black;">\$219,480.00</div>
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2010 A.C.T.S. 1:8 Receipts					
Antioch Association	410.40	Central WAC Total	2,875.40	New Hope Total	17,183.39
Antioch Free Will Baptist	1,200.00	Fellowship Association	2,640.00	Center Point FWB-WAC Vilonia	240.00
Ben Hur Free Will Baptist	1,200.00	First Free Will Baptist, Dardanelle	2,400.00	Mt. Bethel FWB--WAC	450.00
Clarksville Free Will Baptist	828.60	Harmony Free Will Baptist, Russellville	2,890.00	South Heights FWB-WAC	220.00
First Free Will Baptist, Atkins	2,055.91	Mt. Vernon Free Will Baptist	3,520.00	New Hope WAC Total	910.00
First Free Will Baptist, Morrilton	458.00	Oak Grove Free Will Baptist, Atkins	1,200.00	First Free Will Baptist, Mt.Home	1,538.50
Hector Free Will Baptist	2,475.00	Plainview Free Will Baptist	7,297.00	Moore Free Will Baptist	5,000.00
Johnson Free Will Baptist	900.00	Union Grove Free Will Baptist	26,301.00	Northwest Association	3,000.00
New Life Free Will Baptist	2,026.32	Welcome Home Free Will Baptist	2,812.00	Oak Lane Free Will Baptist	832.50
Slaty Crossing Free Will Baptist	1,895.47	Woodlawn Free Will Baptist	4,089.00	Trinity Free Will Baptist, Green Forest	57.16
Smith Springs Free Will Baptist	3,420.00	Fellowship District Total	53,149.00	North West District Total	10,428.16
St. Joe Free Will Baptist	1,100.00	Fellowship Association-WAC	3,583.00	Calvary Free Will Baptist	2,200.00
Sweet Home Free Will Baptist	300.00	Union Grove Young WAC	1,000.00	Clifty Chapel Free Will Baptist	900.00
Antioch District Total	18,269.70	Fellowship WAC Total	4,583.00	Eastgate Free Will Baptist	75.00
Slaty Crossing FWB-WAC	204.00	Atkins First FWB Youth	920.49	Faith Free Will Baptist, Springdale	520.00
Sweet Home FWB-WAC	245.00	Union Grove Youth	845.00	Freedom Free Will Baptist, Pea Ridge	285.97
Antioch WAC Total	449.00	Fellowship Youth Total	1,765.49	Huntsville Free Will Baptist	700.00
Clarksville FWB- Youth	413.09	Corley Free Will Baptist	200.00	Mt. Zion Free Will Baptist	1,100.00
Hector Youth	428.00	Danville Free Will Baptist	600.00	New Horizon Free Will Baptist	1,376.58
Sweet Home Youth	170.05	First Free Will Baptist, Dover	550.00	New Sulphur Free Will Baptist	600.00
Antioch Youth Total	1,011.14	Harmony Association	505.81	Pea Ridge Free Will Baptist	400.00
Arkansas District Association	1,250.00	Ranger Free Will Baptist	1,319.46	Phillips Chapel Free Will Baptist	4,600.00
Boles Free Will Baptist	1,200.00	Upper Spring Creek Free Will Baptist	1,487.19	Pilgrims Rest Free Will Baptist	600.00
Harmony Free Will Baptist, Waldron	755.58	Wilson Free Will Baptist	1,393.00	Rogers Free Will Baptist	635.21
Keener Free Will Baptist	750.00	Harmony Total	6,055.46	West Ridge Free Will Baptist	2,520.00
Mulberry Free Will Baptist	2,291.41	CrossPointe Free Will Baptist, Shreveport	2,935.00	Old Mt. Zion District Total	16,512.76
Pottsville Freewill Baptist	1,799.00	Daisy Free Will Baptist	4,731.00	New Sulphur WAC	300.00
Arkansas Distict Total	8,045.99	Grace Fellowship Free Will Baptist	1,070.00	Old Mt. Zion Assoc--WAC	124.88
Bethel Free Will Baptist	440.00	Glenwood Free Will Baptist	863.78	Old Mt. Zion WAC Total	424.88
Capital City Free Will Baptist	1,500.00	Hatfield Free Will Baptist	750.00	Allen Chapel Free Will Baptist	14,307.40
Central Association	9,889.33	Lake Hills Free Will Baptist	4,033.00	Ballews Chapel Free Will Baptist	5,046.52
Crossroads Free Will Baptist, Jacksonvill	8,102.05	Little Missouri River Association	3,731.76	Blackland Chapel Free Will Baptist	1,200.00
First Free Will Baptist, Conway	2,010.57	Lodi Free Will Baptist	6,759.24	First Free Will Baptist, Batesville	2,868.30
First Free Will Baptist, Hot Springs	550.00	Pleasant Grove Free Will Baptist-New Hope	600.00	First Free Will Baptist, Cave City	1,800.00
First Free Will Baptist, Malvern	197.00	Little Missouri River District Total	25,473.78	First Free Will Baptist, Newport	153.10
First Free Will Baptist, North Little Roc	21,488.00	Daisy FWB-WAC	245.00	First Free Will Baptist, Tuckerman	12,123.25
First Free Will Baptist, Russellville	26,077.17	Lodi FWB-WAC	150.00	Harmony Free Will Baptist, Mt. Home	1,800.00
Grace Point Free Will Baptist	800.00	Pleaseant Grove--WAC	600.00	Macedonia Free Will Baptist, Mt. Pleasant	500.00
New Beginnings Free Will Baptist	350.51	Little Missouri River WAC Total	995.00	Mt. Harmony Free Will Baptist--Saffell, A	1,794.00
Oak Park Free Will Baptist	6,991.97	Cedar Heights Free Will Baptist	1,242.17	New Bethel Free Will Baptist	492.08
Central District Total	78,396.60	Center Point Free Will Baptist, Vilonia	283.12	Oak Grove Free Will Baptist, Lynn	765.94
Capital City FWB--WAC	100.00	Chapel Lane Free Will Baptist	4,885.44	Oakland Free Will Baptist	240.00
Central Assoc--WAC	500.00	Friendship Free Will Baptist	466.77	Polk Bayou Association	349.00
Conway FWB-WAC	120.00	Mt. Bethel Free Will Baptist	3,230.89	Pool's Chapel Free Will Baptist	300.00
Crossroads FWB--WAC, Jacksonville	225.00	New Hope Association	1,925.00	Quail Valley Free Will Baptist	4,951.56
First FWB--WAC, Hot Springs	660.00	Sharon Free Will Baptist	2,760.00	Weavers Chapel Free Will Baptist	550.00
First FWB--WAC, Russellville	80.00	South Heights Free Will Baptist	2,390.00	Polk Bayou District Total	49,241.15
First FWB, North Little Rock--WAC	360.00	New Hope Total	17,183.39	Cave City Masters Men	400.00
Malvern FWB-WAC	20.40	Center Point FWB-WAC Vilonia	240.00	Polk Bayou Master's Men Total	400.00
Oak Park FWB-WAC	450.00	Mt. Bethel FWB--WAC	450.00	Allen Chapel FWB-WAC	5,000.00
Russellville FWB-WAC	360.00	South Heights FWB-WAC	220.00	Ballews Chapel FWB-- WAC	225.00

Blackland Chapel FWB-WAC	550.00	Bethlehem Free Will Baptist	196.00
Mt. Harmony FWB-WAC Saffell	180.00	Cavanaugh Free Will Baptist	18,385.03
Weavers Chapel FWB-WAC	160.00	Central Free Will Baptist, Central City	1,175.00
Polk Bayou WAC Total	6,115.00	First Free Will Baptist, Charleston	5,409.93
Faith Free Will Baptist, Warren	960.00	First Free Will Baptist, Greenwood	7,552.28
First Free Will Baptist, Crossett	2,347.25	Ozark Free Will Baptist	1,500.00
First Free Will Baptist, Star City	23,250.74	South Side Free Will Baptist	1,800.00
First Free Will Baptist, Warren	1,835.00	Unity Total	36,018.24
Harmony Free Will Baptist, Warren	3,796.80	Bethlehem FWB-WAC	395.00
Hillview Free Will Baptist	252.00	Charleston FWB-WAC	260.00
Macedonia Free Will Baptist, New Edinburg	480.00	Riverview WAC	196.45
Pleasant Valley Free Will Baptist	4,662.24	Unity WAC Total	851.45
Rose Hill Free Will Baptist	3,680.53	Catcher Free Will Baptist	158.33
Saline Association	8,125.00	Cottonwood Free Will Baptist	70.00
Spring Hill Free Will Baptist	25.00	Enterprise Free Will Baptist	419.22
Willoughby Free Will Baptist	540.00	First Free Will Baptist, Fort Smith	528.50
Yorktown Free Will Baptist	2,066.50	First Free Will Baptist, Mulberry	300.00
Saline District Total	52,021.06	First FWB--WAC, Fort Smith	120.00
First Crossett-WAC	730.00	Freedom Free Will Baptist, Booneville	800.00
Pleasant Hill FWB--WAC	300.00	Independence Free Will Baptist	1,100.00
Pleasant Valley FWB--WAC	1,107.00	Kenner Chapel Free Will Baptist	300.00
Rolfe Chapel--WAC	25.00	Oliver Springs Free Will Baptist	1,950.00
Saline WAC Total	2,162.00	Riverdale Free Will Baptist	664.50
Arbor Grove Free Will Baptist	1,212.36	First Free Will Baptist, Booneville	600.00
Cornerstone Free Will Baptist, Bono	234.00	Zion Hope #2 District Total	7,010.55
Elnora Free Will Baptist, Walnut Ridge	320.00	1st Alma FWB--WAC	450.00
Faith Free Will Baptist, Jonesboro	8,715.50	First FWB-WAC, Mulberry	370.00
First Free Will Baptist, Corning	309.95	Kenner Chapel--WAC	122.00
First Free Will Baptist, Jonesboro	4,368.35	Oliver Springs FWB-WAC	600.00
First Free Will Baptist, Pocahontas	13,120.22	Zion Hope WAC Total	1,542.00
First Free Will Baptist, Walnut Ridge	4,214.75	Individuals Total	15,393.00
Northside Free Will Baptist	5,850.00	Other Total	17,218.87
O'Kean Free Will Baptist	960.00		
Old Reyno Free Will Baptist	5,485.00		
Pioneer Free Will Baptist	125.00		
Poplar Valley Free Will Baptist	300.00		
Pruett Chapel Free Will Baptist	150.00		
Sharum Free Will Baptist	1,208.80		
Social Band Association	8,653.00		
Social Band Mission Conference	3,709.28		
Sutton Free Will Baptist	9,906.27		
United Free Will Baptist	1,372.00		
Social Band District Total	70,214.48		
Faith FWB Ladies Prayer Group	180.00		
First FWB--WAC--jonesboro,AR	480.00		
Pocahontas FWB-WAC	300.00		
Sutton FWB-WAC	390.00		
Walnut Ridge FWB-WAC	1,026.00		
Social Band WAC Total	2,376.00		
Faith FWB Children's Church--Joneboro	13.54		
Social Band Youth Total	13.54		

**ARKANSAS STATE HOME MISSION BOARD
OF THE ARKANSAS STATE ASSOCIATION
OF FREE WILL BAPTISTS
A DIVISION OF THE ARKANSAS STATE ASSOCIATION
OF FREE WILL BAPTISTS, INC.**

FINANCIAL STATEMENTS

DECEMBER 31, 2010 AND 2009

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JOHN W. STOTTMAN, JR., CPA PA
A PROFESSIONAL ASSOCIATION
Certified Public Accountant

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INDEPENDENT AUDITOR'S REPORT

To The Board of Directors
Arkansas State Home Mission Board of the Arkansas State
Association of Free Will Baptists, A Division of the Arkansas State
Association of Free Will Baptists, Inc.

I have audited the accompanying statements of financial position of Arkansas State Home Mission Board of the Arkansas State Association of Free Will Baptists, A Division of the Arkansas State Association of Free Will Baptists, Inc. (a nonprofit Corporation) as of December 31, 2010 and 2009, and the related statements of activities, and cash flows for the years then ended. The financial statements are the responsibility of the Organization's management. My responsibility is to express an opinion on these financial statements based on my audit.

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

In my opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of Arkansas State Home Mission Board of the Arkansas State Association of Free Will Baptists, A Division of the Arkansas State Association of Free Will Baptists, Inc. as of December 31, 2010 and 2009 and its results of operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Russellville, Arkansas
June 10, 2011

Members

American Institute of
Certified Public Accountants
Arkansas Society of
Certified Public Accountants

ARKANSAS STATE HOME MISSION BOARD OF THE
ARKANSAS STATE ASSOCIATION OF FREE WILL BAPTISTS
A DIVISION OF THE ARKANSAS STATE ASSOCIATION OF
FREE WILL BAPTISTS, INC.

STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2010 AND 2009

ASSETS:	<u>2010</u>	<u>2009</u>
Cash	\$ 7,257	\$ 6,701
Cash – Trust Account	158,647	116,883
Due From COOP	9,828	12,899
Property	665,654	665,654
Auto, Equipment & Leasehold Improvements	14,530	18,108
Mortgage/Notes Receivable	<u>54,059</u>	<u>61,473</u>
 Total Assets	 <u>\$ 909,975</u>	 <u>\$ 881,718</u>
 <u>LIABILITIES AND NET ASSETS</u>		
LIABILITIES:		
Escrow Payable	\$ 3,000	\$ 2,375
Payroll Taxes Payable	0	2
Directors Social Security Payable	2,405	0
Mortgage/Notes Payable	<u>12,452</u>	<u>16,913</u>
 Total Liabilities	 <u>17,857</u>	 <u>19,290</u>
NET ASSETS:		
Unrestricted	886,609	846,770
Temporarily Restricted	<u>5,509</u>	<u>15,658</u>
 Total Net Assets	 <u>892,118</u>	 <u>862,428</u>
 Total Liabilities and Net Assets	 <u>\$ 909,975</u>	 <u>\$ 881,718</u>

The Accompanying Notes Are an Integral Part of These Financial Statements.

ARKANSAS STATE MISSION BOARD OF THE
ARKANSAS STATE ASSOCIATION OF FREE WILL BAPTISTS
A DIVISION OF THE ARKANSAS STATE ASSOCIATION OF
FREE WILL BAPTISTS, INC.
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

	2010			2009	
	UNRESTRICTED	TEMPORARILY RESTRICTED	PERMANENTLY RESTRICTED	TOTAL	TOTAL
REVENUE:					
General Fund Income	\$ 115,589	\$	\$	\$ 115,589	\$ 126,333
Designated Income				0	0
Mission Conference Revenue				0	0
Missionary Income-Cabot		74,139		74,139	44,360
Miscellaneous Income	170			170	1,144
Interest Income	5,286			5,286	18,021
Rent Income	3,300			3,300	0
Fishing Tournament	5,580			5,580	4,630
Youth Mission Trip	6,337			6,337	5,824
Gain (Loss) on Sale of Assets	0			0	1,521
Net Assets released from restrictions:					
Restrictions satisfied by payments	84,288	(84,288)	0	0	0
Total Revenue	220,550	(10,149)	0	210,401	201,833
EXPENSES:					
Board Mileage & Meals	2,747			2,747	5,436
Telephone	1,978			1,978	2,030
Printing	1,692			1,692	265
Postage	963			963	434
Office Supplies	1,594			1,594	2,133
Secretarial Expense	3,900			3,900	3,900
Computer Expense	3,374			3,374	1,220
Professional Fees	3,425			3,425	3,300
Contributions	3,041			3,041	0
Miscellaneous	2,391			2,391	4,806
Auto & Travel Expenses	9,079			9,079	9,197
Repairs & Maintenance	734			734	1,142
Missionary Expenses-Cabot	52,701			52,701	38,842
Cabot Expenses	5,814			5,814	6,855
Utilities	1,495			1,495	1,744
Rent	3,600			3,600	3,600
Fishing Tournament	2,861			2,861	3,409
Teen Mission Trip	5,084			5,084	6,154
Payroll Taxes	0			0	30
Payroll - Office	0			0	224
Directors Salary, Housing & Social Sec.	56,250			56,250	53,101
Directors Insurance & Retirement	9,665			9,665	10,064
National Association Expenses	1,689			1,689	4,303
Depreciation Expense	6,029			6,029	5,922
Interest Expense	605			605	13,947
Total Expenses	180,711	0	0	180,711	182,058
Increase (Decrease) in Net Assets	39,839	(10,149)	0	29,690	19,775
Net Assets - Beginning of Year	846,770	15,658	0	862,428	842,653
Net Assets - End of Year	\$ 886,609	\$ 5,509	\$ 0	\$ 892,118	\$ 862,428

The Accompanying Notes Are an Integral Part of These Financial Statements.

ARKANSAS STATE HOME MISSION BOARD OF THE
ARKANSAS STATE ASSOCIATION OF FREE WILL BAPTISTS
STATEMENTS OF CASH FLOWS
A DIVISION OF THE ARKANSAS STATE ASSOCIATION OF
FREE WILL BAPTISTS, INC.
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

CASH FLOWS FROM OPERATING ACTIVITIES:	<u>2010</u>	<u>2009</u>
Increase <decrease> in net assets	\$ 29,690	\$ 19,775
Add: Depreciation	6,029	5,922
Gain (Loss) on Sale of Assets	0	<1,521>
Increase <Decrease> in:		
Due From COOP	3,071	<12,899>
Escrow Payable	625	0
Payroll Taxes Payable	<2>	<2,243>
Director's Social Security Payable	2,405	0
Due to State Office	<u>0</u>	<u><6,000></u>
Net Cash Provided by Operating Activities	41,818	3,034
CASH FLOWS FROM INVESTING ACTIVITIES:		
Acquisition of property	<2,452>	0
Proceeds from collection from Mortgage Receivable	7,415	4,510
Sale of Assets	<u>0</u>	<u>8,840</u>
Net Cash Provided <Used> from Investing Activities	4,963	13,350
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of Debt	<u><4,461></u>	<u><470,224></u>
Net Cash Provided by Financing Activities	<u><4,461></u>	<u><470,224></u>
Net Increase <Decrease> in Cash	42,320	<453,840>
Cash at Beginning of Year	<u>123,584</u>	<u>577,424</u>
Cash at End of Year	<u>\$ 165,904</u>	<u>\$ 123,584</u>

SUPPLEMENTAL DISCLOSURES:

Cash Paid During the Year for Interest \$ 605 \$ 13,947

The Accompanying Notes Are an Integral Part of These Financial Statements.

ARKANSAS STATE HOME MISSION BOARD OF THE
ARKANSAS STATE ASSOCIATION OF FREE WILL BAPTISTS
A DIVISION OF THE ARKANSAS STATE ASSOCIATION OF
FREE WILL BAPTISTS, INC.

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2010 AND 2009

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Arkansas State Home Mission Board of the Arkansas State Association of Free Will Baptists, A Division of the Arkansas State Association of Free Will Baptists, Inc. is a nonprofit Corporation incorporated under the law of the State of Arkansas. The purpose of the corporation is to establish and support Free Will Baptists Mission Churches in the state of Arkansas. The corporation's support comes primarily from donor contributions and COOP receipts.

The Corporation is exempt from federal income tax under section 501 (c) (3) of the Internal Revenue Code.

The following significant accounting policies have been followed in the preparation of the financial statements:

Basis of Accounting

The Corporation prepares its financial statements using the accrual basis of accounting, which involves the application of generally accepted accounting principles; consequently, revenues and gains are recognized when earned, and expenses and losses are recognized when incurred.

Basis of Presentation

Financial statement presentation follows the recommendations of the Accounting Standards Codification 958-210-55. Under Accounting Standards Codification 958-210-55, the Organization is required to report information regarding its financial position and activities according to three classes of net assets; unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles includes the use of estimates that affect the financial statements. Accordingly, actual results could differ from those estimates.

Contributions

The Organization accounts for contributions in accordance with the recommendations of the Accounting Standards Codification 958-605-55. In accordance with Accounting Standards 958-605-55, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence or nature of any donor restrictions.

All donor-restricted support is reported as an increase in temporarily or permanently restricted net assets depending on the nature of the restriction. When a 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. The Organization has no permanently restricted net assets.

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ARKANSAS STATE HOME MISSION BOARD OF THE
ARKANSAS STATE ASSOCIATION OF FREE WILL BAPTISTS
A DIVISION OF THE ARKANSAS STATE ASSOCIATION OF
FREE WILL BAPTISTS, INC.
NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)
DECEMBER 31, 2010 AND 2009

NOTE 1- CONTINUED

Property

The property at Cabot, Arkansas is carried at cost plus donated labor and material. Expenditures for repairs and maintenance are charged to operations when incurred, while major betterments and renewals are capitalized.

Cash Equivalents

The Corporation considers all highly liquid investments with a maturity of nine months or less when purchased to be cash equivalents.

NOTE 2 - PROPERTY

A summary of property is as follows:

	<u>2010</u>	<u>2009</u>
Land & building - Cabot, Arkansas	\$ <u>665,654</u>	\$ <u>655,654</u>
	<u>\$ 665,654</u>	<u>\$ 665,654</u>

NOTE 3 – AUTO, EQUIPMENT & LEASEHOLD IMPROVEMENTS & DEPRECIATION

Auto, office furniture and equipment and leasehold improvements are recorded at cost. Depreciation is computed using the straight-line method based on the estimated useful lives of the related assets. Expenditures for repairs and maintenance are charged to operations when incurred, while major betterments and renewals are capitalized. The following useful lives were used to calculate depreciation:

Auto	5 years
Office furniture & equipment	5 years
Building improvements	10 years

A summary of property is as follows:

	<u>2 010</u>	<u>2009</u>
Auto	\$ 22,942	\$ 22,942
Office furniture & equipment	10,131	7,680
Leasehold improvements	<u>2,198</u>	<u>2,198</u>
	35,271	32,820
Less Accumulated Depreciation	<u>20,741</u>	<u>14,712</u>
Total Property, Equipment & Leasehold Improvements	<u>\$ 14,530</u>	<u>\$ 18,108</u>

ARKANSAS STATE HOME MISSION BOARD OF THE
ARKANSAS STATE ASSOCIATION OF FREE WILL BAPTISTS
A DIVISION OF THE ARKANSAS STATE ASSOCIATION OF
FREE WILL BAPTISTS, INC.
NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)
DECEMBER 31, 2010 AND 2009

NOTE 4 – MORTGAGE/NOTES RECEIVABLE

The State Missions Board has sold various properties to various organizations and carries the mortgage on the property until paid. The State Mission Board has also loaned funds to various mission churches.

NOTE 5 - ESCROW PAYABLE

Grace Point Free Will Baptist Church in Cabot, Arkansas is making payments to the Arkansas State Home Mission Board of the Arkansas State Association of Free Will Baptists, Inc., A Division of the Arkansas State Association of Free Will Baptists, Inc. to be applied to the purchase of the property in Cabot. The property will not be transferred to Grace Point Free Will Baptist Church, until the church goes self-supporting. Balance is \$ 0 and \$ 2,375 as of December 31, 2010 and 2009, respectively. In September, 2010, the church property in Cabot, Arkansas was leased to another organization. This organization makes payments to the Arkansas State Home Mission Board on a monthly basis, which includes rent and an amount to be applied to escrow to apply to the down payment, if the property is purchased. If the organization does not purchase the property, these escrow funds will be turned over to the Arkansas State Home Mission Board. Balance is \$ 3,000 and \$ 0 as of December 31, 2010 and 2009, respectively.

NOTE 6 - RESTRICTIONS ON NET ASSETS

Temporarily restricted net assets are available for the following purposes:

	<u>2010</u>	<u>2009</u>
Missionary – Cabot	\$ <u>5,509</u>	\$ <u>15,658</u>
	<u>\$ 5,509</u>	<u>\$ 15,658</u>

These net assets are restricted due to donor restrictions. They are released when the donor restriction is satisfied.

ARKANSAS STATE HOME MISSION BOARD OF THE
ARKANSAS STATE ASSOCIATION OF FREE WILL BAPTISTS
A DIVISION OF THE ARKANSAS STATE ASSOCIATION OF
FREE WILL BAPTISTS, INC.
NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)
DECEMBER 31, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
<u>NOTE 7 – NOTES PAYABLE</u>		
Note payable – Nissan Motor Acceptance Corp., requires monthly installments of \$422, including principal and interest at 3.9% APR. The note is secured by vehicle.	<u>\$ 12,452</u>	<u>\$ 16,913</u>
	<u>\$ 12,452</u>	<u>\$ 16,913</u>

The aggregate maturities of the notes are as follows:

2011	\$ 4,664
2012	4,848
2013	2,940

NOTE 8 - CONCENTRATION OF CREDIT RISK

The Board has an accounting risk of loss in the area of cash and cash equivalents to the extent cash funds are not insured by a governmental agency. The amount of accounting risk of loss on December 31, 2010 is \$ 158,647.

2010 Youth Board Meeting Summaries

January 8 - State Office

Board members present: BJ Duvall, Tim Landers, Joey Postlewaite, Cody Alley, Ken Brown and Tim Campbell

Opened in prayer by Tim Landers.

MSC to hire Ken Brown as a temporary care taker for Camp Beaverfork up to \$400 a week and use of camp vehicle. (Ken Brown was not in the meeting during this discussion) Based on \$10 an hour.

MSC to ask the state office to take over the bookkeeping for Camp Beaverfork.

MS that the pay package for the State Youth Director be set \$60,000 per year. \$15,000 would be the housing, the remainder \$45,000 broken down according to his request; cell phone, insurance, retirement, social security, and taxes. A vehicle will be provided for business use. A MSC to table the motion until the next meeting.

Discussed and reviewed resumes'

MSC to adjourn

January 11 - State Office

All board members present including Tim Campbell.

The board held preliminary interviews with candidates for the Arkansas Youth Director's Position.

January 13, 2010-Conference Call

All board members present including Tim Campbell.

Meeting was held over a conference call to discuss candidates regarding Arkansas Youth Director Position.

January 19 - State Office

All board members present including Tim Campbell

Opened in prayer by Ken Brown

MSC to accept minutes

MSC to bring the item from January 8th meeting to be brought off the table. MSC to make an amendment to the original motion that the cell phone be included part of the \$15,000 of housing and not part of the \$45,000 base pay. MSC to accept the adjusted pay package for State Youth Director.

MSC to accept financial report as information

Met with potential candidate for Youth Director position

MSC to adjourn

January 21 - Conference Call

Board members present Joey Postlewaite, BJ Duvall, Chris Brown, Tim Landers, Cody Alley and Tim Campbell.

MSC to ask Brian Kesterson to be the next Arkansas Youth Director.

January 25 - Conference Call

All board members present including Tim Campbell

MSC to accept David Bishop's estimate to remodel the house for \$9,966.

MSC to adjourn

February 1 - Conference Call

All board members present including Tim Campbell

MSC to pay the expenses of Brian Kesterson for the AR Ministers retreat.

MSC to pay Brian Kesterson \$100 a day, max two days a week to work at the camp until he becomes full time Youth Camp Director.

MSC to accept the bid of \$2,000 to paint cabins. Bid consist of paint and labor.

MSC to for the youth board to pay hotel and food for any board member desiring to go to the Forum 10 conference at Free Will

Baptist Bible College.

MSC to adjourn and dismiss in prayer.

February 8th, 2010-Conference Call

All board members present including Tim Campbell

Information in regards to the house being remodeled and updates on the boy's bathroom being fixed.

General discussion in regards to the upcoming Kid's Retreat and assigning duties to the board.

February 15 - Conference Call

All board members present including Tim Campbell and new Youth Director Brian Kesterson

Was informed that Science Professor from FWBBC Ian Hawkins will be coming to Teen and Jr. High week to teach classes on creation.

Was informed that Mark Walker has had to back out of being the speaker for teen week camp. MSC to contact Jon Forrest to come and speak at teen week.

MSC to go back to the termite contract to see if the tile in the basement will be covered by the contract, if it is not covered then carpet will be placed in the basement instead.

MSC to adjourn

April 5 - State Office

All board members present including Tim Campbell and Brian Kesterson

Opened in prayer by Ken Brown.

MSC-to accept minutes

MSC to accept director's report, calendar and financial report.

MSC to get the camp a credit card through Simmons's First for a min. of \$2,000 and a max of \$10,000 with the understanding that the card is to be paid off when the bill comes in to avoid any interest charge.

MSC-To rename the capital improvement fund to become the home equity account. The capital improvement money, all but \$50 to be moved into the contingency fund. Starting in May when the car is paid off, the car payment will continued to be paid into the contingency fund. Signers are to be Brian Kesterson, Tim Campbell and Diana Caswell.

MSC to accept Chris Brown resignation from the Camp Board. Received Information that Jon Forrest could not be the speaker for teen camp. MSC to ask BJ Duvall to be speaker for Teen week. BJ accepted.

MSC-to hire security during camps from 10pm-6am at \$10 an hour. To set the concession director salary to \$400 a week. To set the head cook salary at \$500 for the week of Teen and Jr. High and \$350 for Kid's week one and two. The assistant cook will be \$300 for Teen and Jr. High and \$200 for Kid's week one and two. To pay specialty speaker on a case by case situation....Ian Hawkins \$1,000 for Teen and Jr. High week in 2010. To give teacher's during Kid's week free concessions and a gift card of \$100. For a medical professional to be hired at \$10 an hour at a max of \$400 a week for medical care.

MSC-for director to buy 10 radio's for communication and emergency purposes and provide first aid kits for station leaders.

Set next meeting June 21st at state office at 9am.

MSC to adjourn.

April 21 - Conference Call

Members present-BJ Duvall, Tim Landers, Joey Postlewaite, Ken Brown, Director Brian Kesterson, Tim Campbell

MSC-To give the director up to \$2,800 to replace air conditioner unit at the director's house.

June 21- State Office

All Board members present including Brian Kesterson and Tim Campbell

Opened in prayer by Ken Brown

MSC-to amend the vote from April 5th regarding kid's week teachers, to hire Jeff Edgmon to teach our kid's class and pay him \$700. The Camp Director is allowed to give a gift card to the Dean of Men and Women for \$100 for each session of camp. MSC-In the Home Equity account there is to remain at all times a min. of \$100 to keep the account open. The Camp Director upon leaving is allowed to receive balance and interest excluding the \$100.

Received director's report

MSC-To give a 5% raise to our current director based on his total pay package (salary plus retirement) of \$39,000 (\$1,950) and the camp will cover his family health insurance policy beginning January 1st, 2011.

MSC-To accept proposed adopted budget for 2011.

MSC-To change the state competition date from Mother's Day weekend to last weekend in April beginning in 2011.

Received resignation of board member Cody Alley effective at the 2010 state meeting in August.

Set next meeting October 18th at state office at 9:30am.

M to adjourn

July 28 - Conference Call

Board members present Ken Brown, BJ Duvall, Tim Landers, Cody Alley, Jason Nichols, including Camp Director Brian Kesterson and Tim Campbell

Opened in prayer by Jason Nichols

Received information about the camp audit

MSC-for the camp to pledge \$14,00 over two years (\$7,000 a year) to be part of the MM state project for Camp Beaverfork.

MSC to have a workers retreat for October 7th-9th and cost is \$30 per person.

MSC to have kid's retreat the last weekend in February (25th-26th) and the teen retreat the first weekend in March(4th-5th) for 2011.

M to adjourn.

September 21 - Conference Call

All Board members present including Camp Director Brian Kesterson and Tim Campbell

Received information from Director Brian Kesterson that the ac unit for the kitchen had gone out and needed to be replaced before the arrival of a rental.

Received a quote from Ninja AC from Atkins of \$3900.00 plus tax to replace both inside and outside units.

MSC to have the unit replaced.

M to adjourn.

October 18 - State Office

All board members present including Brian Kesterson and Tim Campbell

Opened in prayer by Ken Brown

Minutes read by Ken Brown

Director's Report given by Brian including travel report, director's calendar and financial report

Officer Elections-MS to elect Jason Nichols as Secretary, B.J. DuVall as Vice Chairman and Joey Postlewaite as Chairman

Don Guthrie Scholarship - MSC to award one time \$500 scholarship to Miranda Thomas and Kali Bonnema

MSC to fund Don Guthrie Scholarship by taking 2% from Co-op

instead of using honor camper donations. Honor camper donations will be used to help different ministries each year. The Scholarship Account will be closed and scholarship money will be deposited in Foundation

Masters Men and WNAC Appreciation Dinner is April 2

Roofing Tabernacle, Cafeteria and Maintenance Building-Brian is still getting quotes

Electrical Project-started 10/18/10. Eleven poles will be set for \$600 each.

MSC-to repair swimming pool by using Harrison Pool Resurfacing and Pool Painting for \$23,780 contingent upon substantial profits from November Camp Rentals. The project will be funded by profits from the November Rentals and borrowing the difference from Contingency Fund

2011 Retreat/Camp Speakers/Music Leaders nominated

Brian presented Winter 2010 To Do List at the Camp

Brian presented short term projects of Encouraging Pre-registration for camp, creating a Camp Handbook to train workers, and planning a State Leadership Conference for Sr. High Youth

Next Meeting January 17, 2011, 9:30 AM

MSC to accept Ken Brown's resignation from Board due to commitments at home and work

M to adjourn-Ken Brown dismissed in prayer

November 9 - Conference Call

All Board members present including Camp Director Brian Kesterson and Tim Campbell

Received information from Director Brian Kesterson that the heaters do not work on 5 window units for the cabins and needed to be replaced before the arrival of a rental.

4 of the units still have ac and can be saved for spare ac units in the summer

Brian received a quote from Lowes for \$522.00/unit with 10% commercial card

MSC to purchase 5 Heat/AC window units from Lowes for a total of approximately \$2,610.00 and authorize Brian to make the purchase

2011 Kids Week evangelist that board voted on are not able to attend so board needs to take suggestions for other speakers

25 mattresses in the cabins needed to be recovered. Brian obtained quotes from different companies and found them to be expensive. He purchased mattress covers at Wal-Mart that were much cheaper

Jason Nichols dismissed in prayer

M to adjourn.

December 20 - Conference Call

All Board members present including Camp Director Brian Kesterson and Tim Campbell except Tim Foreman and Tim Landers

3 pool skimmers are busted resulting in 6-8" water loss/day from pool

Recommendation to replace skimmers for a total of \$3000

Recommendation to patch loose tiles

MSC to replace pool skimmers for a total of \$3000 by using money from General Fund

Tim Foreman accepted position as board member to replace Ken Brown

M to adjourn

2010 Budget to Actual & Proposed 2012

	Jan - Dec 10	Budget	\$ Over Budget	Proposed 2012
Income				
4100 · Interest Income	81.52	400.00	(318.48)	100.00
4200 · Coop	95,490.28	98,350.00	(2,859.72)	98,000.00
4300 · CTS Youth Competition	9,955.00	8,500.00	1,455.00	10,000.00
4350 · Camp Improvement Projects	54,348.38			
4400 · Gifts & Contributions	15,903.10	7,838.00	8,065.10	18,200.00
4410 · "Count Me In" Contributions	485.00			
4450 · Youth Retreats				
4450a · Kid's Retreat	4,775.00			5,000.00
4450b · Teen Retreat	4,260.00			4,500.00
Total 4450 · Youth Retreats	9,035.00			9,500.00
4500 · Camp Rentals	73,427.50	49,310.00	24,117.50	60,000.00
4600 · FWB Camps	58,417.47	62,210.00	(3,792.53)	
4600a - Registration				45,000.00
4600b - Concessions				8,500.00
4600c - T Shirts				6,710.00
4700 · Youth Workers Retreat	420.00			265,510.00
Total Income	317,563.25	226,608.00	90,955.25	265,510.00
Expense				
5000 · Director's Salary	30,675.96	39,925.00	(9,249.04)	
5000a - Salary				40,950.00
5000b - Retirement				1,200.00
5001 · Director's Auto Expense	2,674.00	3,933.00	(1,259.00)	3,000.00
5002 · Directors Travel Expense	1,111.04			2,500.00
5003 · Clerical Salaries	2,400.00	3,000.00	(600.00)	2,500.00
5004 · Directors Retirement	1,100.00			
5005 · Director's Home Equity Expense	500.00	600.00	(100.00)	600.00
52110 · Conventions	-	2,000.00	(2,000.00)	
6001 · Director's Insurance	5,163.00	8,000.00	(2,837.00)	
6002 · Payroll Taxes	6,512.69	5,000.00	1,512.69	6,500.00
6003 · Directors cell phone expense	700.00			1,200.00
6004 · Contingency Fund	2,640.00			
6005 · Postage	217.59	1,000.00	(782.41)	500.00
6007 · Camp Utilities	27,712.47	45,000.00	(17,287.53)	30,000.00
6008 · Pest Control Maintenance	573.78			600.00
6009 · Camp Insurance	12,514.86	15,000.00	(2,485.14)	
6009a - Auto Insurance				900.00
6009b - Workman's Comp				1,100.00
6009c - Property Insurance				10,080.00
6009d - Accident / Sickness				1,500.00
6009e Director's Insurance				7,400.00

6010 · Grounds maintenance	10,593.22			7,000.00
6011 · Professional Fees	3,845.00	2,300.00	1,545.00	3,000.00
6012 · Pool Maintenance	2,342.13	3,000.00	(657.87)	2,500.00
6013 · Food Service	42,589.75	18,000.00	24,589.75	35,000.00
6014 · Office Supplies	2,516.19			2,000.00
6018 · CTS Competition	7,499.52	6,500.00	999.52	7,500.00
6019 · Meetings & Conventions	1,728.75			3,000.00
6023 · Misc.	5,619.69			4,000.00
6024 · Loan Payments	10,301.72	10,000.00	301.72	10,500.00
6025 · Auto Payments	1,255.70	4,000.00	(2,744.30)	4,000.00
6026 · Camp Literature	52.17	100.00	(47.83)	100.00
6027 · Real Estate Tax Expense	80.00			80.00
6029 · Arkansas Department of Workforce	105.39			
6030 · Board Mileage & Meals	3,460.54	2,500.00	960.54	3,000.00
6031 · Improvement Projects Expense	43,476.29			
6032 · Repairs & Maint.	28,222.24	12,000.00	16,222.24	20,000.00
6033 · Supplies	9,805.20	10,000.00	(194.80)	8,000.00
6034 · Printing	1,240.71	1,000.00	240.71	1,000.00
6035 · Retreat Expense				
6035a · Kid's Retreat Expense	762.74			800.00
6035b · Teen Retreat Expense	656.02			700.00
6035 · Retreat Expense - Other	685.16			700.00
6036 · Youth Workers Retreat Expense	1,339.51			
6037 · Camp Labor	10,011.00	18,000.00	(7,989.00)	10,000.00
6038 · Guest Speakers				
6038a · Kid's Retreat Speaker	300.00			700.00
6038b · Teen Retreat Speaker	500.00			700.00
6038 · Guest Speakers - Other	7,250.00	6,950.00	300.00	5,000.00
6040 · Food Service Labor	8,655.00	4,500.00	4,155.00	8,000.00
6095 · Contributions & Gifts	2,078.51			
6100 · T-Shirts	4,990.95	2,300.00	2,690.95	3,000.00
6110 · Camp Security	240.00			1,200.00
6115 · Camp Games & Recreation	411.47	2,000.00	(1,588.53)	500.00
6120 · Scholarships	1,847.51			
66000 · Payroll Expenses	3,925.57			4,000.00
66900 · Reconciliation Discrepancies	(12.41)			
Total Expense	312,870.63	226,608.00	86,262.63	256,510.00
Net Income	4,692.62	-	4,692.62	

**CAMP BEAVERFORK, ARKANSAS FREE WILL
BAPTISTS YOUTH CAMP
A DIVISION OF THE ARKANSAS STATE
ASSOCIATION OF FREE WILL BAPTISTS, INC.**

FINANCIAL STATEMENTS

DECEMBER 31, 2010 AND 2009

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JOHN W. STOTTMAN, JR., CPA PA

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Certified Public Accountant

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of
Camp Beaverfork, Arkansas Free Will Baptists Youth Camp
A Division of the Arkansas State Association of Free Will Baptists, Inc.

I have audited the accompanying balance sheets of Camp Beaverfork, Arkansas Free Will Baptists Youth Camp, A Division of the Arkansas State Association of Free Will Baptists, Inc. (a nonprofit corporation) as of December 31, 2010 and 2009, and the related statements of revenues and expenses, and cash flows for the years then ended. These financial statements are the responsibility of the Organization's management. My responsibility is to express an opinion on these financial statements based on my audit.

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

The Organization has elected to record the values of fixed assets, specifically the campground land and facilities, at the appraised values. Generally accepted accounting principles require that fixed and operational assets be valued at actual cost less appropriate adjustments for depreciation and substantial decreases for obsolescence. Due to the limited records and the extensive use of donations relating to the establishment of the campground properties, it was not practical for me to extend my examination of such records beyond the amounts recorded.

In my opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had the actual cash and donation records referred to in the preceding paragraph been susceptible to satisfactory audit test, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of Camp Beaverfork, Arkansas Free Will Baptists Youth Camp, a Division of the Arkansas State Association of Free Will Baptists, Inc. as of December 31, 2010 and 2009, and its results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Russellville, Arkansas
July 5, 2011

Members

American Institute of
Certified Public Accountants
Arkansas Society of
Certified Public Accountants

CAMP BEAVERFORK, ARKANSAS FREE WILL
BAPTISTS YOUTH CAMP
A DIVISION OF THE ARKANSAS STATE
ASSOCIATION OF FREE WILL BATISTS, INC.
BALANCE SHEETS
DECEMBER 31, 2010 AND 2009

	ASSETS	
	<u>2010</u>	<u>2009</u>
CURRENT ASSETS:		
Cash in bank	\$ 34,835	\$ 22,530
Cash-contingency fund	2,394	1,254
Cash-capital improvements fund	0	2,272
Cash-Arkansas Youth Scholarship fund	0	1,350
Cash-FWB Foundation	2,040	1,033
Cash-Home Equity Fund	601	0
Accounts receivable	<u>7,999</u>	<u>10,641</u>
Total Current Assets	47,869	39,080
FIXED ASSETS:		
Land and buildings	333,760	333,760
Auto	19,973	19,973
Equipment	85,168	85,168
Camp improvements	465,907	278,257
Less: accumulated depreciation	<u><270,471></u>	<u><251,224></u>
Total Fixed Assets	<u>634,337</u>	<u>465,934</u>
TOTAL ASSETS	<u><u>\$ 682,206</u></u>	<u><u>\$ 505,014</u></u>

	LIABILITIES AND FUND BALANCES	
CURRENT LIABILITIES:		
Current portion of L-T debt	\$ 6,949	\$ 6,498
Current notes payable	0	1,239
Accounts payable	121,175	1,521
Payroll taxes payable	<u>926</u>	<u>1,052</u>
Total Current Liabilities	129,050	10,310
LONG-TERM DEBT:		
Notes payable (Less: current portion of L-T debt)	<u>43,567</u>	<u>50,504</u>
TOTAL LIABILITIES	172,617	60,814
FUND BALANCE:		
Fund balance, Beginning of Year	444,200	419,740
Excess revenue over expenses	<u>65,389</u>	<u>24,460</u>
Fund balance, End of Year	<u>509,589</u>	<u>444,200</u>
TOTAL LIABILITIES AND FUND BALANCE	<u><u>\$ 682,206</u></u>	<u><u>\$ 505,014</u></u>

The Accompanying Notes Are an Integral Part of These Financial Statements.

CAMP BEAVERFORK, ARKANSAS FREE WILL
BAPTISTS YOUTH CAMP
A DIVISION OF THE ARKANSAS STATE
ASSOCIATION OF FREE WILL BATISTS, INC.
STATEMENTS OF REVENUE AND EXPENSES
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
REVENUE:		
COOP	\$ 92,849	\$ 94,740
Camp rentals	73,428	59,947
Registration & concessions	67,872	65,841
CTS rally	9,955	8,170
Gifts and contributions	15,038	10,253
Special Projects	50,666	14,750
Interest income	<u>252</u>	<u>86</u>
Total Revenues	310,060	253,787
EXPENSES:		
Salaries-director	30,676	37,563
Auto expense	3,001	2,778
Utilities	28,756	30,578
Insurance-camp	13,304	13,400
Insurance and retirement-director	5,474	8,000
Payroll taxes	2,928	3,009
Office supplies	2,516	624
Professional fees	6,245	2,900
CTS rally	7,500	7,016
Meetings & conventions	2,840	1,470
Interest expense	3,710	4,432
Miscellaneous	16,903	12,954
Scholarships	1,000	0
Pool upkeep	2,342	3,182
Food service	42,590	29,923
Food service-labor	8,655	6,345
Supplies	6,484	3,913
Repairs & maintenance	17,519	16,205
Postage	218	412
Camp labor	10,011	10,363
Guest speakers	8,050	6,733
Board mileage & meals	3,461	4,677
Printing	1,241	880
Director's home equity plan	0	1,500
Depreciation	<u>19,247</u>	<u>20,470</u>
Total Expenses	<u>244,671</u>	<u>229,327</u>
Excess Revenues Over Expenses	<u>\$ 65,389</u>	<u>\$ 24,460</u>

The Accompanying Notes Are an Integral Part of These Financial Statements.

CAMP BEAVERFORK, ARKANSAS FREE WILL
BAPTISTS YOUTH CAMP
A DIVISION OF THE ARKANSAS STATE
ASSOCIATION OF FREE WILL BATISTS, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
CASH FROM OPERATING ACTIVITIES:		
Net revenue <loss> over expenses	\$ 65,389	\$ 24,460
Adjustments to reconcile net revenue over expenses to net cash provided by operations:		
Depreciation	19,247	20,470
(Increase)decrease in accounts receivable	2,642	648
Increase(decrease) in accounts payable	119,654	<327>
Increase(decrease) in payroll tax payable	<u><126></u>	<u><154></u>
Net Cash Provided by Operating Activities	206,806	45,097
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of fixed assets	<u><187,650></u>	<u><21,270></u>
Net cash used in investing activities	< 187,650>	<21,270>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of debt	<7,725>	<17,792>
Proceeds from debt	<u>0</u>	<u>8,000</u>
Net cash used by financing activities	<u><7,725></u>	<u><9,792></u>
Net increase (decrease) in cash	11,431	14,035
Cash at beginning of year	<u>28,439</u>	<u>14,404</u>
Cash at end of year	<u>\$ 39,870</u>	<u>\$ 28,439</u>

The Accompanying Notes Are an Integral Part of These Financial Statements.

CAMP BEAVERFORK, ARKANSAS FREE WILL
BAPTISTS YOUTH CAMP
A DIVISION OF THE ARKANSAS STATE
ASSOCIATION OF FREE WILL BAPTISTS, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2010 AND 2009

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

GENERAL

Camp Beaverfork, Arkansas Free Will Baptists Youth Camp is a nonprofit corporation established to serve the Arkansas Free Will Baptists Youth by providing summer camp and retreat facilities.

METHOD OF ACCOUNTING

The Camp maintains its financial records on a basis of cash received and cash disbursed for internal purposes, with appropriate accruals for receivable and payable balances at the end of each fiscal period for financial statement purposes. This accounting method is generally accepted among nonprofit organizations as the most feasible way of reflecting their financial activity and position. The fund balance represents the Camp's equity in its assets.

LAND, BUILDINGS AND EQUIPMENT

Due to limited records and the extensive use of donations related to the establishment, development, and maintenance of the campground facilities, the land and buildings are recorded at their appraised value. Generally accepted accounting principles require that fixed and operational assets be recorded at cost less appropriate adjustments for depreciation and substantial decreases for obsolescence. Equipment, auto and camp improvements are recorded at cost and appropriate provisions for depreciation have been applied. Depreciation expenses for the years ended are \$ 19,247 and \$ 20,470 respectively.

STATEMENT OF CASH FLOWS

For purposes of the statement of cash flows, the company considers all investment instruments purchased with a maturity of three months or less to be cash equivalents.

Cash paid for interest is as follows:

2010	\$ 3,710
2009	\$ 4,432

INCOME TAXES

The corporation is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Service Code.

USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles includes the use of estimates that affect the financial statements. Accordingly, actual results could differ from those estimates.

CAMP BEAVERFORK, ARKANSAS FREE WILL
BAPTISTS YOUTH CAMP
A DIVISION OF THE ARKANSAS STATE
ASSOCIATION OF FREE WILL BATISTS, INC.
NOTES TO FINANCIAL STATEMENTS-(CONTINUED)
DECEMBER 31, 2010 AND 2009

ACCOUNTS RECEIVABLE

Accounts receivable represent the balance of the COOP monies and contributions held by the Arkansas State Association of Free Will Baptists, Inc. as of December 31, 2010 and 2009, due payable to Camp Beaverfork, Arkansas Free Will Baptist Youth Camp.

ACCOUNTS PAYABLE

Included in accounts payable is a liability to Arnold & Blevins Electric Company. This is for an electrical upgrade to the Camp. Master's Men of Arkansas is underwriting this project. The Camp has until September 2012 to pay balance off. If not paid off at that time, other arrangements will be made. Balance at December 31, 2010 and 2009 are \$118,900 and \$-0-, respectively.

NOTE 2 - NOTES PAYABLE

	<u>2010</u>	<u>2009</u>
Note payable-Simmons First Bank, Conway, Arkansas, requires monthly installments of \$ 846 including principal and interest at an annual percentage rate of 6.75%. This note is secured by property & equipment.	\$ 50,516	\$ 57,002
 Note payable-Simmons First Bank, Conway, Arkansas, requires monthly installments of \$ 328, including principal and interest at an annual percentage rate of 6.50%. This note is secured by a vehicle.	 <u>0</u>	 <u>1,239</u>
	50,516	58,241
Less: Current notes payable	0	1,239
Less: Current portion L-T Debt	<u>6,949</u>	<u>6,498</u>
Long-term Debt	<u>\$ 43,567</u>	<u>\$ 50,504</u>

Scheduled minimum maturities of long-term debt over the years subsequent to December 31, 2010, are as follows:

2011	\$ 6,949
2012	7,433
2013	7,951
2014	8,504
2015 and thereafter	19,679

CAMP BEAVERFORK, ARKANSAS FREE WILL
BAPTISTS YOUTH CAMP
A DIVISION OF THE ARKANSAS STATE
ASSOCIATION OF FREE WILL BAPTISTS, INC.
NOTES TO FINANCIAL STATEMENTS-(CONTINUED)
DECEMBER 31, 2010 AND 2009

NOTE 3 - CONTINGENCY FUND

Camp Beaverfork, Arkansas Free Will Baptists Youth Camp makes periodic payments to a contingency fund to be used in case of an emergency. The C.T.S. Board has discretion over the disbursements of this fund.

NOTE 4 - CONCENTRATION OF CREDIT RISK

Camp Beaverfork, Arkansas Free Will Baptists Youth Camp maintains cash deposits at a financial institution located in the United States. Accounts at the institution are insured by the Federal Deposit Insurance Corporation. At December 31, 2010, \$ 2,040 of the corporation's money was uninsured.

**THE CONSTITUTION AND BY-LAWS OF THE ARKANSAS
STATE ASSOCIATION OF FREE WILL BAPTISTS, INC. (REVISED AUGUST 9, 2011)**

Preamble

We, the members of the Free Will Baptist denomination, being baptized upon a profession of our faith in Jesus Christ and realizing the necessity of a bond of union and fellowship among us; to preserve and maintain correspondence and coordination with us; to unify the work of the various districts composing the State Association; and to devise and execute measures for the extension of the Kingdom of God in cooperation with the various districts of the Association, for that may be hereafter represented therein, do therefore ordain this Constitution for the preservation of our doctrine and denominational government.

Article I.

Name:

This organization shall be known as the Arkansas State Association of Free Will Baptists, affiliated with the National Association of Free Will Baptists.

Article II.

Purpose:

The purpose of this organization shall be to unify the work of the various districts composing the State Association and to devise and execute measures for the extension of the Kingdom of God in connection with the various districts in the Association.

Article III. The Treatise of the Faith and Practices of the National Association of Free Will Baptists, Inc. shall be the doctrinal guidelines of the Arkansas State Association of Free Will Baptists, Inc.

Article IV.

Representation:

Section 1. This association shall be composed of all ordained ministers and deacons with membership in a church in good standing with a district association, the district associational clerks, all members of state boards, and standing officers of the state association.

Note: Churches in good standing are churches that in doctrine and practice adhere to the principles and spirit of The Treatise of the Faith and Practices of the National Association of Free Will Baptists and who have paid state and national dues for that calendar year.

Section 2. Each district association shall be entitled to five (5) lay delegates at large. Each local church that holds membership in a district association affiliated with this body shall be entitled to send one lay delegate.

Section 3.

Associational Delegates:

A. In the event any of the elected delegates fail to report, said vacancy may be filled by appointment of the moderator of said district or by the delegates present from said district.

B. In the event the elected delegate from a local church is not present, the Pastor of that local church shall have the authority to appoint a delegate to serve in place of the absent delegate.

Section 4. New associations desiring membership in the state association shall send messengers bearing a petitionary letter. If found orthodox upon examination by the credentials committee, they shall be received by the vote of the association and given the right hand of fellowship by the moderator.

Section 5. The State Convention shall convene annually on the Monday following the first Sunday in the month of August unless the Executive Committee recommends another time.

Article V. Because each church is autonomous, the State Association shall never exercise any authority over any church, nor shall it in any way interfere with the constitution of any church, or with exercise of its functions as the only ecclesiastical body, but will cheerfully recognize and uphold the absolute independence of the churches.

Article VI.

Finance:

Section 1. This association shall be supported by a percentage of the Cooperative receipts as designated by the State Association and by designated gifts. Said allocations to national and state work will be determined by the State Association.

Section 2. Each district association shall send dues established by the National Association and the State Association.

Section 3. In the event any church within a local association does not pay its fee; the delegates, deacons, and ministers of that church shall not be seated.

Article VII.

Discipline:

Section 1. All offices, board members, committee members, delegates, and employees of the State Association shall be in good standing with the State Association.

Section 2. This State Association shall have the right to settle any questions of discipline, doctrine, or practice that may properly come before it from any of the districts composing said organization. If there be any question of discipline, doctrine, or practice on the part of a district body, delegates of that association shall be not seated until these questions have been settled to the satisfaction of the credentials committee.

Section 3. The decision of the credentials committee may be appealed to the State Association sitting in a committee as a whole.

Article VIII.

Officers:

Section 1. The officers of the State Association shall consist of a moderator, assistant moderator, clerk, and assistant clerk. Each of these, with exception of the executive director shall be elected annually. These shall constitute a standing Executive Committee.

Section 2. The Executive Committee shall plan the annual meeting of the State Association. A district association desiring to host the annual meeting of the State Association shall extend an invitation at least one year in advance. If an invitation is not received, the State Association will convene in the Conway area unless the Executive Committee recommends another site.

Section 3. The Executive Committee shall employ the auditor for all standing boards. The auditor shall be responsible to report directly to the committee, and then to the directors and boards. Each respective board shall pay for the audits.

Section 4. The Moderator shall be an ex-officio member of the Executive Board. The Executive Director shall be an ex-officio member of all standing boards and committees.

Section 5. Committee on Committees: The Executive Committee on the opening night of the association shall appoint a committee on committees. The committee on committees shall appoint all other committees. The clerk shall insure all the nominations are in good standing with the State Association and shall review the report of the committee on committees.

Section 6. Credentials Committees:

A credentials committee composed of five (5) members shall be appointed annually by the Committee on Committees at the State Convention. The credentials committee shall examine petitions for membership from new associations and shall address questions of discipline, doctrine or practice on the part of a district body.

Article IX.

Duties and Rules of Standing Boards:

Section 1. All standing boards, with the exception of the Executive Board, shall be composed of six (6) members, each of whom shall serve for three years. A member may be reelected for an additional term of three years. No board member shall immediately succeed himself after having served two full three-year terms on said board. Each board shall prepare a budget of its proposed financial expenditures at the beginning of each fiscal year and shall present it for approval by the Arkansas State Association along with an audit made by an independent certified public accountant. Each board

schedules as may be necessary for a proper presentation of the financial condition and results of operation. Each board shall create their own by-laws that shall be subject to the approval of the State Association. The Executive Committee shall review all by-laws of all standing boards of the respective divisions of the State Association and recommend them to the State Association for approval.

Section 2. All boards of this association shall organize at their first meeting following the annual association meeting. They shall elect a chairman, vice-chairman, and secretary. Each board shall give a written report at the annual association of meetings conducted, work accomplished, monies received and expended during the year. It is suggested that each board shall meet at least on a quarterly basis.

Section 3a. The Executive Board shall be composed of six (6) members, each of whom shall serve for three years. The chairmen of the Youth Board, the Mission Board, and the Christian Education Board shall be ex officio members of the Executive Board. Regular members may be reelected for an additional term of three years. No board member shall immediately succeed himself after having served two full three-year terms on said board. Each board shall prepare a budget of its proposed financial expenditures at the beginning of each fiscal year and shall present for approval by the Arkansas State Association along with an audit made by an independent certified public accountant. Each board shall also present a budget to actual of the reported year to the State Association for information. The auditor's report shall include, where applicable, a balance sheet and income statement and other schedules as may be necessary for a proper presentation of the financial condition and results of operation.

Section 3b. Executive Board: In any situation that would adversely affect The Arkansas State Association of Free Will Baptists, the Executive Board shall have the responsibility to resolve such matters. The Executive Board is empowered to act for the State Association between sessions of the association, provided that it shall never exercise any authority contrary to the expressed will of the State Association. When any unforeseen emergency occurs in any of the affairs of the State Association, or in any of the interests it controls, that in the judgment of the Executive Board requires action before the next session of the State Association, the Executive Board shall have full authority to take such action as may seem necessary, and all interests concerned shall be governed by such action, provided the Executive Board shall make a full report of all matters pertaining thereunto the next session of the State Association for its approval, and provided further, that nothing in this article shall be construed as giving to the Executive Board authority to execute any matters already committed by the State Association to any of its divisions or boards. This board shall have the authority to fill any irregular vacancies that may occur in any other standing board between sessions of the State Association. The Executive Committee shall fill any irregular vacancy on the Executive Board. An office may be declared vacant for any of the following reasons: if a member moves from the State; if a member fails to attend the board meetings for a period of one year without providential hindrance; or if for any reason he submits a statement of resignation.

The Executive Board shall review a record of all work accomplished, money raised, and meetings conducted, and make a full and complete report at the annual association of the State Association. The Executive Board shall receive, hold, manage, use, control, and convey property entrusted to the State Association, except as stipulated elsewhere in the constitution. No board shall buy or sell real estate, encumber the State Association beyond their current fiscal year and budget, or enter into litigation when the State Association is not in conference without the approval of the Executive Board. The chairman and secretary of the Executive Board shall sign all papers by which the State Association is to become legally responsible. In case of an emergency situation, the Executive Board shall have the authority to call the State Association in conference by notifying each district association at least ten (10) days prior to the conference.

This board shall have the authority to employ the state executive director by means of a signed contractual agreement. The executive director shall assist in coordinating the work of the various boards of the State Association and shall serve as state treasurer. He shall promote the state and national works, missionaries, mission conferences, etc. It shall be his duty to edit and publish the state paper.

He shall receive, hold, and disburse money as is made available by the State Association to the various boards. Disbursements to the various boards will be made when requested.

He shall present a written report of his work at each annual session of this association, with a financial statement of all monies received and disbursed.

Section 4. Mission Board: This board shall be entrusted to manage mission property owned by the State Association. It shall be the responsibility of this board to employ a State Missions Director.

The board shall not participate in the organization of any church or mission in a town, city, or community where there is an organized Free Will Baptist Church without seeking the cooperation of said church. Neither shall this board assist in the organization of a group that is out of fellowship with an established church. This board shall be entrusted to manage state mission property.

Section 5. State Youth Board: It shall be the duty of the State Youth Board to sponsor activities for the youth of the state that will encourage, enlighten and educate them in a manner which will be uplifting to Christ. This board shall sponsor retreats, conferences, activities, camps and service oriented projects for the youth. This board shall be entrusted with management of the camp facilities owned by the State Association. It shall be the responsibility of this board to employ a State Youth Director to manage the camp facilities, organize and coordinate youth activities, and receive and disburse designated funds as directed by this board. The State Youth Director shall promote district, state and national programs involving the youth. The Youth Director shall be responsible for the hiring and dismissing of camp personnel under the direction of the State Youth Board.

Article X.

Amendments:

This Constitution may be amended at any regular session of the State Association by a two-thirds vote of the members present, providing proposed amendment is presented in writing to the body one day in advance.

Article XI.

Hillsdale Trustees:

The State Association shall have two trustees to Hillsdale Free Will Baptist College. They shall give an annual report to the State Association on the progress of the college. One board member shall be elected annually to serve a two-year term.

Article XII.

Parliamentary Procedure:

This meeting of the State Association shall be governed by the rules of parliamentary law as set forth in the current addition of Robert's Rules of Order.

2011 Nomination Schedule

Executive Board

Nominations of the Nomination Committee are in Italics

Paul Payne *Paul Payne*

David Copeland* *David Taylor*

Mark Stripling (2012)
Bobby Shepherd (2012)
Tommy Tims (2013)
Will Harmon (2013)

Mission Board

Michael Morrison *Michael Morrison*

David Winfrey *David Winfrey*

Ken Winningham (2012)
Jeff Holland (2012)
Joe Short (2013)
Blaine Rogers (2013)

Christian Education Board

Kevin Jewell* *Tom DuBose*

David Ponder *David Ponder*

Clark Snow (2012)
David Harper (2012)
Ryan Johnston (2013)
Greig Caswell (2013)

Youth Board

Tim Landers* *Jason Sullivan*

Joe Postlewaite *Joe Postlewaite*

Tim Foreman (2012)
Jason Nichols (2012)
Alan Thomas (2013)
B. J. Duvall (2013)

Executive Officers

Moderator: Nelson Henderson
Nelson Henderson

Assistant Moderator: Randy Scott
Randy Scott

Clerk: Wendell Leckbee
Wendell Leckbee

Assistant Clerk: Keith Bowden
Keith Bowden

Hillsdale College Trustee: David Taylor
David Taylor

FWB Family Ministries Trustee Johnny Miller
Johnny Miller

* = *Cannot be re-elected*
NOTE: *Nominations may also be made from the floor of the state meeting.*

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