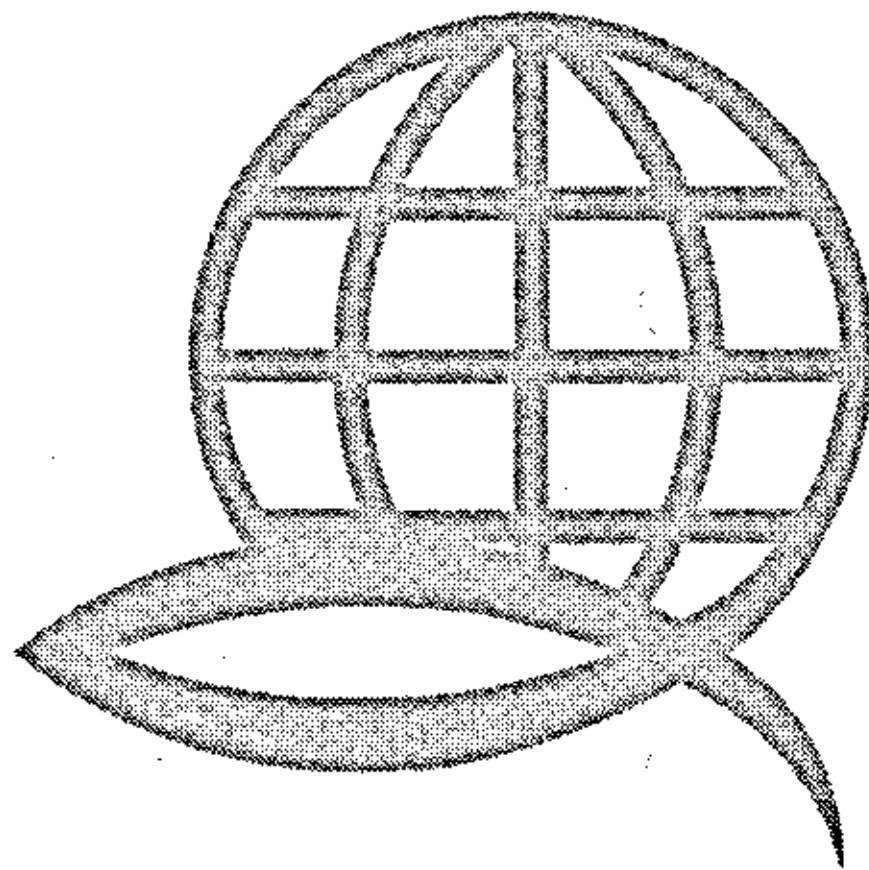


Minutes
of the
One-Hundred Sixteenth Annual Session
of the
Arkansas State Association
of
Free Will Baptists

Camp Beaverfork
Conway, Arkansas
May 20-21, 2013



Moderator of the 116th Session

Randy Scott
5489 Highway 62 West
Pocahontas, Arkansas 72455

Clerk for the 116th Session

Wendell Leckbee
3731 Lakeshore Drive
North Little Rock, Arkansas 72116

MINUTES
of the
116th Annual Session
of the
ARKANSAS STATE ASSOCIATION OF
FREE WILL BAPTISTS

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OFFICERS AND STANDING BOARDS

2013-2014

EXECUTIVE BOARD

Paul Payne.....	2014
David Taylor	2014
Mark Stripling.....	2015
Terry Spradlin	2015
Will Harmon	2016
Kevin Barnett.....	2016

MISSION BOARD

Michael Morrison.....	2014
David Winfrey.....	2014
Russell Thomas.....	2015
Jeff Holland.....	2015
Kevin Jewell.....	2016
Blaine Rogers.....	2016

YOUTH BOARD

Jason Sullivan	2014
Craig Batts	2014
Tim Foreman.....	2015
Jason Nichols	2015
Bret Morris.....	2016
B. J. Duvall	2016

CHRISTIAN EDUCATION BOARD

Danny O'Neal	2014
David Ponder	2014
Jim Walker	2015
David Harper.....	2015
Travis Alexander	2016
Greig Caswell.....	2016

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

OFFICERS OF DISTRICT ASSOCIATIONS

ANTIOCH

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johnnymccoy@yahoo.com

Clerk-Robert Williams
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ARKANSAS

Moderator-David Williams
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Clerk-Vickie Roberson
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Vickie@arkwest.com

CENTRAL

Moderator-Wendell Leckbee
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HARMONY

Moderator-Charles Lewis
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LITTLE MISSOURI RIVER

Moderator-David Taylor
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NEW HOPE

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OLD MOUNT ZION

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SALINE

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UNITY

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Clerk-Kendall Ross
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Moderator-Lloyd Shores
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PROCEEDINGS

Monday Evening, May 20, 2013

The 116th annual session of the Arkansas State Association of Free Will Baptists met at Camp Beaverfork in Conway, AR on May 20-21, 2013.

John Freeman was responsible for the music during the State Association. Debbie Stripling served as the pianist.

Wendell Leckbee, Clerk, welcomed those present, called the session to order and introduced Assistant Moderator, Randy Scott. He made announcements, added his welcome to those attending, and led in prayer. (Moderator Nelson Henderson was in China).

The Committee on Committees was elected as follows: Kendall Ross, Greig Caswell, Tim Foreman, Carmon Rushing and David Taylor.

John Freeman led the congregation in singing "*I Know Whom I Have Believed*" and "*The Solid Rock*."

Randy Scott made known special prayer requests including those suffering from the tornados in OK, preachers suffering physical needs, one another, our churches and America. David Ponder led in prayer.

Randy Scott introduced Kevin Barnett, Pastor of First-Jonesboro, who presented the message "The Sufficiency of Christ". His text was Colossians 2:6-17. Before the message, special music was by Maggie Barnett who sang "I Cried Holy".

Report of the Committee on Committees was received.

Meeting was adjourned.

The service opened with a welcome from Randy Scott who delivered the Moderator's Message "We must cooperate to do anything for Jesus". He read from Numbers 13 with emphasis on "us" and "we".

Report of the Credentials Committee was read by the clerk. Motion passed to accept the report and seat the delegates. The report of the previous Credentials Committee to accept Shiloh Association as part of the State Association was received with a second and passed.

Keith Burden, Executive Secretary of the National Association, addressed the attendees regarding the work of the Executive Department. He expressed appreciation for Arkansas and its people. He requested prayer for the tornado victims in OK.

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

Report of the Executive Director was given by Tim Campbell. He expressed appreciation for those working at the State Office and presented a plaque and gift to Linda Whitten for completion of 25 years of service to Arkansas Free Will Baptists. Kurt Hetherington, Vice President of James Greene and Associates, (Brotherhood Mutual), spoke about the honor of being a brother in Christ. He presented a dividend check in the amount of \$21,688. The Executive Board recommended that these funds be placed in a Minister's Medical Benevolent Fund with guidelines to be developed in the future. This motion passed.

The report was accepted and the budget adopted.

Will Harmon and Kevin Barnett were re-elected to the Executive Board.

Clint Morgan, Director of International Missions, expressed appreciation for the support received from Arkansas. He reported on new missionaries answering the call and the financial status of IM. Some fields are developed to a point that missionaries can leave an area because native pastors can carry on the work. His overall thought was "we can do this together."

Report of the Christian Education Board was given by David Ponder. He expressed appreciation for the service of Cody Alley. The report was received and the budget adopted.

Travis Alexander and Greig Caswell were elected to the board.

Ben Campbell brought words of greeting and appreciation on behalf of Randall House. He presented a symbolic check of \$71,907. This represents the commission Arkansas Free Will Baptists received as a commission for handling Sunday school literature. He drew attention to new publications including "The Inspiration and Preservation of God's Word" and "Guide for New Believers."

David Taylor, Hillsdale Board Member, expressed appreciation for Arkansas trustees, financial support, students and prayers.

David Taylor was re-elected as Trustee for Hillsdale.

Terry Forrest, Pastoral Coordinator at Welch College, shared information about the college. He expressed appreciation for prayers, students and financial support. He reported that a Minister's Degree is available on line.

The Report of the State Youth Director was given by Brian Kesterson. He expressed appreciation to individuals and groups who have supported the camp in many various ways.

The Report of the Youth Board was given by Brian Kesterson. The report was received and the budget adopted.

Bret Morris and B.J. Duvall were elected to the Youth Board.

Meeting adjourned.

Tuesday Morning Worship Service, May 21, 2013

Services began with John Freeman leading the congregation in singing "*We'll Work Till Jesus Comes*" and "*Rescue the Perishing*."

Randy Scott read Psalms 146 as the Scripture reading and led in prayer.

Michael Morrison who has pastored Friendship-Rose Bud for 24 years was introduced as the speaker by Randy Scott. His text was Matthew 28:19-20. He spoke in regard to "The Urgency of our Commission".

The meeting was adjourned.

Tuesday Afternoon, May 21, 2013

Debbie Stripling presented greetings from Florence Crittenton Home and the ministry that goes on there. She introduced Ken Winningham, Arkansas Representative for Free Will Baptist Family Ministries who brought words of greetings from Frank Woods and reported on the various ministries. He reported that he had spoken at 37 churches and 5 associations since January 1.

Ray Lewis, President and CEO for Free Will Baptist Board of Retirement, expressed his appreciation for Arkansas and its programs for ministers.

The Report of Master's Men was given by Jared Fowlkes, President. Anthony Deason was elected as Treasurer. The report was received.

David Brown, Director-Free Will Baptist Foundation, reported on the work and strength of the Foundation. He reported that Estate Planning seminars were available through the Foundation.

The Report of the Missions Director was given by Don Matchett. He discussed possible changes in the direction of the Mission Department as relates to changing demographics, college campus, and multi-ethnic ministries. He also reported on record giving to ACTS 1:8. The report was received and the budget adopted. Jordan Looney, Pastor, brought words of greetings and an update on the work at Cabot.

Kevin Jewell and Blaine Rogers were elected to the Mission Board. A plaque was presented to Joe Ray Short for his service to the Mission Board.

John Reed was present and reported that plans were to be self-supporting in January.

John Fowlkes, Master's Men National Board Member, represented the Department of Master's Men in reporting on several projects.

The Report of the Resolution Committee: None Reported.

The Report of the Obituary Committee was read by Keith Bowden, Assistant Clerk. David Taylor led in prayer.

The Report of the Registration Committee was received and adopted.

State officers elected were: Moderator-Nelson Henderson, Assistant Moderator-Randy Scott, Clerk-Wendell Leckbee and Assistant Clerk-Keith Bowden.

Meeting adjourned.

Tuesday Evening Worship Service, May 21, 2013

Pre-Meeting music was presented by The Huntsville Trio.

Randy Scott called the meeting to order.

Jared Fowlkes presented plaques to Jerry Lewis and Wendell Leckbee for over 40 years service to Master's Men.

The Statistics Report was received.

John Freeman led the congregation in singing "*Faith is the Victory*" and "*Blessed Assurance*." Billy Ellis led in prayer.

Randy Scott introduced Judge Phil Smith of Sutton Free Will Baptist Church who gave his testimony.

Randy Scott introduced the Huntsville Trio who presented the special music and Terry Forrest, Pastoral Coordinator at Welch College who brought the message "The Challenges of the Culture." His text was I Corinthians 6:9 with emphasis on "four things not popular to speak about, but which we must – Homosexuality, Charismatic Movement, Adultery and Drunkenness.

After closing remarks the 116th session was adjourned.

REPORT OF THE COMMITTEE ON COMMITTEES

Credentials: Doug Jones, David Harper, Jason Sullivan, Tim Harris, Jordan Looney

Nominating: Hoover Lewis, Lynn Crawford, David Ponder, Phil Whiteaker, Michael Morrison

Obituary: Paul Payne, Danny O'Neal, Tom DuBose, Randy Spears, Billy Wilson

Resolution: Craig Batts, Mark Stripling, B.J. Duvall, Tim Forman, Eddie Davis

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, Southeast, and Zion Hope #2.

Northwest: Berryville Church paid State fees only. Oak Lane, Gospel Lighthouse, Mt. Olivet (paid fees 6/20/2013), Oak Grove and Trinity did not pay fees.

Unity: Bethlehem has not paid fees. (Paid 7/1/2013)

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

Report from the 115th Session Credentials Committee: We the 2012-2013 Credentials Committee of the Arkansas State Association of Free Will Baptists, Inc met on February 28, 2013 to examine the New Horizon Free Will Baptist Church of Springdale, AR and the Phillips Chapel Free Will Baptist Church of Springdale, AR as churches petitioning the Arkansas State Association of Free Will Baptists as a new association. The Committee examined the petitioners concerning their commitment to orthodoxy and Free Will Baptist doctrine and was found to be orthodox.

The recommendation is contingent upon the two churches formally withdrawing (by letter) from the association in which they now are members and officially forming the new association with officers and members in order to petition the Arkansas State Association of Free Will Baptists, Inc. at the next annual state associational meeting.

Respectfully submitted: Credentials Committee: John Fowlkes, Victor Hunter, Jerry Bromley, David Bishop, Bruce Thurman.

REPORT OF THE ARKANSAS WOMEN ACTIVE FOR CHRIST

The 10th Annual President's Luncheon was held on February 2, 2013 at the Conway First FWB Church. The theme was "Encouragement". Elizabeth Hodges, WNAC Executive Director, encouraged the ladies to read God's word, read things that lift you up, and gather with God's people, serve and give joy to others. 36 ladies attended and shared ideas and had a great time of fellowship. Elizabeth then held a questions and answer session with the ladies. Lunch was served by the Arkansas WAC executive committee.

The 59th Annual session of the Arkansas Women Active for Christ met March 9, 2013 at Camp Beaverfork in Conway. The theme was "Heirlooms: Passing the Faith". The theme scripture was 2 Timothy 1:5. The speaker was Lorene Miley, former missionary to Ivory Coast, Africa. Christi Spradlin led in worship with Phyllis Harper as pianist. Special music was by Christi Spradlin of the Social Band District. A brunch was held during the morning break in the camp kitchen. Alene Coffman spoke on "Reflections of the Past". A power point was also presented about Serving Our Soldiers (S.O.S.) Service Project. The body voted to update our constitution during our business session.

Home Missionaries gave greeting and updates during the Missionary Share Time.

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

11 districts reported with 65 local and membership of 714. A total of 127 registered including 0 International Missionaries and 2 Home Missionaries.

Total receipts for 2012 were \$89,746.52. Our giving to International Missions was \$37,929.40 (ACTS 1:8 receiving \$25,325.07 of this amount) National Home Missions \$13,042.05, Children's Home \$484.27, Florence Crittenton Home \$3,735.05 and our 2012 State Project was WNAC Office. Our 2013 Project is Tom and Pam Jones, missionaries to Pennsylvania.

The following resolutions were adopted:

1. Thank the Executive Committee for all the preparations for the state meeting.
2. Thank Saline District for the wonderful brunch.
3. Thank Brian Kesterson for having the campground so well groomed for the state meeting.

Respectfully Submitted: Barbara Taylor, Chairperson, Rhonda Johnson, Barbara Johnson, Shirley Boren, Shirley Smith

The Annual Retreat will be held September 20-21, 2013 at Camp Beaverfork. The theme is "Moving forward in Faith" by speaker Jill Collins, "Obedience" by Susan Jones, "Growth" by Pentrina Baker and "Service" by Donna Young. The theme scripture is from Philippians 3:13-14. Singing will be by Tammy Mabry of Central District and Theresa Burris will be the pianist of Antioch District. Decorations will be by the Little Missouri River District. Zion Hope #2 District will be providing a meal during the registration time 6:30-7:45 before the service begins. The ladies will be bringing items to donate to the Florence Crittenton Home and the young women that attend will be making fleece blankets after Friday night service to give to the residents at the home.

Respectfully Submitted, Lisa Bowden, Arkansas WAC President

REPORT OF THE MASTER'S MEN

2012-2013 PROJECT: Upon completing the electrical project at Camp Beaverfork, it was decided that we should take time off from fundraising to give relief to our faithful givers. We voted to turn our attention of getting a disaster response team functioning so that we could be of service to our neighbors in need and give a place for our men to serve. It has been a slow process to get approved and recognized by the government, but this is expected to be done by the state meeting in 2014.

We did not have a treasurer's report on hand because our treasurer was medically unable to attend. There were few changes from the state meeting in August due to us not having a fundraising project since then.

Election of officers: Jerry Lewis requested to resign our board after many years of faithful service as our treasurer. MSC to elect Anthony Deason to replace him (Jerry Lewis) as treasurer.

Our project for 2014 will be to equip our disaster response team. We currently have one small enclosed trailer and less than \$1,000 in supplies. We will need to fully stock the current trailer and purchase one more enclosed trailer. There will be large items needed including but not limited to a skid steer, generator and commercial lighting.

Presentation of plaques to Jerry Lewis and Wendell Leckbee who have both stepped off our board in the past year after over 40 years of involvement with Master's Men.

REPORT OF THE MISSIONS DIRECTOR

I give you greeting on behalf of Arkansas State Missions. You will probably recognize a new face among us. In January the mission board hired Jordan Looney to take over as pastor of Cabot. He is a graduate of Welch College and will be getting married in June. The mission board has made a firm commitment to assist Cabot for two more years, which actually started in January. I am sure that we will be providing moral support to Cabot for some time to come, but financial support will conclude the end of December 2014. Please keep the church in your prayers.

The mission board recently sat down and took a long look to see what new role we are willing to play in providing an outreach in lieu of the changing demographic in the state. Here are a few ideas on the drafting board:

***International Partnerships-we would provide a helping hand to our Free Will Baptist brothers and sisters, both educationally and financially, to help them be worldwide church planters.

***Campus Connections-Collaborate with local churches in college towns.

Help train and implement college ministries in the local church for both national and international work.

We are working on getting Rolando Delgado to come on board with us to help with works already in progress and help plant other works. As of this meeting Rolando is a man without a country. He was born in Cuba, attended seminary and ordained in Cuba and later became a missionary to Panama. Recently Panama changed their visa laws and despite Rolando's best effort he cannot get a renewal of his visa. Pray God will work all things out for His honor and glory.

\$541,708.00 was raised for ACTS 1:8 in 2012. This is a new record in giving to ACTS 1:8. One of events that may have the biggest impact was the World Mission Offering and it looks like 2013 may top that.

REPORT OF THE REGISTRATION COMMITTEE

The following have registered during the 116th annual session of the Arkansas State Association of Free Will Baptists, held at Camp Beaverfork, May 20-21, 2013.

Ministers 68, Deacons 8, Delegates 27, Missionaries 6, Visitors 49 for a total of 159 registered.

STATISTICS REPORT

The Arkansas State Association of Free Will Baptists reports 15 associations comprised of 191 churches. The statistics for membership, baptism, etc., are based on the 172 churches who reported.

There are 72 churches located in city/town; 104 churches in rural areas; 81 with full-time pastors and 87 part-time pastors.

There are 247 ordained ministers, 50 licensed ministers, and 348 ordained deacons.

The churches reported 392 baptism with 596 members added, 240 members lost, with a total membership of 16,105.

Sunday school enrollment was 8,999, CTS enrollment was 1,205, Women Active for Christ membership was 103, and Master's Men enrollment was 49.

There were 5 churches with day cares, 1 church with kindergarten, 2 churches with Christian day schools.

The total income of all churches reporting was \$9,069,690.21 and 44 churches with budgets.

There were 54 churches with parsonages and a total value of all church properties, including parsonages, \$82,320,120.40

2013 OBITUARY REPORT

ANTIOCH

Mabel (Stella) Laffoon
Nell Baretta
Arlene Davis
John Stovall, Jr. (*Deacon*)
Betty Burris
Sybil Teague
Maxine Denham
Mary Lou Sharp
Bobby Cooper (*Deacon*)

ARKANSAS

Lillie Mae Laird
Kenneth Bynum
Helen Denton
Herman Holleman
R. F. (Buddy) Morgan
Waylan Defoor
Martha Defoor
Ed Williams

CENTRAL

Judy Claassen
Ellen Weatherred
Floy Bleebs
Carma Walker

FELLOWSHIP

Junior Crawford
Noel "Buddy" Wilson
Virginia Hays
James Killer
Billy Bartlett
Jimmy Epperson

HARMONY

Dorace Bishop
Ethel Lee Talley
Beulah Tidwell

LITTLE MISSOURI RIVER

Reverend Terrell Holland
Yvonne Shipman
Myrtle Hopper
Betty Radcliff
Eldon Moore

NEW HOPE

Betty Weir
Patsy Stephenson
Donny Keathley
Lorene James
Sandra Smith
Harold Coleman

NORTHWEST

Brent Foster
Ellen Trost
Paul Fleming

OLD MT. ZION

Gayla Lynn Haywood
William Lonzo Eoff
Cheryl Ann Bowerman
Billy Eugene Ditmore
Lena Naideen Drake
Frank M. Dees
Leta Mae Scott
Hayden Stout
Rebecca Jewel Caudill
Robert Lee Pergeson
Ronald Leroy Weaver
Ross Delano
"Maine" Bowen
Charles Corbett George
Lottie Albena Young
Jewell Wilson
John Bojannan
Mason Treat
Frankie Treat
Kellyne Leigh Cleek
Karl Kinion
John Ragsdale
Charles Claud Carpenter

POLK BAYOU

Harold Harris
Edward Buchanan
Betty Grady
Winford Sturch (*Deacon*)
Hazel McClothlin
Martha Matthews
Marlin Greenfield
Harly Jaco, Sr.
Austin Rowlett
Aliene Johnson
Lorene D. Sullivan
Bonnie Smith
Tony Crabtree
Tyler Crews
Wayne Clenenstine
Mabel McKee
Wanda Campbell Roach
Stephen Pierce
Loyd Estes

SALINE

Margaret Bellot
Gail Wooten
Janet Akin
Buddy Hays
Reverend Johnny L. Jones
Tommy Crutchfield
Albert F. Nichols
Wayne Sanders (*Deacon*)
Weldon "Biddie" Rice
Mandy Johnson
Jo Ann Wells
Arthur "Buddy" Weaver

SALINE cont.

Helen Forrest
Jane Niell
Clydia Rae Beard
Deborah Russell Mills
Morris West
Alva Jean Henley
Don Pennington
J. D. Divine
Helen Frizzell
Gene Earnest
Eva Tucker
Dee Edmonds

SOCIAL BAND

Arlis Lamew
Gene McCormic
Bill Franks
James Carter
Vonalea Echols
Willard Kincade

UNITY

Ricky Chronister
Fruella Sykes

ZION HOPE #2

Paulette Holmes
Richard Gentry
Dorothy Mullen
Dorothy Claborn
Mrs. Leon Sunerdick
Fred Arner
Butch Barenburg
Bob DeLong
Wanda Arnold
Melba Morgan
Margie Allen

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

*We have lost 129 in
the past year. These
include 2 ministers
and 4 deacons.*

*Our loss is Heaven's gain.
We move that you
accept this report.
Respectfully submitted:*

OBITUARY COMMITTEE:

Paul Payne
Danny O'Neal
Tom DuBose
Randy Spears
Alene Coffman
Billy Wilson

2014 Comparative Budget

	Plan A		Plan B	
Agency	Percentage	Dollar Amount	Percentage	Dollar Amount
Minister's Retirement		\$18,000		\$18,000
State Office Division	20.5%	\$117,260	20.5%	\$117,260
State Mission Division	21.5%	\$122,980	21.5%	\$122,980
Youth Division	17.5%	\$100,100	17.5%	\$100,100
Christian Education Division	3%	\$17,160	3%	\$17,160
In State Total	62.5%	\$375,500	62.5%	\$375,000
National Association	37.5%	\$214,500	30.5%	\$199,485
Hillsdale			7%	\$15,015
Total	100%	\$590,000	100%	\$590,000

2011 - 2012 Cooperative Report

Arkansas State Association of Free Will Baptists

	2011	2012	\$ + or -	% + or -
A.C.T.S. 1:8	513,675	541,708	28,033	5.46%
Coop	555,847	586,737	30,890	5.56%
Hillsdale Free Will Baptist College	21,230	23,049	1,819	8.57%
Executive Office	100,566	97,765	-2,801	-2.79%
International Missions	606,665	579,823	-26,842	-4.42%
National Home Missions	193,104	188,072	-5,032	-2.61%
Welch College	67,725	69,693	1,968	2.91%
Board of Retirement	17,255	16,729	-526	-3.05%
Master's Men	17,197	19,496	2,299	13.37%
Women National Active for Christ	17,091	22,457	5,366	31.40%
Free Will Baptist Foundation	7,394	7,188	-206	-2.79%
Commission for Theological Integrity	1,115	597	-518	-46.42%
Media Commission	615	597	-18	-2.85%
Music Commission	615	597	-18	-2.85%
Historical Commission	539	597	58	10.85%
Total National Agencies	1,029,881	1,003,613	-26,268	-2.55%

2012 Gifts to National Ministries

States	Executive	FWB Foundation	Home Missions	International Missions	Master's Men	Retirement & Insurance	Welch College	WNAC	Commission for Theo. Integrity	Historical Commission	Media Commission	Music Commission	Totals
Alabama	7,148.17	407.18	562,986.59	401,607.99	2,930.92	780.90	78,747.15	5,806.24	26.11	25.15	25.11	25.16	1,060,516.67
Alaska	-	-	20.00	-	-	-	-	-	-	-	-	-	20.00
Arizona	734.09	15.84	21,494.88	22,593.66	43.89	54.95	372.12	688.23	1.63	1.45	1.45	1.52	46,003.71
Arkansas	97,765.19	7,188.00	188,071.77	579,621.07	19,495.62	16,728.71	69,693.19	22,457.15	597.46	597.46	597.46	597.94	1,001,613.02
California	6,665.87	498.91	103,355.38	68,991.86	1,778.15	1,149.29	9,294.00	2,614.11	40.85	40.74	40.74	40.67	194,510.57
Canada	590.09	95.05	16,931.37	37,936.04	86.98	132.95	2,052.09	58.89	3.57	2.93	2.91	2.88	57,895.75
Colorado	-	-	25,112.43	4,210.29	-	-	-	-	-	-	-	-	29,322.72
Connecticut	-	-	-	100.00	-	-	-	-	-	-	-	-	100.00
Delaware	-	-	-	8,210.00	-	-	1,290.00	150.00	-	-	-	-	9,650.00
Florida	11,941.61	882.85	229,517.48	107,797.51	2,706.77	1,989.04	100,794.31	2,885.08	70.09	69.59	69.57	69.24	458,793.14
Georgia	15,867.78	1,289.79	143,210.15	344,703.88	2,844.21	2,824.19	89,791.26	10,776.63	98.37	97.04	296.99	96.83	611,897.12
Hawaii	-	-	261.00	1,000.00	-	-	305.00	-	-	-	-	-	1,566.00
Idaho	-	-	1,039.00	12,141.41	-	-	350.00	-	-	-	-	-	13,530.41
Illinois	10,432.63	785.22	202,931.52	251,572.30	4,092.34	1,802.57	49,371.48	3,887.14	63.99	63.77	63.77	63.82	525,130.55
Indiana	1,628.47	224.56	49,107.35	50,779.31	407.71	494.56	3,168.85	681.48	199.76	199.76	3.65	3.65	106,899.11
Iowa	-	-	3,100.00	2,075.00	-	-	1,425.00	-	-	-	-	-	6,600.00
Kansas	298.17	21.87	7,367.95	23,415.71	51.02	51.02	868.98	-	1.81	1.81	1.81	1.94	32,082.09
Kentucky	4,190.72	347.62	131,809.16	146,290.88	1,591.50	751.93	10,916.48	4,620.76	26.06	25.64	25.62	25.35	300,621.72
Louisiana	-	-	8,000.00	2,678.99	-	-	400.00	-	-	-	-	-	11,078.99
Maine	-	-	5,605.00	-	-	-	-	-	-	-	-	-	5,605.00
Maryland	-	-	-	6,785.79	-	-	1,411.37	-	-	-	-	-	8,197.16
Massachusetts	-	-	-	1,620.00	-	-	100.00	-	-	-	-	-	1,720.00
Michigan	3,609.44	235.36	88,918.30	144,096.12	5,931.32	549.17	9,203.59	4,905.00	19.61	19.61	19.61	20.22	257,527.35
Mid-Atlantic Association	-	-	24,336.43	-	-	-	-	-	-	-	-	-	24,336.43
Minnesota	-	-	550.00	945.00	-	-	-	-	-	-	-	-	1,495.00
Mississippi	4,441.49	289.05	169,846.53	69,577.20	781.12	674.44	27,930.45	2,395.00	24.08	24.08	24.08	24.08	276,031.60
Missouri	92,549.40	6,852.45	210,134.88	503,068.70	17,249.96	15,892.83	132,509.51	10,061.25	741.32	565.63	565.60	565.77	990,757.30
Montana	-	-	-	-	-	-	-	-	-	-	-	-	-
Nebraska	-	-	-	2,300.00	-	-	-	-	-	-	-	-	2,300.00
Nevada	-	-	-	2,150.00	-	-	-	-	-	-	-	-	2,150.00
New Hampshire	-	-	5,060.00	-	-	-	-	-	-	-	-	-	5,060.00
New Jersey	-	-	-	1,200.00	-	-	1,500.00	-	-	-	-	-	2,700.00
New Mexico	147.87	10.86	21,565.31	6,648.32	27.19	25.30	221.24	823.50	0.90	0.90	-	1.17	29,472.56
New York	-	-	5,360.00	1,065.00	-	-	40.00	-	-	-	0.90	-	6,465.90
North Carolina	18,881.43	1,646.13	576,121.64	866,219.86	4,342.07	3,325.88	158,368.46	15,015.81	761.94	108.24	108.09	711.57	1,645,611.12
Northeast Association	-	-	-	-	-	-	-	-	-	-	-	-	-
Northwest Association	900.00	-	-	-	-	-	-	-	5.50	5.50	-	-	911.00
Ohio	20,121.60	1,554.32	157,344.42	206,520.67	4,313.85	3,489.55	40,008.52	4,946.97	142.80	121.82	121.78	123.02	438,809.32
Oklahoma	81,505.68	6,299.33	160,837.96	572,155.31	16,535.71	14,167.32	81,889.05	10,648.19	496.94	492.85	492.68	491.64	946,012.66
Oregon	-	66.00	180.00	-	160.16	154.00	242.88	-	-	-	5.50	5.50	814.04
Pennsylvania	-	-	32,764.00	11,184.16	-	-	2,000.00	210.00	-	-	-	-	46,158.16
Rhode Island	-	-	-	300.00	-	-	-	-	-	-	-	-	300.00
South Carolina	3,994.36	171.57	139,681.88	516,458.09	269.62	2,676.21	107,615.02	6,097.16	4.01	2.51	2.45	2.08	776,974.96
South Dakota	-	-	-	607.76	-	-	150.00	-	-	-	-	-	757.76
Tennessee	16,285.82	1,497.62	593,653.17	1,304,076.77	11,338.59	4,341.51	227,177.53	9,999.67	627.62	343.38	343.29	297.33	2,169,982.30
Texas	3,559.41	542.83	78,685.79	146,393.91	761.71	843.28	16,033.02	2,270.89	24.48	21.44	21.32	21.46	249,179.54
Utah	189.00	13.86	1,250.00	5,947.00	-	32.34	53.14	-	1.16	1.16	1.16	1.16	7,489.98
Virginia	1,423.90	103.18	174,533.47	70,630.58	240.66	234.34	17,964.96	3,173.60	108.37	8.37	8.37	8.37	268,438.17
Washington	-	-	530.00	4,304.70	-	-	2,057.00	-	-	-	-	-	6,891.70
West Virginia	2,187.39	137.75	102,953.84	129,915.56	418.87	875.69	16,053.04	1,509.64	302.00	9.83	301.78	9.75	254,675.14
Wisconsin	-	-	12,275.00	725.00	-	-	-	-	-	-	-	-	13,000.00
Wyoming	-	-	3,740.00	240.00	-	-	50.00	-	-	-	-	-	4,030.00
Puerto Rico	-	-	-	-	-	-	-	-	-	-	-	-	-
Virgin Islands	347.57	20.98	49,348.52	1,956.77	87.44	48.94	1,338.84	-	1.76	1.76	1.76	1.76	53,156.10
Other	-	-	314,377.82	167,237.91	-	-	100.00	-	-	-	50.00	-	481,765.73
Foundation	-	-	9,178.83	-	-	-	-	4,191.06	-	-	-	-	13,369.89
WNAC	-	-	25,804.95	-	-	100.00	466.00	-	-	-	-	-	26,370.95
TOTALS	407,407.15	31,198.18	4,658,953.77	6,810,258.08	98,487.38	74,190.91	1,263,323.53	130,873.45	4,392.19	2,852.42	3,197.45	3,213.88	13,488,348.39

2012 Arkansas Free Will Baptist Association Receipts										
Association	COOP	A.C.T.S. 1:8	State Miss.	N.H.M.	I.M.	WELCH	Hillsdale	FWBFM	Misc.	Totals
Antioch	4,881.09	13,738.49							3,939.00	22,558.58
Antioch ARWAC		461.00								461.00
Antioch Youth		722.30							300.00	1,022.30
Arkansas		7,989.96			1,200.00					9,189.96
Arkansas WAC									634.07	634.07
Central	65,341.53	83,562.36		18,782.36	11,669.88	18,640.71	2,162.94		2,894.21	203,053.99
Central ARWAC		2,836.00								2,836.00
Fellowship	54,599.45	68,863.89	250.00	2,215.00	380.00			500.00	5,755.42	132,563.76
Fellowship ARWAC		3,540.00								3,540.00
Fellowship Youth		1,725.00								1,725.00
Fellowship Master's Men									250.00	250.00
Harmony	5,828.53	11,676.00	811.00	10.00	60.00		1,420.00	275.00	811.00	20,891.53
Harmony ARWAC										0.00
Little MO River	19,470.47	27,504.23	280.00	2,500.00		1,981.29	1,000.00	4,726.61	1,150.00	58,612.60
Little MO River ARWAC		720.00			450.00					1,170.00
New Hope	37,286.42	25,446.03	1,000.00	180.00	20,730.23	600.00	1,294.92		1,152.00	87,689.60
New Hope ARWAC		673.43								673.43
New Hope Master's Men									106.00	106.00
Northwest	3,535.15	8,349.28		10,700.00			1,155.00			23,739.43
Northwest ARWAC										0.00
Old Mt. Zion	33,251.19	18,117.21	5.00	4,615.38	5,804.00			4,185.00	5.00	65,982.78
Old Mt. Zion ARWAC		616.00								616.00
Old Mt. Zion Master's Men									500.00	500.00
Old Mt. Zion Youth										0.00
Polk Bayou	66,476.94	70,900.80	618.30	6,072.30	1,616.94	1,040.00		2,004.38	6,327.05	155,056.71
Polk Bayou ARWAC		5,093.00								5,093.00
Polk Bayou Master's Men		250.00							500.00	750.00
Polk Bayou Youth									2,500.00	2,500.00
Saline	51,380.00	44,207.17	1,300.00	5,816.72			1,868.00	3,375.00	7,805.38	115,752.27
Saline ARWAC		2,206.00								2,206.00
Social Band	87,014.75	66,159.06	442.36	7,027.90	2,392.50	1,141.81	1,418.90	2,666.91		168,264.19
Social Band ARWAC		2,175.00								2,175.00
Social Band Youth										0.00
Southeast										0.00
Unity	149,191.15	41,854.83		3,350.00	1,707.08	213.00	12,729.38	610.00		209,655.44
Unity ARWAC		905.00								905.00
Zion Hope	8,479.98	9,647.36		200.00		1,000.00		195.00		19,522.34
Zion Hope ARWAC		1,020.00								1,020.00
Individuals		10,352.00	1,300.00	200.00				1,100.00		12,952.00
Other		10,397.05	204.86	149.86	749.28			513.45	126.50	12,141.00
ARWAC			1,172.50							1,172.50
Totals	586,736.65	521,463.02	6,211.52	61,819.52	46,309.91	24,616.81	23,049.14	20,151.35	31,621.56	1,321,979.48
Totals ARWAC	0.00	20,245.43	1,172.50	0.00	450.00	0.00	0.00	0.00	0.00	21,867.93
Grand Totals	586,736.65	541,708.45	7,384.02	61,819.52	46,759.91	24,616.81	23,049.14	20,151.35	31,621.56	1,343,847.41
2011 Totals	555,847.38	513,674.64	8,965.73	58,194.82	36,662.60	30,173.07	21,230.03	17,075.59	31,019.68	1,272,843.54
\$ Increase or Decrease	30,889.27	28,033.81	-1,581.71	3,624.70	10,097.31	-5,556.26	1,819.11	3,075.76	601.88	71,003.87
% Increase or Decrease	5.56%	5.46%	-17.64%	6.23%	27.54%	-18.41%	8.57%	18.01%	1.94%	5.58%

Executive Committee Summaries

April 5, 2012

Those attending were Nelson Henderson, Tim Campbell, Keith Bowden and Wendell Leckbee. Randy Scott was absent due to a funeral.

The meeting was called to order and after prayer requests Nelson Henderson led in prayer.

The format of the annual meeting was discussed. No changes were recommended other than the Master's Men considering moving their banquet to Monday night.

Speakers and necessary personnel were selected.

July 20, 2012

The Executive Committee met at 2:00 pm on July 20 at the State Office.

Present were Tim Campbell, Ricky Taylor, Wendell Leckbee and Keith Bowden.

Wendell Leckbee led in prayer and Tim Campbell called the session into order.

Ricky Taylor reviewed the audits of each Division of the Arkansas State Association of Free Will Baptist, Inc. MSC to approve.

MSC to create a separate savings account for National Fees.

MSC to retain the firm of John W. Stottman, Jr., CPA as auditor for next year.

AUGUST 28, 2012

The Executive Committee met at the State Office at 10:00 am

Present were Nelson Henderson, Randy Scott, Keith Bowden, Wendell Leckbee and Tim Campbell.

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

Previous minutes were reviewed and approved.

Discussion regarding the 2013 State Meetings was conducted. The dates will be May 20-21 at Camp Beaverfork. MSC.

The policy for representation at the State Meeting was discussed regarding independent agencies being on the program at the State Association. It was decided that those calling would be passed to the Executive Committee for review.

The vetting of Committee on Committee nominee

shall be conducted by the Executive Committee before it is presented to the body.

Randy Scott reported on a funeral service where a Christian Flag was presented to the family of a deceased pastor. MSC for this to be adopted for the AR State Office.

The theme for the 2013 State Meeting is "The 21st Century Church".

Speakers and necessary personnel were selected.

Respectfully submitted:

The 2012 Executive Committee

Executive Board Summaries

12, April, State Office

MSC to approve the minutes of the previous meeting.

MSC to approve the Director's Report and the Financial Reports.

MSC to appoint Craig Batts to the Youth Board vacancy.

MSC to appoint Travis Alexander to the Christian Education Board vacancy.

The Executive Director gave an update on the State Office lease and property sale.

The Finance Committee gave an update from their meeting with the Arkansas Mission Board.

11 July, State Office

The Executive Board met at the state office with board members Kevin Barnett, Paul Payne, Bobby Shepherd, Mark Stripling, David Taylor Randy Scott, Nelson Henderson, David Bishop, Ken Wunningham, BJ Duvall and Tim Campbell. Also in attendance were Randall Williams, Mark Simmons

MSC to accept the minutes of the April 12, 2012 meeting.

Tim Campbell presented the financial reports: 2011 Budget to Actual; 2012 Budget to Actual; the bank balances for the Simmons Bank ministry and loan accounts. A motion carried to approve each fund account report, individually. The Director's January—June schedule was received as information. The 2013 budget proposal was presented. After discussion, a motion carried to approve the revised 2013 budget proposal for presentation to the State Association for adoption.

Tim Campbell presented and reviewed printed copies

of a proposal for the restructure and control of access to State financial information (Organizational Structure and Management Controls for Access to Financial Information). A motion carried to recommend this document to the State Association for adoption.

Tim Campbell presented and reviewed printed copies of a proposed Anchor Document. Following discussion it was suggested each Board Chairman take this document to their boards for consideration. The Executive Board will consider the various Board responses and continue the discussion at the next Executive Board meeting.

An update on the sale of the State Office was given by the Director followed by discussion. The listing with the real estate company has expired. In light of no written offers being received, as well as our improved financial position, it was agreed that we not re-list the State Office with the real estate company at the present time.

The Executive Committee went into Executive Session.

With no new business offered, a motion carried to adjourn.

1, December, State Office (Finance Committee)

MSC to approve the previous meetings minutes.

Will Harmon gave a report from the Finance sub-committee.

The Executive Director gave a presentation as a follow-up to the Finance sub-committee report.

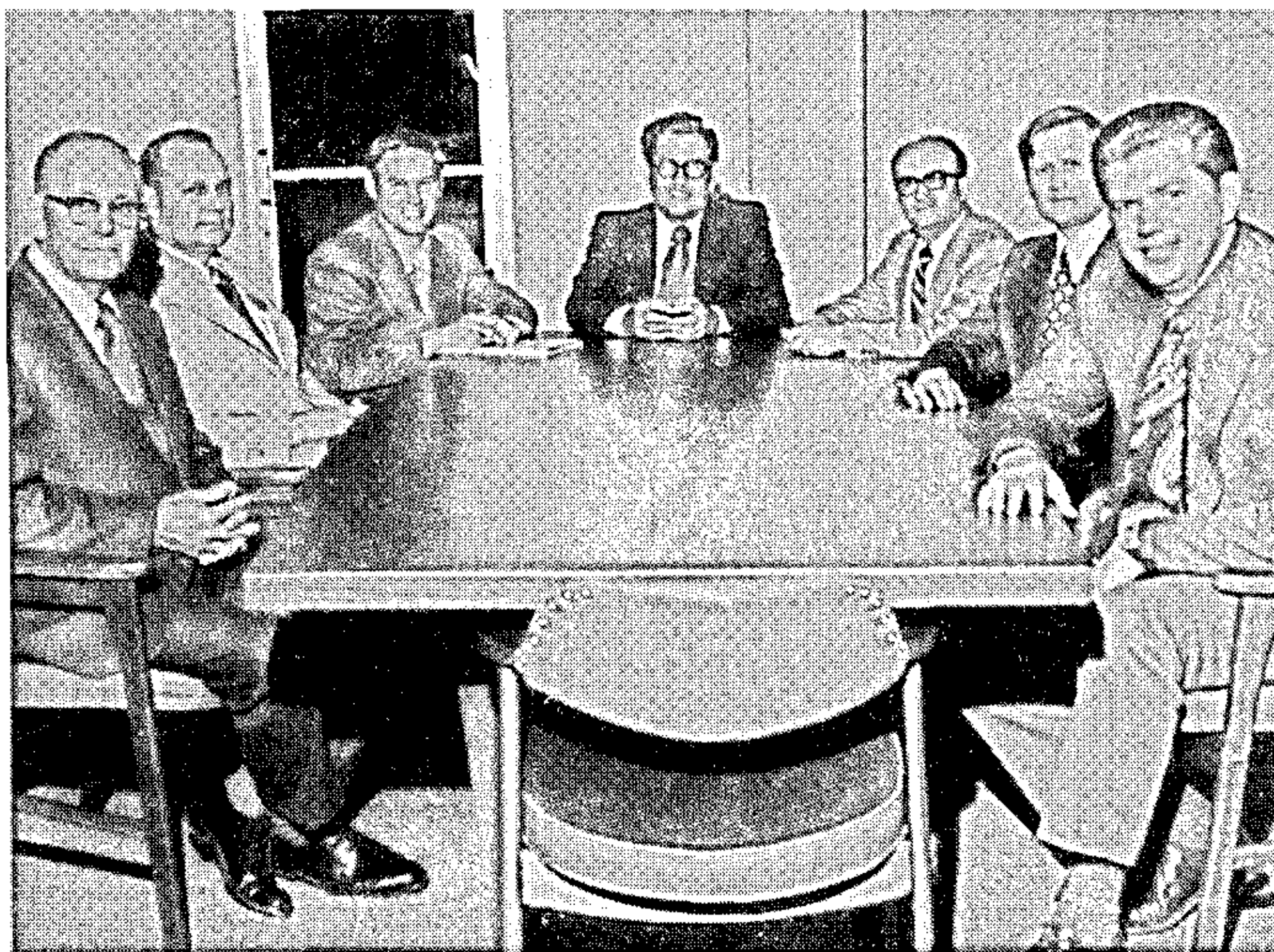
Finance Committee was adjourned.

The Executive Board continued to meet after the Finance Committee adjourned.

MSC to finance the PILLARS I conference.

Respectfully submitted:

The 2012 Executive Board



1973 Executive Board of Arkansas Free Will Baptists

Left to Right: Rev. Oris Doggett, Rev. Gene Bishop, Rev. Richard Bowers, Rev. Zane Kirkland, Rev. Ben Scott (State Moderator), Rev. David Joslin, Rev. Fred Warner (Promotional Director)

3:17 PM
05/08/13
Accrual Basis

State Office Division Account Profit & Loss Budget vs. Actual January through December 2012

	Jan - Dec 12	Budget	\$ Over Budget
Income			
40100 · State Office Income			
40101 · Rental	17,010.84	16,800.00	210.84
40102 · Coop	138,774.12	140,500.00	-1,725.88
40103 · Secretarial Transfers	7,500.00	7,800.00	-300.00
40105 · VISION Subscriptions	8,294.30	8,900.00	-605.70
40106 · Sunday School Receipts	333,396.89	320,000.00	13,396.89
40107 · State Association Fees	5,460.00	6,180.00	-720.00
40108 · ComputerTranfers	1,400.00	1,325.00	75.00
40109 · Utility Tranfers	2,075.73	3,500.00	-1,424.27
40110 · Other Income	2,435.42	4,000.00	-1,564.58
40111 · National Assoc. Fees	0.00	300.00	-300.00
40115 · Interest Income	20.99	50.00	-29.01
40117 · State Meeting Income	0.00	800.00	-800.00
40119 · Operational Transfers	4,537.54	8,100.00	-3,562.46
40125 · State Office Acct Income	306.75		
40131 · Sunday School Line of Credit	200,650.00		
Total 40100 · State Office Income	721,862.58	518,255.00	203,607.58
40132 · Union Grove FWB Contribution	4,800.00		
40136 · Income-State Missions Loan	226,065.26		
Total Income	952,727.84	518,255.00	434,472.84
Gross Profit	952,727.84	518,255.00	434,472.84
Expense			
50100 · State Office Expense			
50101 · Director's Salary	32,581.16	31,581.96	999.20
50102 · Director's Housing	20,400.00	20,400.00	0.00
50103 · Director's Insurance	13,647.30	11,500.00	2,147.30
50104 · Director's Retirement	2,400.00	2,400.00	0.00
50105 · Director's Social Security	8,879.84	9,800.00	-920.16
50106 · Travel	12,481.70	10,000.00	2,481.70
50107 · Vehicle Payment	7,324.20	7,325.00	-0.80
50108 · National Association	1,875.30	1,200.00	675.30
50109 · Board Mileage & Meals	5,180.45	4,500.00	680.45
50110 · Phone	3,177.80	3,400.00	-222.20
50111 · Postage/UPS/Meter Rent/Freight	23,524.82	20,300.00	3,224.82
50112 · Dinners & Promotion	1,210.13	1,000.00	210.13
50115 · Printing	12,560.13	15,900.00	-3,339.87
50116 · Web Site & Internet	257.55	200.00	57.55
50117 · Audit & Audit Expenses	6,118.51	7,000.00	-881.49
50118 · Computer & Office Equipment	3,752.41	4,000.00	-247.59
50119 · Contingency Tranfer	0.00	9,600.00	-9,600.00
50120 · Vehicle Maintenance	1,675.42	1,000.00	675.42
50121 · Miscellaneous	7,627.62	6,126.04	1,501.58
50122 · Utilities	8,407.07	7,400.00	1,007.07

3:17 PM
05/08/13
Accrual Basis

State Office Division Account

Profit & Loss Budget vs. Actual

January through December 2012

	<u>Jan - Dec 12</u>	<u>Budget</u>	<u>\$ Over Budget</u>
50123 · Pest & Dust Control	561.09	550.00	11.09
50124 · Yard Maintenance	956.61	700.00	256.61
50125 · Property Insurance	3,422.50	3,400.00	22.50
50126 · Property Taxes	2,085.93	1,850.00	235.93
50127 · Supplies	3,093.78	2,500.00	593.78
50128 · Repairs & Maintenance	1,423.78	2,000.00	-576.22
50129 · Improvements	2,018.31	500.00	1,518.31
50131 · Literature for Resale	190,862.03	212,000.00	-21,137.97
50134 · Sunday School Expense	2,780.07	1,500.00	1,280.07
50136 · Workmans Comp Insurance	836.00	900.00	-64.00
50137 · Sales Tax	23,438.25	24,000.00	-561.75
50139 · Bookstore Expense	236,059.67	18,772.00	217,287.67
50145 · Vehicle Insurance	1,132.03	750.00	382.03
50149 · Bulletin Expense	7,702.64	8,800.00	-1,097.36
50150 · State Meeting Expense	4,695.57	4,000.00	695.57
50151 · Minister's Benevolent Fund	140.00		
50157 · State Office Expense - Other	273.00		
50158 · A.C.T.S. 1 8 Repayment	1,200.00	1,200.00	0.00
50180 · Payroll Taxes	4,885.13	5,000.00	-114.87
Total 50100 · State Office Expense	660,647.80	463,055.00	197,592.80
50170 · Wages-Janitor	3,060.00		
50172 · Wages-Stockroom	948.75		
50174 · Wages-Office Manager	30,528.00		
50175 · Wages-Clerical	23,418.30		
50184 · Union Grove FWB--designated	4,800.00		
50195 · Interest Expense-Line of Credit	201,547.84		
66000 · Payroll Expenses	4,309.13	55,200.00	-50,890.87
Total Expense	929,259.82	518,255.00	411,004.82
Net Income	<u>23,468.02</u>	<u>0.00</u>	<u>23,468.02</u>

Proposed 2014 Budget for State Office Division

			2014 Proposed
Income			
40100 • State Office Income			
40101 • Rental			19,200.00
40102 • Coop			117,260.00
40103 • Secretarial Transfers			7,500.00
40105 • VISION Subscriptions			9,000.00
40106 • Sunday School Receipts			320,000.00
40107 • State Association Fees			6,000.00
40108 • Computer Tranfers			1,400.00
40109 • Utility Tranfers			2,500.00
40110 • Other Income			2,500.00
40115 • Interest Income			50.00
40119 • Operational Transfers			4,500.00
40125 • State Office Acct Income			300.00
Total 40100 • State Office Income			490,210.00
Total Income			490,210.00
Expense			
50100 • State Office Expense			
50101 • Director's Salary			32,025.00
50102 • Director's Housing			21,440.00
50103 • Director's Insurance			13,600.00
50104 • Director's Retirement			3,600.00
50105 • Director's Social Security			9,057.00
50106 • Travel			11,000.00
50107 • Vehicle Payment			7,330.00
50108 • National Association			1,500.00
50109 • Board Mileage & Meals			5,500.00
50110 • Phone			3,200.00
50111 • Postage/UPS/Meter Rent/Freight			24,000.00
50112 • Dinners & Promotion			1,283.00
50115 • Printing			13,000.00
50116 • Web Site & Internet			300.00
50117 • Audit & Audit Expenses			7,000.00
50118 • Computer & Office Equipment			5,000.00
50120 • Vehicle Maintenance			2,000.00
50121 • Miscellaneous			7,300.00
50122 • Utilities			8,500.00
50123 • Pest & Dust Control			575.00
50124 • Yard Maintenance			900.00
50125 • Property Insurance			3,500.00
50126 • Property Taxes			2,500.00
50127 • Supplies			3,500.00
50128 • Repairs & Maintenance			2,000.00
50129 • Improvements			3,000.00
50131 • Literature for Resale			192,000.00
50134 • Sunday School Expense			3,500.00
50136 • Workmans Comp Insurance			900.00
50137 • Sales Tax			24,000.00
50145 • Vehicle Insurance			1,200.00
50149 • Bulletin Expense			8,000.00
50150 • State Meeting Expense			4,800.00
50157 • State Office Expense - Other			300.00
50158 • A.C.T.S. 1 8 Repayment			1,200.00
50180 • Payroll Taxes			1,600.00
50183 • Line of Credit			1,000.00
Total 50100 • State Office Expense			431,110.00
66000 • Payroll Expenses			59,100.00
Total Expense			490,210.00

2012 Cooperative Support By Church

Antioch Assoc.		Fellowship Assoc.		Oak Lane		720.00
Antioch		First, Dardanelle	4,460.00	Trinty, Green Forrest		169.44
Baker's Creek		Harmony	4,321.51	Old Mt. Zion Assoc.		
Ben Hur		Mt. Vernon	3,100.00	Bentonville		
Cherry Hill		Oak Grove	6,026.20	Calvary		5,979.21
Clarksville		Union Grove	23,320.00	Christian Home		
Dover		Welcome Home	4,673.00	Clifty Chapel		1,366.61
Faith		Woodlawn	8,698.74	Durham		
First, Atkins		Harmony Assoc.		Eastgate		400.00
First, Benton		Centerville	746.50	Faith		
Hector	120.00	Corley	991.00	First, Fayetteville		
Holman		Danville	300.00	First, Lowell		
Johnson		Plainview	1,735.50	Freedom, Garfield		
Morrilton		Ranger	574.98	Greenland		
New Life	426.99	Upper Srping Creek	970.05	Hope		
Ola		Wilson	510.50	Huntsville		
Slaty Crossing	4,334.10	Little MO River Assoc.		Land of Goshen		
Smith Springs		CrossPoint, LA	363.15	Mt. Zion		
South Mountain		Daisy	5,207.22	New Horizion		1,262.81
St. Joe		Grace Fellowship	810.00	New Sulphur		4,040.12
Sweet Home		Glenwood	1,831.97	Pea Ridge		
Arkansas Assoc.		Hatfield	800.69	Phillips Chapel		13,122.66
Boles		Lake Hills	9,098.85	Pilgrim's Rest		
Brooklyn		Lodi	1,358.59	Rogers		
Egypt		New Hope Assoc.		West Ridge		1,800.00
Freedom		Cedar Heights		Westside		5,279.78
Harmony		Center Point	8,950.00	Polk Bayou Assoc.		
Hosanna		Chapel Lane	1,533.08	Allen Chapel		16,632.00
Keener		Friendship	6,789.98	Ballews Chapel		6,923.00
Mulberry		Greenbrier		Blackland Chapel		4,437.48
Union Hill		Mt. Bethel	13,949.60	Cave City		
Central Assoc.		Rolling Oaks		First, Batesville		13,164.00
Bethel		Sardis		First, Mt. Home		2,998.71
Capital City		Sharon	3,791.94	First, Newport		
Cross Roads	4,549.76	Soda Valley		First, Tuckerman		10,960.70
First, Conway	2,995.29	South Heights	2,271.82	Grace		
First, Hot Springs	357.50	Northwest Assoc.		Harmony, Mt. Home		
First, Malvern	926.20	Eureka Springs		Macedonia, Mt. Pleasant		
First, N. Little Rock	11,122.44	First, Berryville		Mt. Harmony		10,261.05
First, Russellville	39,328.79	Gospel Lighthouse		New Bethel		
First, Cabot	2,422.82	Moore	1,797.60	New Home		
New Beginnings		Mt. Olivet	240.00	Oak Grove		
Oak Park	3,638.73	Oak Grove, Oak Grove	608.11	Oakland		

2012 Cooperative Support By Church cont.

Pools Chapel		Sharum	
Quail Valley		Sutton	22,555.46
Weaver's Chapel		United	8,971.85
Saline Assoc.		Warm Srping	
Corbin Ferry	420.00	Southeast Assoc.	
Fairview		Oak Grove, Lake Village	
Faith, Warren	2,155.55	Unity Assoc.	
First, Crossett	2,320.73	Bethlehem	13,309.33
First, Monticello		Cavanaugh	96,275.34
First, Star City	11,905.61	Central	5,057.30
First, Warren	8,747.90	First, Charleston	9,000.03
Free Hill	189.00	First, Greenwood	8,185.50
Cross Roads, WI		Heritage Temple	
Harmony, Warren	12,291.13	Mt. View	4,007.25
Hillview		Ozark	10,693.68
Macedonia, New Edinbr	419.98	Pleasant Hill	
Mt. Pleasant, Hamburg	70.00	Riverview Fellowship	
Oak Grove, Wilmar	976.38	Shady Grove	
Pine Hill	1,563.10	South Side, Ft. Smith	2,662.72
Pleasant Grove	70.00	Vista	
Pleasant Valley	5,706.43	Zion Hope #2 Assoc.	
Rolfe Chapel		Alma	
Rose Hill	2,800.00	Catcher	
Spring Hill	112.00	Centerpoint	
Trinity		Chester	
Willoughby	378.00	Cornerstone	1,866.39
Yorktown	1,254.19	Cottonwood	
Social Band Assoc.		81	
Arbor Grove	2,963.59	88 Lone Elm	
Coffman		Enterprise	498.75
Elnora		First, Booneville	
Faith, Jonesboro	9,000.00	First, Ft. Smith	722.73
First, Corning		First, Mulberry	1,633.80
First, Jonesboro	9,000.00	Freedom, Alma	
First, Paragould	4,376.50	Highway 71	
First, Pocahontas	12,772.29	Independence	
First, Walnut Ridge	10,366.33	Kenner Chapel	919.94
Grandview		Kibler	
Northside		Oliver Springs	2,838.37
O'Kean		Riverdale	
Old Reyno	5,298.78	Van Buren	
Poplar Valley	1,709.95		
Pruett Chapel			

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

FINANCIAL STATEMENTS

DECEMBER 31, 2012 AND 2011



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, 2012 and 2011, 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, 2012 and 2011 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
May 4, 2013

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, 2012 AND 2011

ASSETS

ASSETS:	<u>2012</u>	<u>2011</u>
Cash	\$ 101,764	\$ 131,331
Accounts Receivable	7,908	3,203
Inventory	2,345	2,736
Property, Plant & Equipment		
Less Accumulated Depreciation	<u>421,993</u>	<u>436,104</u>
 Total Assets	 <u>\$ 534,010</u>	 <u>\$ 573,374</u>

LIABILITIES AND NET ASSETS

LIABILITIES:		
Accounts Payable	\$ 1,800	\$ 2,692
Designated Contributions Payable	147,904	185,781
Sales Tax Payable	88	80
Payroll Taxes Payable	1,458	1,653
Notes Payable	<u>12,655</u>	<u>256,055</u>
 Total Liabilities	 163,905	 446,261
 NET ASSETS:		
Unrestricted	361,846	118,048
Permanently Restricted	<u>8,259</u>	<u>9,065</u>
 Total Net Assets	 <u>370,105</u>	 <u>127,113</u>
 Total Liabilities and Net Assets	 <u>\$ 534,010</u>	 <u>\$ 573,374</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, 2012 AND 2011**

	2012			2011	
	UNRESTRICTED	TEMPORARILY RESTRICTED	PERMANENTLY RESTRICTED	TOTAL	TOTAL
REVENUE:					
Designated contributions-					
National Home Missions	\$	\$	\$ 62,470	\$ 62,470	\$ 63,306
Designated contributions-					
International Missions			28,810	28,810	36,663
Designated contributions-					
Acts 1:8			542,358	542,358	513,675
Designated contributions-					
Free Will Baptist Bible College			24,617	24,617	30,173
Designated contributions-					
Hillsdale			21,949	21,949	21,230
Designated contributions-Other			124,398	124,398	109,305
Cooperative Contributions	586,737			586,737	555,847
Sunday school literature sales	318,369			318,369	315,622
Vision sales and advertising	8,259			8,259	10,110
National Association fees	27,150			27,150	30,000
State convention fees	5,460			5,460	5,940
Rental income	17,011			17,011	14,381
Interest income	697			697	769
State Cooperative income			153,092	153,092	159,302
Other income	29,713		15,185	44,898	28,088
Net Assets released from restrictions:					
Restrictions satisfied by payments	973,685		(973,685)	0	0
Total Revenue	1,967,081	0	(806)	1,966,275	1,894,411
EXPENSES:					
Designated contributions	804,602			804,602	774,352
Cooperative contributions	586,737			586,737	555,847
Cost of sales - S. S. literature	221,220			221,220	221,737
C.E. Scholarships	4,250			4,250	4,275
State convention expense	4,696			4,696	5,134
Interest expense	6,270			6,270	10,783
Property taxes	2,086			2,086	1,896
Payroll taxes	5,110			5,110	5,088
Property insurance	3,423			3,423	3,527
Website cost	258			258	1,692

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, 2012 AND 2011**

	2012			2011	
	UNRESTRICTED	TEMPORARILY RESTRICTED	PERMANENTLY RESTRICTED	TOTAL	TOTAL
EXPENSES: (CONTINUED)					
Workman's comp insurance	\$ 646	\$	\$	\$ 646	\$ 780
Utilities	9,559			9,559	8,194
Janitor	3,060			3,060	2,850
Supplies	5,870			5,870	4,576
Miscellaneous	15,285			15,285	14,776
Salary, housing, retirement insurance & social security	77,908			77,908	76,653
Board mileage & meals	7,056			7,056	7,257
Auto & travel expenses	11,855			11,855	13,455
Repairs & maintenance	5,118			5,118	6,757
Telephone	3,584			3,584	3,073
Postage & printing	36,699			36,699	34,592
Computer expense	393			393	804
Secretary salaries	53,370			53,370	50,697
Stockroom expense	948			948	977
Professional fees	6,118			6,118	6,720
Retreat & conference expense	15,251			15,251	19,276
National Association fees	27,150			27,150	30,000
Ministers benevolence expenses	16,000			16,000	11,485
Depreciation	14,826			14,826	14,336
Total Expenses	1,949,348	0	0	1,949,348	1,891,589
Increase (Decrease) In Net Assets	17,733	0	(806)	16,927	2,822
Nonoperating Revenue (Expenses)					
Revenue from State Missions for Payment of Debt	226,065	0	0	226,065	0
Total Nonoperating (Net)	226,065	0	0	226,065	0
Increase (Decrease) in Net Asset After Nonoperating Rev. (Exp)	243,798	0	(806)	242,992	2,822
Net Assets - Beginning of Year	118,048	0	9,065	127,113	124,291
Net Assets - End of Year	\$ 361,846	\$ 0	\$ 8,259	\$ 370,105	\$ 127,113

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, 2012 AND 2011

CASH FLOWS FROM OPERATING ACTIVITIES:	<u>2012</u>	<u>2011</u>
Increase <Decrease> in net assets	\$ 242,992	\$ 2,822
Depreciation	14,826	14,336
<Increase> decrease in:		
Accounts receivable	<4,705>	<631>
Inventory	391	<201>
Increase <decrease> in:		
Accounts payable	<892>	<19,001>
Payroll taxes payable	<195>	<103>
Sales tax payable	8	5
Designated contributions payable	<u><37,878></u>	<u><63,431></u>
Net Cash Provided by Operating Activities	214,547	<66,204>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property & equipment	<u><714></u>	<u><41,102></u>
Net Cash Used by Investing Activities	<714>	<41,102>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from debt	200,650	267,617
Repayment of debt	<u><444,050></u>	<u><170,976></u>
Net Cash Provided by Financing Activities	<243,400>	96,641
Net Increase <Decrease> in Cash	<29,567>	<10,665>
Cash at Beginning of Year	<u>131,331</u>	<u>141,996</u>
Cash at End of Year	\$ <u>101,764</u>	\$ <u>131,331</u>
SUPPLEMENTAL DISCLOSURES:		
Cash Paid During the Year for Interest	\$ <u>6,270</u>	\$ <u>10,783</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, 2012 AND 2011

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, 2012 AND 2011

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>2012</u>	<u>2011</u>
Auto	\$ 31,213	\$ 31,213
Office Furniture & Equipment	88,207	87,492
Building Improvements	<u>81,671</u>	<u>81,671</u>
	201,091	200,376
Less Accumulated Depreciation	<u>134,098</u>	<u>119,272</u>
	66,993	81,104
Land and Building	<u>355,000</u>	<u>355,000</u>
Total Property and Equipment	<u>\$ 421,993</u>	<u>\$ 436,104</u>

ARKANSAS STATE ASSOCIATION OF
FREE WILL BAPTISTS, INC.
NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)
DECEMBER 31, 2012 AND 2011

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, 2012 and 2011 was as follows:

	<u>2012</u>		<u>2011</u>	
	<u>PLAN A</u>	<u>PLAN B</u>	<u>PLAN A</u>	<u>PLAN B</u>
State General Fund*	25%	25%	25%	25%
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%	33%	26%
Hillsdale	0%	7%	0%	7%
TOTAL	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>

*After the debt to Free Will Baptist Foundation was paid, the percentage was restored to 20.5% for State General Fund and 37.5% / 30.5% for the National Association.

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>2012</u>	<u>2011</u>
Ministers Benevolent Fund	\$ <u>8,259</u>	\$ <u>9,065</u>
	\$ <u>8,259</u>	\$ <u>9,065</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, 2012 AND 2011

NOTE 7 - NOTES PAYABLE

	<u>2012</u>	<u>2011</u>
Note payable – Free Will Baptist Foundation, Nashville, Tennessee, requires monthly installments of \$ 1,913, including principal and interest at an annual percentage rate of 4.5%. Note is secured by real estate.	\$ 0	\$ 237,083
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.	<u>12,655</u>	<u>18,972</u>
Total Debt	\$ <u>12,655</u>	\$ <u>256,055</u>

The aggregate maturities of these notes are as follows:

2012	\$ 6,724
2013	\$ 5,931

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, 2012 is \$ 20,823.

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

April 3, 2012 at the State Office

Present were: Tim Campbell, David Ponder, Clark Snow, David Harper, Greig Caswell and Cody Alley

There was discussion about the Ministers Wives retreat. The financial report of their 2012 retreat was presented. MSC to allow them an extra \$500.00 for the retreat in 2013.

MSC to accept the CE Division profit and loss statement.

Tim Campbell shared with the board that the Embers to Flames conference has been postponed until 2014. Tim is also meeting with the state directors from Oklahoma and Missouri on April 9, 2012 to solidify everyone's commitment and support of the conference.

The board discussed the up coming 2013 Ministers Retreat. MSC to ask William Smith to be the speaker for the evening services at the retreat ---- with a pay of \$300.00 per service plus expenses. MSC to hold the retreat at Lake DeGray State Lodge near Arkadelphia. The retreat will be Feb. 25-27. The cost will be \$85.00 per person. MSC to award up to \$200.00 to for prizes for golf, shooting and fishing.

April 10, 2012 --- Conference Call

Present were: Tim Campbell, David Ponder, Clark Snow, David Harper, Greig Caswell and Cody Alley

The board discussed the upcoming Embers to Flames Conference. MSC to hold conference in conjunction with Oklahoma and Missouri Free Will Baptist in the fall of 2013. MSC to subsidize the conference so it will cost our attendees only \$100.00 per person {includes conference cost and hotel}. MSC to take these funds from the CE Division money in the Free Will Baptist Foundation. It was agreed that the CE Board members promote the conference. The actual cost of the Conference is \$195.00 per person and \$90.00 per person for two nights in the hotel.

June 28, 2012 at the State Office

Present were: Tim Campbell, David Ponder, Travis Alexander, David Harper, Greig Caswell and Cody Alley

The Executive Board replaced the seat vacated by Ryan Johnson's resignation with Travis Alexander.

MSC to accept the minutes from our last meeting on April 3, 2012 and our conference call on April 10, 2012.

MSC to accept the financial reports.

MSC to accept the proposed budget for 2013.

A firm date for Embers to Flame conference was set for October 4th & 5th 2013.

MSC to petition the Executive Board to allow the Pillars Conference to the fall under the auspices of the Christian Education Board. MSC to add \$2000.00 to the budget for the Pillars Conference.

MSC to host a Ministers Wives luncheon at the state association in 2013. MSC to budget \$500.00 to host this event and to ask Janie Campbell to host the event.

December 11, 2012 at the State Office

Present were: Tim Campbell, David Ponder, David Harper, Jim Walker, Greig Caswell and Cody Alley

MSC to accept the minutes from previous meeting.

MSC to accept the financial reports.

The board discussed promotion of the 2013 Minister's Retreat. It was decided to e divided up the ministers in the state by association and contact them and encourage them to attend the 2013 retreat. Other details in planning the retreat were discussed. ==> Foot washing supplies for minister's retreat.

There was additional discussion and planning for the upcoming Embers to Flame Conference.

MSC to charge the first 40 registrations pay \$100.00 if paid before June 1, 2013, \$135.00 if paid between June 1st and August 1, 2013, and to establish August 1, 2013 as the deadline to register for the conference. MSC to charge \$75.00 to the local residents who will not require a hotel room.

MSC to hold the Embers to Flames Conference at Phillips Chapel FWB in Springdale, AR.

MSC to give the Phillips Chapel pastor free registration.

MSC for the following officers for upcoming year:

- Chairman --- David Ponder
- Vice Chairman --- David Harper
- Secretary ---- Greig Caswell

Respectfully submitted:

The 2012 Christian Education Board

Christian Education Division Budget to Actual & 2014 Proposed Budget

	Jan - Dec 12	Budget	2014 Proposed Budget
Income			
40500 • Christian Educaiton Income			
40501 • Coop Income	17,189.98	16,860.00	17,160.00
40502 • Minister's Retreat Income	4,180.00	6,600.00	4,250.00
40505 • Interest Income	8.37	25.00	10.00
40508 • Minister's Wive Retreat	2,848.56	2,000.00	2,400.00
Total 40500 • Christian Educaiton Income	24,226.91	25,485.00	23,820.00
40550 • OTHER INCOME	403.27		
Total Income	24,630.18	25,485.00	23,820.00
Expense			
50500 • Christian Education Expense			
50501 • Minister's Retreat	8,908.61	11,500.00	9,500.00
50502 • Board Mileage & Meals	1,875.27	1,400.00	1,500.00
50503 • Phone	300.00	200.00	300.00
50504 • Printing & Postage	881.77	1,000.00	1,000.00
50506 • Secretarial Expense	1,200.00	1,200.00	1,200.00
50507 • Computer	480.00	480.00	480.00
50508 • Audit	0.00	500.00	500.00
50509 • Computer/Internet	393.00	100.00	100.00
50510 • Miscellaneous	779.05	1,000.00	1,000.00
50512 • Scholarships	4,250.00	4,000.00	4,000.00
50513 • Pillars Conference expense	642.25		1,600.00
50515 • Christian Education Conference	0.00	200.00	-
50517 • Minister's Wives Retreat	3,824.94	3,905.00	400.00
Savings			2,240.00
Total 50500 • Christian Education Expense	23,534.89	25,485.00	23,820.00
Total Expense	23,534.89	25,485.00	23,820.00



The Gulf Service Station
that was remodeled and
became the State Office

Mission Division Summaries

September 11, State Office

All members present with Don Matchett and Tim Campbell.

The meeting was opened in prayer by Blaine Rogers.

Don Matchett called the meeting to order and took nominations for Chairman of the Missions Division. Blaine Rogers was elected Chairman.

Minutes from the previous meeting were read and approved.

Election of Secretary and Vice Chairman were held. Michael Morrison was elected Secretary and Joe Ray Short was elected Vice Chairman.

Don Matchett then gave the Mission's Directors Report. He went over the finances for Acts 1:8 and the Budget of the Missions Division. He then went over the Budget for the Cabot Mission.

It was reported that Franklin Graham had a crusade in Green Bay and that his organization did work on John Reeds Missions Church.

Jeff Holland reported that he and a group of men went to Salt Lake City and helped build a stage, paint and install a sound system at the church there.

Discussion was held concerning Multicultural Ministries and Campus Connection. Subcommittees for both these were selected. Don and Blaine would serve on the

Multicultural Ministries subcommittee. Don Blaine and Michael would serve on the Campus Connection subcommittee.

Cody Allen then joined the meeting and gave a report on the Cabot Church. After lengthy discussion it was decided that we would ask the church what they would like to see happen with the Cabot church and that we would meet on September 18. At 10:00 to continue the discussion and made our decision concerning the Cabot Church.

September 18, First Free Will Baptist church in Cabot

Members present were Blaine Rogers, Joe Ray Short, Jeff Holland, Michael Morrison and David Winfrey. Also present were Tim Campbell and Don Matchett

Meeting opened in prayer by Blaine Rogers.

Minutes were read and approved.

Motion was made and seconded to accept Cody Alley's resignation from the Cabot work.

MSC to approve the following pay package for Cody

Alley after his resignation:

1. He would be paid until the end of the year or until he finds a church to pastor. Which ever is shorter.

2. He will receive his full Christmas bonus.

3. He can stay at the church until October 7, 2012.

The Mission Division met with those members of the Cabot church to discuss the future of the church and to answer questions.

Meeting was closed in prayer by Blaine Rogers

October 5 (Conference Call)

All members of the board were on the call. Also on the call were Tim Campbell and Don Matchett.

Darius Wentz's name had been suggested as a possible candidate for the Cabot work.

The Board decided to bring him to Arkansas and let him look at the work, and get a feel for the area.

The Missions Division would meet with him in a preliminary interview on October 30 at the State Offices in Conway.

NOTE: Before meeting with the Missions Division Darius Wentz decided to go to a church work in Missouri and would not be meeting with us.

March 27, 2012, State Office

Also meeting with the Mission's Division was the Debt Committee.

Meeting was opened with prayer, then the minutes from last meeting were read and approved.

The Ash Flat church had made a donation of \$10,000.00 to the Mission's Division and there was discussion on how the money was to be dispersed.

Director Don Matchett gave Financial updates and the update on International Missions. IM board member, Nelson Henderson reported seeing positive trends in agency.

The Missions Division then meet with the Debt Committee to ask questions about the plan to reduce that State's indebtedness

An update was given on what was going on in the Cabot Church.

With no further business motion was made to dismiss the Mission's Division meeting.

October 30, State Office in Conway

Members present: Blaine Rogers, Joe Ray Short, Jeff Holland, David Winfrey, Russell Thomas, Don Matchett (ex-officio) and Tim Campbell (ex-officio).

The meeting opened with prayer by Blaine Rogers. Minutes were read and approved.

MSC to:

- 1) Buy the building that First Free Will Baptist Church of Cabot is currently leasing.
- 2) Allow the church a two year window of support from the time a new pastor begins.
- 3) If a pastor cannot be secured by July 1, 2013 the work will be closed. If the work closes, all assets will be liquidated by the Arkansas Free Will Baptist Mission Board.
- 4) The deed will read...."If the church ever ceases to be a Free Will Baptist Church, the building will return to the Arkansas State Mission Board."
- 5) \$50,000 that is budgeted from ACTS 1:8 for 2013 will be placed in a fund and used to supplement the pastors salary for the next two years. The money that was previously being paid on the lease will go toward the Pastors salary.
- 6) The pastor's salary is set at \$30,000 a year for the next two years. He will be allowed to be bi-vocational. The church is to pay \$1,400 per month of his salary for two years, and then will be expected to pay all of the salary after the two year period.
- 7) The church will begin to put their lease money back until the pastor comes.

Ken Winningham offered to allow the Arkansas State Mission Board to take advantage of equity that he has put into a 2011 Toyota Avalon; making the purchase of his car price \$7000-\$8000 below blue book value. This car would replace the car used by Missions Director Don Matchett (2008 Nissan Altima with 153,000 miles).

MSC to:

- 1) sell the Altima and pay toward the purchase of the Avalon,
- 2) purchase the Avalon from Ken Winningham
- 3) finance the Avalon through the APPLE fund and repay the loan to the fund at the current interest rate of 3%.

December 18, State Office

Members present were Blaine Rogers, Jeff Holland, David Winfrey, Joe Ray Short, Michael Morrison and Don Matchett (ex officio).

Meeting was opened in prayer by Joe Ray Short.

MSC that all money from the missionary account under Arkansas State Missions will be absorbed into the general fund for expenses.

MSC to open a savings account to manage monies that will be used to subsidize the salary budget for the next two years.

MSC to ask First Free Will Baptist Church of Cabot to pay 1 months housing allowance to Cody Alley.

The Missions Division then met with Jordan Looney to interview him to serve as the new pastor of First Free Will Baptist Church of Cabot. After extensive interview and discussion MSC to call Jordan Looney as the pastor of First Free Will Baptist Church of Cabot.

MSC to double the Mission Director's Christmas bonus because of the added responsibility of selling the original church building in Cabot and purchasing the current property and serving as pastor of the Cabot church in addition to his normal duties as Missions Director. The expense would be listed under the miscellaneous expense account.

With no further business the Motion was made to dismiss the meeting.

Respectfully Submitted:

The 2012 Mission Board



George W. Burris Sr. was the first state association clerk in 1898. He also served as clerk from 1907 - 1909 as well as corresponding clerk from 1898 - 1925. Bro. Burris is Bro. Don Matchett's Great, Great Uncle.

State Missions 2014 Budget

Co-op	\$122,980.00
Designated SM	\$150.00
Teen Mission Trip	\$20,000.00
Miss Interest Income	\$500.00
Transferred Income	
Acts 1:8	\$55,000.00
Designated to Cabot	\$3,000.00
Total Receipts	\$201,630.00
Expenses	
Variable Expenses	
Phone	\$1,500.00
Computer	\$2,200.00
Utilities	\$2,000.00
Board Expenses	\$6,000.00
Miscellaneous	\$2,000.00
Director's Conventions & Development	\$4,800.00
Mission Director's Travel	\$12,000.00
Auto Maintenance	\$2,500.00
Office Expense	\$1,500.00
Postage and Printing	\$1,650.00
Teen Mission Trip	\$20,000.00
Designated Monies to Cabot	\$3,000.00
Missionary Nationals	\$2,200.00
Missionary Expenses	\$3,600.00
Fixed Expenses	
Audit	\$3,000.00
Rent	\$3,600.00
Mission Directors Salary	\$31,850.00
Director's Housing	\$18,000.00
Director's Retirement	\$1,200.00
Director's SS	\$8,000.00
Director's Insurance	\$8,270.00
Director's Bonus	\$1,100.00
Auto Insurance	\$900.00
Auto Payment	\$4,260.00
Missionary Salaries	\$55,000.00
Missionary Bonuses	\$1,500.00
Total Expenses	\$201,630.00

ACTS 1: Budget 2014

International Missions

Edgmons	Spain	\$2,650.00
McDonalds	Japan	\$5,375.00
Bishops	Japan	\$5,750.00
Davisons	France	\$6,875.00
Lancasters	Uruguay	\$7,850.00
Outlaws	Creative Access	\$25,000.00
Collins	Panama	\$2,400.00
Hubbards	Japan	\$10,000.00
	Total AR Partnership	\$65,900.00
Global Evangelism Fund		\$399,100.00
	Total IM	\$465,000.00

Home Missions

Warrens	Salt Lake City UT	\$25,000.00
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State Missions

Looneys	Cabot AR	\$20,000.00
Delgados	Hispanic Ministries	\$35,000.00
	Total State	\$55,000.00
	Total ACTS 1:8	\$545,000.00



This is a picture of the ordained ministers at the 55th annual session of the Arkansas State Association held September 30 - October 2, 1953 at Ballew's Chapel Free Will Baptist Church in Grubbs, Arkansas. This is the listing of the ministers in attendance: (not in order of rows)

R.L. Taylor, Hector; W. F. McGee, Russellville; W. S. Isbell, Russellville; J. A Venable, Dumas; J. D. Coffman, Hector;

R. G. Webb, Atkins; J. U. Kender, Russellville; J. A. Latham, Russellville; T. U. Johnson, Russellville; C. Denton, Scranton; R. B. Venable, Atkins; Ellis Warren, Russellville; Lytle Hallum, Hector; Melvin Snow, Hector; Lonnie Coffman, Hector; John Parks, Morrilton; W. F. Couch, Little Rock; J. M. Spikes, Little Rock; E. Henderson, Caruthersville, MO; W. A. Couch, Hector; W. A. Thompson, Jerusalem; A. F. Blanks, Atkins; Edgar Alderson, Clarksville; Clarence Tillman, Pine Bluff, Hershell Burris, Russellville; Aval Vaughn, Moreland; F. J. Robinson, Dover; J. E. Phillips, Marshall; G. Z. Claburn, Moreland; W. E. Coffman, Russellville; Paul Jones, Marshall; Fate Wise, Harrison; Othel T. Dixon, Russellville; Jimmie Proctor, Moreland (lady standing is unknown)

5:06 PM

05/08/13

Accrual Basis

Arkansas Free Will Baptist State Missions Division

Profit & Loss Budget vs. Actual

January through December 2012

	Jan - Dec 12	Budget	\$ Over Budget
Income			
40401 • Coop	123,194.82	120,830.04	2,364.78
40402 • Interest Income	247.51		
40411 • Misc. Income	367.79	500.04	-132.25
40412 • Cabot Pastor Bonus	0.00	950.00	-950.00
40413 • Designated-SM General Fund	250.00	150.00	100.00
40414 • Designated-Cabot	11,158.97	3,999.96	7,159.01
40415 • Changepoint Church Lease Paymt	16,800.00	25,200.00	-8,400.00
40420 • Other Missionary Income	4,082.20		
40450 • ACTS 18 For Cabot	49,271.63	53,799.96	-4,528.33
40461 • Fishing Tournament Income	0.00	5,000.00	-5,000.00
40462 • Teen Mission Trips	10,567.98	10,000.00	567.98
42000 • Gain or (Loss) on Sale of Asset	964,733.10		
Total Income	1,180,674.00	220,430.00	960,244.00
Expense			
50401 • Phone	2,315.13	1,500.00	815.13
50402 • Secretarial	3,900.00	3,900.00	0.00
50403 • Computer	2,682.85	1,500.00	1,182.85
50404 • Board Expense	5,143.35	6,000.00	-856.65
50405 • Audit	3,500.00	2,500.00	1,000.00
50406 • Miscellaneous	2,259.57	4,100.04	-1,840.47
50407 • Director's Salary	29,450.20	30,650.04	-1,199.84
50408 • Director's Housing	18,000.00	18,000.00	0.00
50409 • Director's Retirement	3,600.00	1,200.00	2,400.00
50410 • Director's Insurance	10,239.72	9,300.00	939.72
50411 • Director's Social Security	7,468.21	7,200.00	268.21
50411b • Director's Bonus	2,200.00	1,100.00	1,100.00
50412 • Mission Director's Conventions	1,851.82	2,500.00	-648.18
50413 • Vehicle Payment	29,090.50	5,065.92	24,024.58
50414 • Vehicle Maintenance/Repair	3,556.43	1,266.00	2,290.43
50415 • Office Expense	993.54	2,000.04	-1,006.50
50416 • Travel			
50416a • Travel-Fuel	4,341.86		
50416b • Travel-Meals	3,452.91		
50416c • Travel-Lodging	751.65		
50416 • Travel - Other	0.00	8,000.04	-8,000.04
Total 50416 • Travel	8,546.42	8,000.04	546.38
50417 • Postage	687.94	1,500.00	-812.06
50418 • Printing	951.30	1,650.00	-698.70
50420 • Cabot Missionary Housing	775.00		
50420a • Cabot Missionary Insurance	4,800.00		
50421b • Cabot Missionary Travel	700.00		
50427 • Rent	3,600.00	3,600.00	0.00
50428 • Other Missionary Expenses	3,904.90		
50430 • Designated—for Cabot Missions	2,072.15		
50432 • Cabot Expense	1,679.36	3,000.00	-1,320.64
50440 • Utilities	1,775.73	2,000.00	-224.27
50462 • Fishing Tournament	0.00	5,000.00	-5,000.00
50464 • Teen Mission Trips Expense	9,138.53	10,000.00	-861.47
50500 • FWB Foundation-Apple	799,425.33	29,199.96	770,225.37
50656 • A.C.T.S. 18 Promotion	3,417.05		
50661 • AR Missionary Bonus	950.00		
50662 • Auto Insurance	763.83	800.00	-36.17
6560 • Payroll			
6560a • Payroll Expenses	48,999.96	53,799.96	-4,800.00
Total 6560 • Payroll	48,999.96	53,799.96	-4,800.00
Total Expense	1,018,438.82	216,332.00	802,106.82
Net Income	162,235.18	4,098.00	158,137.18

A.C.T.S. 1:8 Support for 2012

Antioch Assoc.		New Beginnings	240.90	Northwest Assoc.	2,900.00
Antioch	1,100.00	Oak Park	6,220.78	Eureka Springs	
Baker's Creek		Fellowship Assoc.		First, Berryville	
Ben Hur	1,200.00	Fellowship Assoc.	3,360.00	Gospel Lighthouse	
Cherry Hill	467.00	First, Dardanelle	3,850.00	Moore	4,857.00
Clarksville	456.80	Harmony	4,506.71	Mt. Olivet	
Dover	1,200.00	Mt. Vernon	4,580.00	Oak Grove, Oak Grove	
Faith		Oak Grove	1,950.00	Oak Lane	423.20
First, Atkins	1,801.84	Union Grove	36,983.00	Trinty, Green Forrest	169.08
First, Benton		Welcome Home	5,895.00	Old Mt. Zion Assoc.	
Hector	1,500.00	Woodlawn	7,739.18	Old Mt. Zion Assoc.	500.00
Holman		Harmony Assoc.		Bentonville	
Johnson	975.00	Harmony Assoc.	578.96	Calvary	2,400.00
Morrilton	624.00	Centerville	100.00	Christian Home	
New Life	853.99	Corley	200.00	Clifty Chapel	1,200.00
Ola		Danville	600.00	Durham	
Slaty Crossing	1,800.00	Plainview	6,086.00	Eastgate	
Smith Springs	120.00	Ranger	1,149.95	Faith	260.00
South Mountain		Upper Srping Creek	1,940.09	First, Fayetteville	
St. Joe	1,100.00	Wilson	1,021.00	First, Lowell	
Sweet Home	539.86	Little MO River Assoc.		Freedom, Garfield	157.00
Arkansas Assoc.		Little MO River Assoc.	12,559.70	Greenland	
Arkansas Assoc.	1,750.00	CrossPoint, LA	2,250.00	Hispanic Church	500.00
Boles	1,200.00	Daisy	3,170.00	Hope	
Brooklyn		Grace Fellowship	660.00	Huntsville	600.00
Egypt		Glenwood	331.18	Land of Goshen	
Freedom		Hatfield		Mt. Zion	900.00
Harmony	767.96	Lake Hills	3,480.00	New Horizion	2,044.92
Hosanna	360.00	Lodi	4,453.35	New Sulphur	1,429.50
Keener	1,700.00	New Hope Assoc.		Pea Ridge	400.00
Mulberry	2,212.00	New Hope Assoc.	825.00	Phillips Chapel	4,605.79
Union Hill		Cedar Heights	1,199.72	Pilgrim's Rest	600.00
Central Assoc.		Center Point	2,516.00	Rogers	
Central Assoc.	10,630.07	Chapel Lane	7,893.45	West Ridge	2,520.00
Bethel	330.00	Friendship	1,588.59	Westside	
Capital City	10.00	Greenbrier		Polk Bayou Assoc.	
Cross Roads	10,124.18	Mt. Bethel	6,703.27	Polk Bayou Assoc.	10,429.82
First, Conway	3,053.00	Rolling Oaks		Allen Chapel	14,958.68
First, Hot Springs	650.00	Sardis		Ballews Chapel	3,790.06
First, Malvern	934.00	Sharon	2,440.00	Blackland Chapel	1,200.00
First, N. Little Rock	28,619.93	Soda Valley	2,280.00	Cave City	2,800.00
First, Russellville	22,149.50	South Heights		First, Batesville	3,086.10
First, Cabot	600.00	Northwest Assoc.		First, Mt. Home	4,014.65

A.C.T.S. 1:8 Support for 2012

First, Newport	90.10	Faith, Jonesboro	6,961.00	First, Ft. Smith	262.00
First, Tuckerman	11,823.08	First, Corning	265.25	First, Mulberry	375.00
Grace		First, Jonesboro	5,329.32	Freedom, Alma	800.00
Harmony, Mt. Home	1,982.75	First, Paragould		Heritage Oaks	679.82
Macedonia, Mt. Pleasant		First, Pocahontas	11,528.69	Highway 71	
Mt. Harmony	2,747.50	First, Walnut Ridge	9,756.29	Independence	2,500.00
New Bethel	5,529.72	Grandview		Kenner Chapel	481.78
New Home		Northside	5,679.58	Kibler	
Oak Grove	2,363.00	O'Kean	1,040.00	Oliver Springs	2,100.00
Oakland	240.00	Old Reyno	5,405.49	Riverdale	750.00
Pools Chapel	300.00	Poplar Valley	1,200.00	Van Buren	
Quail Valley	4,945.34	Pruett Chapel		Individuals	10,352.00
Weaver's Chapel	600.00	Sharum	1,205.00	Other	10,997.05
Saline Assoc.		Sutton	8,861.78	WAC	
Saline Assoc.	7,340.00	United	1,100.00	Antioch	
Corbin Ferry		Warm Srpings		Slaty Crossing WAC	241.00
Fairview		Southeast Assoc.		Sweet Home WAC	220.00
Faith, Warren	960.00	Oak Grove, Lake Village		Central	
First, Crossett	6,514.70	Unity Assoc.		Capital City WAC	100.00
First, Monticello		Bethlehem		First, Conway WAC	60.00
First, Star City	10,800.56	Cavanaugh	24,646.01	Cross Roads WAC	200.00
First, Warren	1,525.00	Central	2,431.00	Fist Hot Springs WAC	360.00
Free Hill		First, Charleston	5,026.62	First N. Little Rock WAC	876.00
Cross Roads, WI		First, Greenwood	6,451.20	First, Malvern WAC	10.00
Harmony, Warren	6,591.00	Heritage Temple		First, Russellville WAC	750.00
Hillview		Mt. View		Oak Park WAC	480.00
Macedonia, New Edinbr	480.00	Ozark	1,500.00	Fellowship	
Mt. Pleasant, Hamburg		Pleasant Hill		Fellowship Assoc. WAC	3,540.00
Oak Grove, Wilmar		Riverview Fellowship		Little MO River	
Pine Hill		Shady Grove		Lodi WAC	120.00
Pleasant Grove		South Side, Ft. Smith	1,800.00	Pleasant Grove WAC	600.00
Pleasant Valley	3,985.21	Vista		Fellowship	
Rolfe Chapel		Zion Hope #2 Assoc.		Center Point WAC	453.43
Rose Hill	3,248.98	Alma		South Heights WAC	220.00
Spring Hill	150.00	Catcher		Old Mt. Zion	
Trinity		Centerpoint		New Horizion WAC	116.00
Willoughby	540.00	Chester	1,200.00	New Sulphur WAC	500.00
Yorktown	2,071.72	Cornerstone		Polk Bayou	
Social Band Assoc.		Cottonwood		Polk Bayou WAC	50.00
Social Band Assoc.	7,055.66	81		Allen Chapel WAC	4,000.00
Arbor Grove	771.00	88 Lone Elm		Blackland Chapel WAC	550.00
Coffman		Enterprise	498.76	Grace WAC	100.00
Elnora		First, Booneville		Harmony WAC	33.00

A.C.T.S. 1:8 Continued

Mt. Harmony WAC	240.00
Weaver's Chapel WAC	120.00
Saline	
First, Crossett WAC	750.00
Pleasant Valley WAC	1,356.00
Folfe Chapel WAC	100.00
Social Band	
First, Jonesboro WAC	240.00
First, Pocahontas WAC	355.00
First, Walnut Ridge WAC	1,150.00
Sutton WAC	330.00
United WAC	100.00
Unity	
Bethlehem WAC	475.00
Central WAC	130.00
Pleasant Hill WAC	300.00
Zion Hope #2	
First, Ft. Smith WAC	120.00
First, Mulberry WAC	300.00
Oliver Springs WAC	600.00
Master's Men	
Polk Bayou	
Cave City MM	250.00

Youth	
Antioch	
Antioch Assoc. Youth	188.00
Clarksville Youth	394.41
Hector Youth	50.00
Sweet Home Youth	89.89
Fellowship	
Union Grove Youth	1,725.00
Harmony	
Centerville Youth	50.00



State Office in the mid-1970s

**ARKANSAS 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, 2012 AND 2011**



JOHN W. STOTTMAN, JR., CPA PA

A PROFESSIONAL ASSOCIATION
Certified Public Accountant

2320 E 16th Street • P. O. Box 983
Russellville, Arkansas 72811
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JOHN@STOTTMAN.COM

INDEPENDENT AUDITOR'S REPORT

To The Board of Directors
Arkansas 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 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, 2012 and 2011, 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 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, 2012 and 2011 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
May 1, 2013

Members

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

ARKANSAS 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, 2012 AND 2011

ASSETS:	<u>2012</u>	<u>2011</u>
Cash	\$ 21,817	\$ 24,360
Cash – Trust Account	613,413	254,249
Due From COOP	6,993	8,204
Property	164,778	665,654
Auto, Equipment & Leasehold Improvements	<u>23,940</u>	<u>8,963</u>
 Total Assets	 <u>\$ 830,941</u>	 <u>\$ 961,430</u>
 <u>LIABILITIES AND NET ASSETS</u>		
LIABILITIES:		
Escrow Payable	\$ 0	\$ 15,000
Mortgage/Notes Payable	<u>0</u>	<u>7,778</u>
 Total Liabilities	 <u>0</u>	 <u>22,778</u>
NET ASSETS:		
Unrestricted	824,028	931,093
Temporarily Restricted	<u>6,913</u>	<u>7,559</u>
 Total Net Assets	 <u>830,941</u>	 <u>938,652</u>
 Total Liabilities and Net Assets	 <u>\$ 830,941</u>	 <u>\$ 961,430</u>

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

ARKANSAS 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, 2012 AND 2011

	2012			2011	
	UNRESTRICTED	TEMPORARILY RESTRICTED	PERMANENTLY RESTRICTED	TOTAL	TOTAL
REVENUE:					
General Fund Income	\$ 122,234	\$	\$	\$ 122,234	\$ 126,493
Missionary Income-Cabot		60,431		60,431	67,817
Miscellaneous Income	365			365	0
Interest Income	12,160			12,160	6,651
Rent Income	8,800			8,800	13,200
Fishing Tournament	0			0	1,185
Youth Mission Trip	10,568			10,568	10,970
Designated Income	4,082			4,082	0
Net Assets released from restrictions:					
Restrictions satisfied by payments	61,077	(61,077)	0	0	0
Total Revenue	219,286	(646)	0	218,640	226,316
EXPENSES:					
Board Mileage & Meals	5,143			5,143	2,012
Telephone	2,315			2,315	1,743
Printing	951			951	891
Postage	688			688	446
Office Supplies	1,087			1,087	1,416
Secretarial Expense	3,900			3,900	3,900
Computer Expense	800			800	1,005
Professional Fees	3,500			3,500	3,925
Contributions	0			0	1,858
Miscellaneous	2,082			2,082	0
Auto & Travel Expenses	8,546			8,546	6,579
Repairs & Maintenance	3,281			3,281	886
Missionary Expenses-Cabot	49,950			49,950	49,950
Cabot Expenses	11,128			11,128	13,317
Utilities	1,776			1,776	1,968
Rent	3,600			3,600	3,600
Fishing Tournament	0			0	267
Teen Mission Trip	9,139			9,139	8,804
Directors Salary, Housing & Social Sec.	56,018			56,018	57,424
Directors Insurance & Retirement	13,650			13,650	10,739
National Association Expenses	1,361			1,361	2,428
Designed Expenses	4,082			4,082	0

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

ARKANSAS 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-(CONNTINUED)
FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011

	2012			2011	
	UNRESTRICTED	TEMPORARILY RESTRICTED	PERMANENTLY RESTRICTED	TOTAL	TOTAL
EXPENSES: (CONTINUED)					
Insurance	954			954	666
ACTS 1:8 Promotion	3,417			3,417	0
Conferences and Training	491			491	0
Depreciation Expense	5,652			5,652	5,567
Interest Expense	69			69	391
Total Expenses	193,580	0	0	193,580	179,782
Increase (Decrease) In Net Assets	25,706	(646)	0	25,060	29,690
Nonoperating Revenues (Expenses)					
Gain on Sale of Assets	134,403			134,403	0
Camp Beaverfork-Loan Payoff	(41,109)			(41,109)	0
ARFWB-Loan Payoff	(226,065)			(226,065)	0
Total Nonoperating (Net)	(132,771)	0	0	(132,771)	0
Increase (Decrease) In Net Assets After Nonoperating Rev. (Exp.)	(107,065)	(646)	0	(107,711)	29,690
Net Assets - Beginning of Year	931,093	7,559	0	938,652	908,962
Net Assets - End of Year	\$ 824,028	\$ 6,913	\$ 0	\$ 830,941	\$ 938,652

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

ARKANSAS 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, 2012 AND 2011

CASH FLOWS FROM OPERATING ACTIVITIES:	<u>2012</u>	<u>2011</u>
Increase <decrease> in net assets	\$ <107,711>	\$ 46,534
Add: Depreciation	5,652	5,567
Less: Gain on Sale of Assets	<134,403>	
Increase <Decrease> in:		
Due From COOP	<1,211>	1,624
Escrow Payable	<15,000>	12,000
Director's Social Security Payable	<u>0</u>	<u><2,405></u>
Net Cash Provided by Operating Activities	<252,673>	63,320
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from Sale of Assets	805,000	0
Acquisition of property	<187,928>	0
Proceeds from collection from Mortgage Receivable	<u>0</u>	<u>54,059</u>
Net Cash Provided <Used> from Investing Activities	617,072	54,059
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of Debt	<u><7,778></u>	<u><4,674></u>
Net Cash Provided by Financing Activities	<u><7,778></u>	<u><4,674></u>
Net Increase <Decrease> in Cash	356,621	112,705
Cash at Beginning of Year	<u>278,609</u>	<u>165,904</u>
Cash at End of Year	<u>\$ 635,230</u>	<u>\$ 278,609</u>
SUPPLEMENTAL DISCLOSURES:		
Cash Paid During the Year for Interest	<u>\$ 69</u>	<u>\$ 391</u>

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

ARKANSAS 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, 2012 AND 2011

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Arkansas 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. 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.

ARKANSAS 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, 2012 AND 2011

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>2012</u>	<u>2011</u>
Land & building - Cabot, Arkansas	\$ <u>164,778</u>	\$ <u>655,654</u>
	\$ <u>164,778</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>2012</u>	<u>2011</u>
Auto	\$ 21,516	\$ 22,942
Office furniture & equipment	11,920	10,131
Leasehold improvements	<u>2,198</u>	<u>2,198</u>
	35,634	35,271
Less Accumulated Depreciation	<u>11,694</u>	<u>26,308</u>
Total Property, Equipment & Leasehold Improvements	<u>\$ 23,940</u>	<u>\$ 8,963</u>

ARKANSAS 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, 2012 AND 2011

NOTE 4 – MORTGAGE/NOTES RECEIVABLE

The 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

In September, 2010, the church property in Cabot, Arkansas was leased to another organization. This organization makes payments to the Arkansas 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 Mission Board. Balance is \$ 0 and \$ 15,000 as of December 31, 2012 and 2011, respectively. The property was sold in August, 2012 and the escrow was applied and the sale recorded.

NOTE 6 - RESTRICTIONS ON NET ASSETS

Temporarily restricted net assets are available for the following purposes:

	<u>2012</u>	<u>2011</u>
Missionary – Cabot	\$ <u>6,913</u>	\$ <u>7,559</u>
	<u>\$ 6,913</u>	<u>\$ 7,559</u>

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

ARKANSAS 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, 2012 AND 2011

	<u>2012</u>	<u>2011</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>0</u>	\$ <u>7,778</u>
	\$ <u>0</u>	\$ <u>7,778</u>

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, 2012 is \$ 613,413.

Youth Board Summaries

January 10, 2012 – State Office

Board members present: Joey Postlewaite, BJ Duvall, Tim Foreman, Jason Sullivan, Alan Thomas, Jason Nichols, and Brian Kesterson and Tim Campbell.

MSC to accept September 2011 Minutes.

MSC to accept Director's Report given by Brian Kesterson.

MSC to accept Financial Reports.

An update on Mule Repair (tires have been replaced/ need to get brake quotes.

Doug Little (Pre-Paid Legal) was rescheduled for Teen Retreat. MSC to pay Doug Little \$300 for travel expenses.

MSC to Increase Winter Retreat Registration Fees to \$35

MSC to increase Director's phone allowance from \$100 to \$130

MSC to purchase MAC Laptop Computer for Camp for approximately \$2,500

In follow up to pre approved project the camp will fix bed frames, replace cabins interior walls a necessary and paint cabin interiors

MSC to call as the 2012 Teen and Kid's Retreat speakers, Josh Bush and Toby Spradlin

MSC to accept Ark. Student Leadership applicants: Taylor Wheelles and Luke Miller

MSC to hold a Camp Appreciation Dinner in the Fall of 2012

MSC for kids of active board members to be exempt from camp/retreat fees

March 13, 2012 – State Office

Board members present: BJ Duvall, Tim Forman, Jason Sullivan, Alan Thomas, Jason Nichols, and Brian Kesterson and Tim Campbell.

MSC to accept January 2012 Minutes.

MSC to move BJ Duvall to Chairman, Alan Thomas to Assistant Chairman and keep Jason Nichols as Clerk in response to former Chairman Joey Postlewaite moving out of state to take pastorate position

MSC to receive Director's Report given by Brian Kesterson

Information was given on the recent retreats.

Retreat Summary: 139 teens attended teen retreat with \$2,614.89 profit, and 115 kids attended Kids Retreat with \$2,355.59 profit

MSC to accept the Financial Reports.

Camp Speakers Confirmed: Teen-Gowdy Cannon; Jr. High-Kevin Barnett; Kids-Mike Cash.

MSC to purchase new bed covers for mattresses in cabins as money is available. Bed covers cost \$23.95 each but price breaks apply for bulk orders.

MSC to create a music team from across state for teen and jr. high camp; Amy Ellis will do music for kids camp.

Information: The ASLC (Arkansas Student Leadership Conference) being revised by Brian

MSC to schedule the State Competition April 28, 2012

June 26, 2012 – State Office

Board members present: Tim Forman, Alan Thomas, Jason Nichols, Craig Batts and Brian Kesterson and Tim Campbell.

MSC to accept March 2012 Minutes.

MSC to put Contingency Funds into the FWB Foundation in a Revocable Trust

MSC to receive Directors Report given by Brian Kesterson.

2012 camp summary: 849 attendees; 156 spiritual commitments made, \$1,410.03 raised for Florence Crittenton Home; camp profit \$9,221.46

Electrical Project Balance \$29,252.97 with camp owing \$1,736 and Masters Men owing \$27,516.97

MSC to receive the Director's Report.

MSC to accept the Financial Reports.

MSC to give Brian Kesterson a \$1,200 raise for 2013

MSC to approve a \$260,290 budget for 2013

MSC to sell 1991 Dodge Pickup for \$900.00

MSC for Director to rent a vehicle to travel to 2012 FWB National Convention

MSC to schedule the 2013 State competition for April 27, 2013

September 25, 2012 – State Office

Board members present: BJ Duvall, Jason Sullivan, Alan Thomas, Jason Nichols, Craig Batts and Brian Kesterson and Tim Campbell.

MSC to accept June 2012 Minutes.

MSC to keep BJ Duvall as Chairman, Alan Thomas as Vice Chairman and Jason Nichols as Clerk.

MSC to receive the Directors Report given by Brian Kesterson.

MSC to accept the financial reports.

MSC to award \$500 Don Guthrie Scholarships to Trevor Holden and Kali Bonnema.

MSC to allow Dennis family to rent RV space at camp for \$25/ month plus utilities.

MSC to purchase and replace five window units in the cabins.

MSC to allow Masters Men to store an 18 foot Disaster Relief Trailer at the Camp.

Respectfully submitted:

Jason Nichols (secretary)

B. J. Duvall (chairman)

Alan Thomas (assistant chairman)

Craig Batts

Tim Foreman

Jason Sullivan

6:45 PM
05/08/13
Accrual Basis

Camp Beaverfork
Profit & Loss Budget vs. Actual
January through December 2012

	Jan - Dec 12	Budget	\$ Over Budget
Income			
4100 • Interest Income	13.14	100.00	-86.86
4176 • Income-State Mission Debt	41,108.69		
4200 • Coop	100,274.90	98,000.00	2,274.90
4300 • CTS Youth Competition	8,160.00	10,000.00	-1,840.00
4350 • Camp Improvement Projects	39,292.31		
4400 • Gifts & Contributions	4,180.87	18,200.00	-14,019.13
4410 • "Count Me In" Contributions	2,561.90		
4450 • Youth Retreats			
4450a • Kid's Retreat	3,965.00	5,000.00	-1,035.00
4450b • Teen Retreat	4,710.00	4,500.00	210.00
Total 4450 • Youth Retreats	8,675.00	9,500.00	-825.00
4500 • Camp Rentals	57,249.96	60,000.00	-2,750.04
4600 • FWB Camps			
4600a • Registration	39,930.00	45,500.00	-5,570.00
4600b • Concessions	7,501.62	8,500.00	-998.38
4600c • T Shirts	3,972.00	6,710.00	-2,738.00
4600 • FWB Camps - Other	1,408.94		
Total 4600 • FWB Camps	52,812.56	60,710.00	-7,897.44
4800 • Don Gunthrie Scholarship	1,000.00		
Total Income	315,329.33	256,510.00	58,819.33
Gross Profit	315,329.33	256,510.00	58,819.33
Expense			
5000 • Director's Salary			
5000a • Salary	0.00	40,950.00	-40,950.00
5000b • Retirement	1,200.00	1,200.00	0.00
5000 • Director's Salary - Other	40,950.00		
Total 5000 • Director's Salary	42,150.00	42,150.00	0.00
5001 • Director's Auto Expense	4,954.85	3,000.00	1,954.85
5002 • Directors Travel Expense	2,925.02	2,500.00	425.02
5003 • Clerical Salaries	0.00	2,500.00	-2,500.00
5005 • Director's Home Equity Expense	0.00	600.00	-600.00
5006 • Directors Christmas Bonus	787.50		
6002 • Payroll Taxes	3,318.68	6,500.00	-3,181.32
6003 • Directors cell phone expense	1,530.00	1,200.00	330.00
6005 • Postage	437.93	500.00	-62.07
6007 • Camp Utilities	28,213.10	30,000.00	-1,786.90
6008 • Pest Control Maintenance	1,048.30	600.00	448.30
6009 • Camp Insurance			
6009a • Auto Insurance	390.71	900.00	-509.29
6009b • Workman's Comp	1,329.00	1,100.00	229.00
6009c • Property Insurance	10,587.31	10,080.00	507.31
6009d • Accident/Property Insurance	1,443.00	1,500.00	-57.00
6009e • Director's Insurance	6,672.00	7,400.00	-728.00

6:45 PM
05/08/13
Accrual Basis

Camp Beaverfork

Profit & Loss Budget vs. Actual

January through December 2012

	Jan - Dec 12	Budget	\$ Over Budget
6009 · Camp Insurance - Other	607.56		
Total 6009 · Camp Insurance	21,029.58	20,980.00	49.58
6010 · Grounds maintenance	15,254.55	7,000.00	8,254.55
6011 · Professional Fees	4,100.00	3,000.00	1,100.00
6012 · Pool Maintenance	1,627.32	2,500.00	-872.68
6013 · Food Service	36,388.04	35,000.00	1,388.04
6014 · Office Supplies	3,765.55	2,000.00	1,765.55
6015 · Accounting Service-State Office	2,400.00		
6018 · CTS Competition	7,665.76	7,500.00	165.76
6019 · Meetings & Conventions	2,675.35	3,000.00	-324.65
6022 · Interest Expense	2,216.78		
6023 · Misc.	3,465.76	4,000.00	-534.24
6024 · Loan Payments	44,320.51	10,500.00	33,820.51
6025 · Auto Payments	0.00	4,000.00	-4,000.00
6026 · Camp Literature	43.32	100.00	-56.68
6027 · Real Estate Tax Expense	0.00	80.00	-80.00
6030 · Board Mileage & Meals	1,986.56	3,000.00	-1,013.44
6032 · Repairs & Maint.	3,678.52	20,000.00	-16,321.48
6033 · Supplies	5,415.20	8,000.00	-2,584.80
6034 · Printing	1,561.78	1,000.00	561.78
6035 · Retreat Expense			
6035a · Kid's Retreat Expense	1,116.19	800.00	316.19
6035b · Teen Retreat Expense	1,059.40	700.00	359.40
6035c · Other	0.00	700.00	-700.00
Total 6035 · Retreat Expense	2,175.59	2,200.00	-24.41
6037 · Camp Labor	7,361.25	10,000.00	-2,638.75
6038 · Guest Speakers			
6038a · Kid's Retreat Speaker	650.00	700.00	-50.00
6038b · Teen Retreat Speaker	950.00	700.00	250.00
6038c · Camp	6,603.63	5,000.00	1,603.63
Total 6038 · Guest Speakers	8,203.63	6,400.00	1,803.63
6040 · Food Service Labor	4,155.00	8,000.00	-3,845.00
6095 · Contributions & Gifts	200.00		
6100 · T-Shirts	3,142.71	3,000.00	142.71
6110 · Camp Security	1,120.00	1,200.00	-80.00
6115 · Camp Games & Recreation	852.74	500.00	352.74
6120 · Scholarships			
6120b · Don Gunthrie Scholarship	1,000.00		
Total 6120 · Scholarships	1,000.00		
66000 · Payroll Expenses	3,318.68	4,000.00	-681.32
Total Expense	274,489.56	256,510.00	17,979.56
Net Income	40,839.77	0.00	40,839.77

2014 Proposed Budget for Youth Division

Income		Budget	
4100	Interest Income		50.00
4200	Coop		100,100.00
4300	CTS Youth Competition		8,500.00
4400	Gifts & Contributions		9,300.00
4450	Youth Retreats		
	4450a Kid's Retreat	5,000.00	
	4450b Teen Retreat	5,000.00	
		<u>10,000.00</u>	10,000.00
4500	Camp Rentals		60,000.00
4600	FWB Camp		
	4600a Registration	41,000.00	
	4600b Concessions	8,000.00	
	4600c T Shirts	5,000.00	
		<u>54,000.00</u>	54,000.00
Total Income			241,950.00
Expense			
5000	Director Package		
	5000a Salary	42,950.00	
	5000b Retirement	1,700.00	
		<u>44,650.00</u>	44,650.00
5001	Auto Expense		3,000.00
5002	Travel Expense		3,050.00
5003	Clerical Salaries		2,500.00
5005	Home Equity Expense		600.00
6002	Payroll Taxes		5,000.00
6003	Cell Phone		1,570.00
6005	Postage		400.00
6007	Camp Utilities		30,000.00
6008	Pest Control		1,000.00
6009	Camp Insurance		
	6009a Auto Ins	600.00	
	6009b Workman's Comp	1,000.00	
	6009c Property Ins	11,000.00	
	6009d Accident / Sickness	1,500.00	
	6009e Director Insurance	6,500.00	
		<u>20,600.00</u>	20,600.00
6010	Grounds Maintenance		14,000.00
6011	Professional Fees		4,000.00
6012	Pool Maintenance		1,800.00
6013	Food Service		35,000.00
6014	Office Supply		2,500.00
6018	CTS Competition		7,500.00
6019	Meetings & Conventions		3,000.00
6023	Misc		4,000.00
6024	Loan Payments		2,000.00
6025	Auto Payments		4,000.00
6026	Camp Lit		100.00
6027	Real Estate Tax Expense		80.00
6030	Board Mileage & Meals		2,500.00
6032	Repairs & Maint.		6,000.00
6033	Supplies		6,000.00
6034	Printing		1,500.00
6035	Retreat Expense		
	6035a Kid's Retreat Expense	1,500.00	
	6035b Teen Retreat Expense	1,500.00	
	6035c Other	500.00	
		<u>3,500.00</u>	3,500.00
6037	Camp Labor		10,000.00
6038	Guest Speakers / Worship Leaders		
	6038a Kid's Retreat	700.00	
	6038b Teen Retreat	700.00	
	6038c Camp	5,000.00	
		<u>6,400.00</u>	6,400.00
6040	Food Service Labor		6,000.00
6100	T-Shirts		3,500.00
6110	Camp Security		1,200.00
6115	Camp Games & Rec		1,000.00
66000	Payroll Expenses		4,000.00
Total Expense			241,950.00

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

FINANCIAL STATEMENTS

DECEMBER 31, 2012 AND 2011



JOHN W. STOTTMAN, JR., CPA PA

A PROFESSIONAL ASSOCIATION
Certified Public Accountant

2320 E 16th Street • P. O. Box 983
Russellville, Arkansas 72811
(479) 968-2992 • Fax (479) 880-9817
JOHN@STOTTMAN.COM

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, 2012 and 2011, 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, 2012 and 2011, 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
May 8, 2013

Members
American Institute 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, 2012 AND 2011

	ASSETS	
	<u>2012</u>	<u>2011</u>
CURRENT ASSETS:		
Cash in bank	\$ 9,218	\$ 14,271
Cash-contingency fund	10,330	6,361
Cash-FWB Foundation	4,277	2,900
Cash-Home Equity Fund	1,804	1,203
Accounts receivable	<u>5,955</u>	<u>6,678</u>
Total Current Assets	31,584	31,413
FIXED ASSETS:		
Land and buildings	333,760	333,760
Auto	19,973	19,973
Equipment	86,652	85,168
Camp improvements	492,607	492,607
Less: accumulated depreciation	<u><317,148></u>	<u><294,343></u>
Total Fixed Assets	<u>615,844</u>	<u>637,165</u>
TOTAL ASSETS	<u>\$ 647,428</u>	<u>\$ 668,578</u>

	LIABILITIES AND FUND BALANCES	
CURRENT LIABILITIES:		
Current portion of L-T debt	\$ 0	\$ 5,113
Accounts payable	2,168	45,382
Payroll taxes payable	<u>836</u>	<u>989</u>
Total Current Liabilities	3,004	51,484
LONG-TERM DEBT:		
Notes payable (Less: current portion of L-T debt)	<u>0</u>	<u>39,072</u>
TOTAL LIABILITIES	3,004	90,556
FUND BALANCE:		
Fund balance, Beginning of Year	578,022	509,589
Excess revenue over expenses	<u>66,402</u>	<u>68,433</u>
Fund balance, End of Year	<u>644,424</u>	<u>578,022</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 647,428</u>	<u>\$ 668,578</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.
STATEMENTS OF REVENUE AND EXPENSES
FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011

REVENUE:	2012	2011
COOP	\$ 99,289	\$ 94,270
Camp Rentals	57,250	79,396
Registration & Concessions	61,488	65,021
CTS Rally	8,160	8,285
Gifts & Contributions	7,005	11,244
Special Projects	39,292	61,254
Loss on Investments	0	(155)
Interest Income	395	140
Total Revenues	272,879	319,455
EXPENSES:		
Salaries-Director	41,738	40,514
Auto Expense	4,868	2,729
Utilities	30,178	30,072
Insurance & Retirement-Director	7,872	7,292
Insurance-Camp	14,358	14,258
Payroll Taxes	3,361	3,242
Office Supplies	2,282	2,461
Professional Fees	6,500	6,425
CTS Rally	7,665	7,574
Meetings & Conventions	2,675	2,186
Interest Expense	2,217	3,513
Miscellaneous	13,025	21,927
Scholarships	1,000	1,000
Pool Upkeep	1,627	1,748
Food Service	36,388	35,597
Food Service-Labor	4,155	6,916
Supplies	5,415	4,882
Repairs & Maintenance	19,906	18,449
Postage	438	248
Camp Labor	7,361	7,435
Guest Speakers	8,204	5,950
Board Mileage & Meals	1,987	1,729
Printing	1,562	1,003
Depreciation	22,804	23,872
Total Expenses	247,586	251,022
Excess Revenues Over Expenses-Operating	25,293	68,433
Nonoperating Revenues (Expenses)		
Revenue from State Missions		
for Payment of Debt	41,109	0
Excess Revenues Over Expenses	\$ 66,402	\$ 68,433

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, 2012 AND 2011

	<u>2012</u>	<u>2011</u>
CASH FROM OPERATING ACTIVITIES:		
Net revenue <loss> over expenses	\$ 66,402	\$ 68,433
Adjustments to reconcile net revenue over expenses to net cash provided by operations:		
Depreciation	22,804	23,872
(Increase)decrease in accounts receivable	723	1,321
Increase(decrease) in accounts payable	<43,214>	<75,793>
Increase(decrease) in payroll tax payable	<u><153></u>	<u>63</u>
Net Cash Provided by Operating Activities	46,562	17,896
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of fixed assets	<u><1,483></u>	<u><26,700></u>
Net cash used in investing activities	<1,483>	<26,700>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of debt	<u><44,185></u>	<u><6,331></u>
Net cash used by financing activities	<44,185>	<6,331>
Net increase (decrease) in cash	894	<15,135>
Cash at beginning of year	<u>24,735</u>	<u>39,870</u>
Cash at end of year	\$ <u>25,629</u>	\$ <u>24,735</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.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011

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 \$ 22,804 and \$ 23,872 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:

2012	\$ 2,217
2011	\$ 3,513

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, 2012 AND 2011

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, 2012 and 2011, 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, 2012 and 2011 are \$ -0- and \$ 43,487, respectively.

NOTE 2 - NOTES PAYABLE

	<u>2012</u>	<u>2011</u>
Note payable-Simmons First Bank, Conway, Arkansas, requires monthly installments of \$ 662, including principal and interest at an annual percentage rate of 6.75%. This note is secured by a property & equipment.	\$ <u>0</u>	\$ <u>44,185</u>
	0	44,185
Less: Current portion L-T Debt	<u>0</u>	<u>5,113</u>
Long-term Debt	<u>\$ 0</u>	<u>\$ 39,072</u>

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 Youth 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, 2012, \$ 4,277 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.

Notes

2013 Nomination Schedule and Nominating Committee Slate of Nominations

Executive Board

Will Harmon Will Harmon
Kevin Barnett Kevin Barnett
Paul Payne (2014)
David Taylor (2014)
Mark Stripling (2015)
Terry Spradlin (2015)

Executive Committee

Moderator: Nelson Henderson
Nelson Henderson
Assistant Moderator: Randy Scott
Randy Scott
Clerk: Wendell Leckbee
Wendell Leckbee
Assistant Clerk: Keith Bowden
Keith Bowden

Mission Board

Joe Short * Kevin Jewell
Blaine Rodger Blaine Rogers
Michael Morrision (2014)
David Winfrey (2014)
Russell Thomas (2015)
Jeff Holland (2015)

Hillsdale College Trustee: David Taylor
David Taylor

* indicates ineligibility for re-election

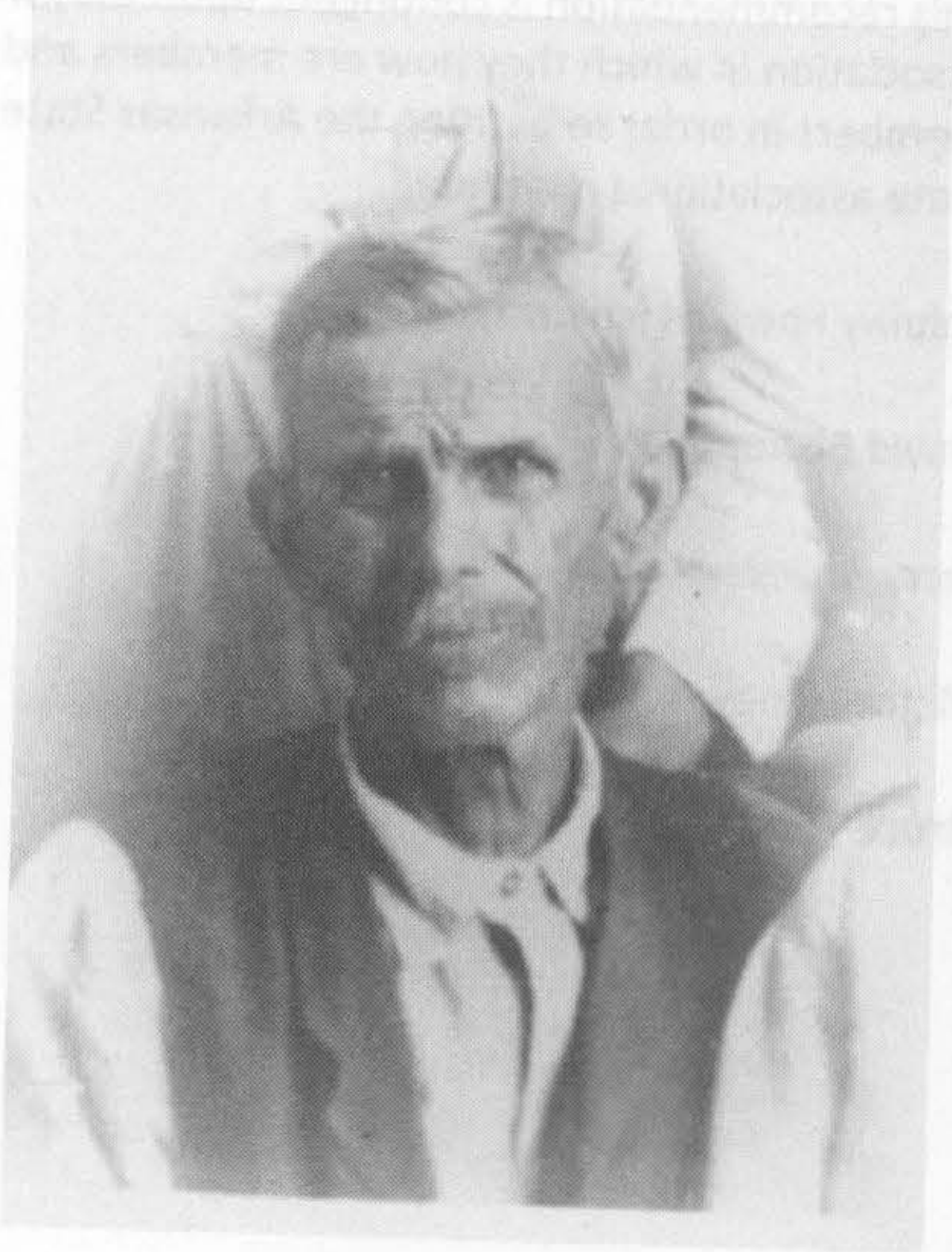
NOTE: Nominations may be made from the floor of the State Association Meeting.

Christian Education Board

Travis Alexander Travis Alexander
Greig Caswell Greig Caswell
Danny ONeil (2014)
David Ponder (2014)
Jim Walker (2015)
David Harper (2015)

Youth Board

Alan Thomas Bret Morris
B. J. Duvall B. J. Duvall
Jason Sullivan (2014)
Craig Batts (2014)
Tim Foreman (2015)
Jason Nichols (2015)



The first state moderator was Rev. Jesse Jefferys. He was born in 1852 and died in 1937.

Credentials Committee Report

Thursday, February 28, 2013

1:00 p.m.

State Office

We the 2012-13 Credentials Committee of the Arkansas State Association of Free Will Baptist, Inc. met on February 28, 2013 to examine the New Horizon Free Will Baptist Church of Springdale, AR and the Phillips Chapel Free Will Baptist Church of Springdale, AR as churches petitioning the Arkansas State Association of Free Will Baptist as a new association.

The committee examined the petitioners concerning their commitment to orthodoxy and Free Will Baptist doctrine and were found to be orthodox.

This recommendation is contingent upon the two churches formally withdrawing (by letter) from the association in which they now are members and officially forming the new association with officers and members in order to petition the Arkansas State Association of Free Will Baptist, Inc. at the next annual state associational meeting.

Johnny Fowlkes (chairman)

David Bishop

Jerry Brumley

Victor Hunter

Bruce Thurman