

1985 FREE WILL BAPTIST YEARBOOK



THE NATIONAL ASSOCIATION OF
Free Will Baptists

Published by
THE EXECUTIVE OFFICE
NATIONAL ASSOCIATION OF FREE WILL BAPTISTS, INC.
P.O. Box 1088, Nashville, Tennessee 37202

MINUTES **of the** **FORTY-EIGHTH ANNUAL SESSION** **of the** **NATIONAL ASSOCIATION** **of** **FREE WILL BAPTISTS, INC.** **when convened in** **Little Rock, Arkansas** **July 15-19, 1984**

FUTURE SESSIONS TO BE HELD IN

1985	Nashville, Tennessee	July 21-25
1986	Tulsa, Oklahoma	July 20-24
1987	Birmingham, Alabama	July 19-23
1988	Kansas City, Missouri	July 17-21
1989	Tampa, Florida	July 16-20
1990	Phoenix, Arizona	July 15-19

OFFICERS AND BOARD MEMBERS

GENERAL OFFICERS

Moderator	Bobby Jackson
Assistant Moderator	Ralph Hampton, Jr.
Clerk	Waldo Young
Assistant Clerk	Keith Burden
Executive Secretary-Treasurer	Melvin Worthington

GENERAL BOARD

1985

Alabama: John Edwards
 Arizona: Charles Marshall
 Arkansas: David Joslin
 Atlantic Canada: Fred Hanson
 California: Doice McAlister
 Colorado: Randy Bishop
 Florida: Robert Owen
 Georgia: Herbert Waid
 Idaho: Harley Bennett
 Illinois: Wallace Malone
 Indiana: Henry Patterson
 Kansas: Nathan Eason
 Kentucky: Edgar (Dick) Van Hoose
 Maryland: Lester Horton
 Mexico: Jerry Barron
 Michigan: Charles Cooper
 Mississippi: Al Hamm
 Missouri: Millard Sasser

1986

New Mexico: Bill Adkisson
 North Carolina: Tom Lilly
 Northeast Association: Jim Nason
 Northwest Association: Paul Wood
 Ohio: Delmar Sparks
 Oklahoma: Jack Richey
 South Carolina: Earl Hendrix
 Tennessee: Raymond Riggs
 Texas: Billy Walker
 Virginia: Jack Stallings
 West Virginia: Carl Vallance

EXECUTIVE COMMITTEE

Chairman: Bobby Jackson, 1412 E. 14th St., Greenville, NC 27834

Clerk: Waldo Young, 605 Conestoga Dr., Yukon, OK 73099

1985

David Joslin (AR)
 Herbert Waid (GA)
 Wallace Malone (IL)

1986

Billy Walker (TX)
 Jack Richey (OK)
 Tom Lilly (NC)

OFFICERS

Bobby Jackson (NC)
 Ralph Hampton, Jr. (TN)
 Waldo Young (OK)

BIBLE COLLEGE TRUSTEES

Chairman: Tom Malone, 4417 Florence Blvd., Florence, AL 35639

President: Charles Thigpen, 3606 West End Ave., Nashville, TN 37205

1986

Clarence Burton (MO)
 W. B. Hughes (VA)
 Douglas Simpson (TN)

1988

Ken Walker (FL)
 Bob Ketchum (OK)
 Tom Malone (AL)

1990

Sam Truett (NC)
 James Earl Raper (TN)
 J. D. O'Donnell (TX)

FOREIGN MISSIONS BOARD

Chairman: Bill Jones, 2207 Carter Creek Parkway, Bryan, TX 77801

Director: Rolla Smith, P.O. Box 1088, Nashville, TN 37202

1986

Fred Warner (AR)
 Bill Jones (TX)
 Bill Fulcher (TX)

1988

Jim Walker (TN)
 Robert Trimble (MI)
 Norwood Gibson (SC)

1990

Dan Cronk (TN)
 Archie Mayhew (CA)
 Galen Dunbar (KS)

HOME MISSIONS BOARD

Chairman: J. E. Blanton, 832 Anna Court, Lawrenceville, GA 30245

Director: Roy Thomas, P.O. Box 1088, Nashville, TN 37202

1985

Claudie Hames (CA)
 J. E. Blanton (GA)
 Leroy Cutler (FL)

1987

Richard Adams (TN)
 Rue Dell Smith (AR)
 Hobart Ashby (OH)

1989

Gordon Sebastian (NC)
 James Puckett (OK)
 William Johnson (KY)

MASTER'S MEN BOARD

Chairman: Raymond Lee, 9610 Colleen, Houston, TX 77080

Director: James Vallance, Box 17306, Nashville, TN 37217

1985

Don Elkins (OK)
 W. C. Combs (WV)
 Paul Moore (IL)

1987

Wendell Leckbee (AR)
 Dwight Fletcher (MS)
 Wayne Spruill (TN)

1989

Paul Kennedy (CA)
 James Orr (MI)
 Raymond Lee (TX)

BOARD OF RETIREMENT

Chairman: Francis Boyle, 569 W. Santa Barbara St., Santa Paula, CA 93060

Director: Herman Hersey, P.O. Box 1088, Nashville, TN 37202

1985

1987

1989

Lawnie Coffman (AR)
Harold Critcher (TN)
Gene Outland (TN)

Billy Samms (WV)
N. R. Smith (OK)
Francis Boyle (CA)

Dennis Kern (OK)
Robert Picirilli (TN)
Wilburn Beasley (SC)

SUNDAY SCHOOL AND CHURCH TRAINING BOARD

Chairman: Milton Worthington, 1841 Parkdale, Madison Hts., MI 48071

Director: Roger Reeds, P.O. Box 17306, Nashville, TN 37217

1986

1988

1990

Connie Cariker (TN)
Alton Loveless (OH)
Dale Burden (VA)

Milton Worthington (MI)
Eugene Hales (AL)
Jim Shepherd (OK)

Carl Cheshier (AR)
James McAllister (MO)
Malcolm Fry (NC)

COMMISSION ON THEOLOGICAL LIBERALISM

Chairman: Leroy Forlines, 3606 West End Ave., Nashville, TN 37205

1985 Edwin Wade (OK) **1987** Leroy Forlines (TN) **1989** L. C. Johnson (TN)
1986 Lonnie Skiles (TN) **1988** Fred Hall (TN)

HISTORICAL COMMISSION

Chairman: Alton Loveless, P.O. Box 07759, Columbus, OH 43207

1985 Alton Loveless (OH)
1986 David Joslin (AR)
1987 Jack Williams (TN)

1988 Mary Wisehart (TN)
1989 Robert Picirilli (TN)

RADIO-TELEVISION COMMISSION

Chairman: George Lee, 1403 9th St., Goldsboro, NC 27530

1985 Larry Hampton (TN)
1986 Sandy Goodfellow (TN)
1987 Guy Owens (TN)

1988 George Lee (NC)
1989 James Vallance (TN)

PROCEEDINGS

The 48th Annual Convention of the National Association of Free Will Baptists met in the Statehouse Convention Center, Little Rock, Arkansas, July 15-19, 1984. "Reaching for Revival" was the theme with II Chronicles 7:14 as the key verse. Blaine Hughes served as music coordinator, Sue Patton as pianist, Brenda Pursell as organist.

SUNDAY MORNING

The Adult Sunday School was taught by Mr. Almon Calvert, Florence, Alabama. The lesson was entitled "God's Prisoner," and was taken from Acts 21 and 22.

Dale Skiles, pastor from Springfield, Missouri, presided at the Sunday morning worship service. He led in prayer to open the service. Larry Clyatt, pastor of Fellowship Church, Nashville, led the congregation in singing "All Hail the Power" and "Revive Us Again."

Special music was provided by an ensemble from Free Will Baptist Bible College. They sang a medley of songs including "Looking for a City," "We Shall Rise" and "Mansion Over the Hilltop." They also sang "Softly and Tenderly." The congregation sang "Tis So Sweet to Trust in Jesus."

Boyd Osborne from Russellville, Arkansas, sang "Come to the Water."

Vernon Barker, pastor of New Hope Church, Joelton, Tennessee, was introduced as the speaker. He developed the first point of the convention theme, "Reaching for Revival." His topic was "The Folks Responsible." He read the key verse, II Chronicles 7:14, as his text.

MONDAY EVENING

Carl Sullivan, layman from Central Church, Huntington, West Virginia, presided at the 7:00 p.m. convention service on Monday. I. L. Stanley led the congregation in singing "Victory in Jesus."

The Waves of Faith Quartet from Arkansas sang "I Am His and He Is Mine." Carl Cheshier from Fort Smith, Arkansas, led in prayer.

The Mass Choir, under the direction of Doug Little, sang "I'm Redeemed."

Clerk Waldo Young called the convention into official session and introduced Moderator Bobby Jackson. The moderator announced committee appointments.

Nominating Committee: Raymond Lee, Doice McAlister, Luther Gibson, Wayne Phillips and Bill Gardner.

Credentials Committee: Herbert Waid, Bill Adkisson, Jack Stallings, Earl Hendrix and Nathan Eason.

Resolutions Committee: Edwin Wade, Rue Dell Smith, Dennis Wiggs, Mary Wisehart and David Nobles.

David Joslin, Arkansas promotional director, brought the welcome address and greetings from Arkansas Governor Bill Clinton.

The congregation sang "The Old Time Religion." Carl Sullivan led in the roll call of the states. A trio from Hillsdale Free Will Baptist College sang during the offering. The congregation sang "The Family of God." Bill Gardner, pastor from New Castle, Indiana, sang "More than Wonderful."

Lonnie DaVoult, executive secretary from Oklahoma, was introduced to bring the message. He quoted II Chronicles 7:14 and developed the theme, "The Formula Revealed." At the conclusion of the service, many knelt around the stage and pulpit area in united prayer. The congregation sang "Amazing Grace," and Waldo Young prayed the benediction.

TUESDAY EVENING

California Christian College President John B. Smith, Jr., called the congregation to order for the worship service and introduced Texas Moderator Raymond Lee to lead the congregation in singing, "This World is Not My Home." Reverend Smith also led in prayer.

The Mass Choir sang an arrangement of "When the Roll is Called Up Yonder." The congregation sang "At the Cross." Mary Nell Beck, violinist, ministered special music during the offering.

Raymond Lee led the congregation in singing the chorus of "Learning to Lean" and "He Lives." David Bates from Missouri sang a solo.

The pastor of First Church, Monticello, Arkansas, Terry Forrest, was introduced to bring the message. He read II Chronicles 7:14 and brought the message on "The Fruit Received."

After announcements, John Smith prayed the benediction.

WEDNESDAY MORNING

Bobby Jackson brought the Moderator's Message after reading II Chronicles 15:1-7. Following the message he led in prayer and called the convention business session to order.

The clerk read the Credentials Committee report. A motion carried to adopt the report and seat the delegates.

The clerk read Item 1 of the General Board report. A motion carried to receive the partial report of the General Board.

Melvin Worthington gave the Executive Office report. A motion carried to receive the report and adopt the budgets.

A motion was made and seconded that convention exhibit space be denied to persons involved in litigation against presbyteries of associations in good standing with the National Association. A motion was made and seconded to amend the motion by inserting the statement "or whose credentials have been revoked." A motion was made and seconded to amend the amendment by adding the statement "properly and according to the Treatise of the National Association of Free Will Baptists." A motion carried to table the motion with the amendments.

The following men abstained from any discussion or vote dealing with the above action: Nate Ange, Terry Beck, Dale Burden, W. B. Hughes, Tag Kilgore, Dan Merkh, Bobby Sebastian, Jack Stallings and Dennis Wiggs.

Director Roy Thomas gave the Home Missions Department report. A motion carried to receive the report and adopt the budget.

Director Herman Hersey gave the report of the Retirement and Insurance Department. A motion carried to receive the report and adopt the budget.

N. R. Smith was elected to fill the unexpired term of Earl Hendrix on the Board of Retirement and Insurance. The term expires in 1987.

Leroy Cutler was elected to fill the unexpired term of Elzo Bevan on the Home Missions Board. The term expires in 1985.

Director Herman Hersey gave the Free Will Baptist Foundation report. A motion carried to receive the report and adopt the budget.

Director James Vallance gave the Master's Men report. A motion carried to receive the report and adopt the budget.

Director Rolla Smith gave the Foreign Missions Department report. A motion carried to receive the report and adopt the budget.

Dan Cronk, Archie Mayhew and Galen Dunbar were elected to six-year terms on the Foreign Missions Board.

A motion carried to recess until 1:30 p.m.

WEDNESDAY AFTERNOON

Assistant Moderator Ralph Hampton, Jr., read Psalm 100:1-5 and led in prayer to begin the afternoon session.

President Charles Thigpen gave the Free Will Baptist Bible College report. A motion carried to receive the report and adopt the budget.

Sam Truett, James Earl Raper and J. D. O'Donnell were elected to six-year terms on the College Board of Trustees.

Director Roger Reeds gave the Sunday School and Church Training Department report. A motion carried to receive the report and adopt the budget.

James McAllister, Malcolm Fry and Carl Cheshier were elected to six-year terms on the Sunday School and Church Training Board.

Fred Hall gave the Commission on Theological Liberalism report. A motion carried to receive the report.

L. C. Johnson was elected for a five-year term on the Commission on Theological Liberalism.

George Lee gave the Radio and Television Commission report. A motion carried to receive the report and adopt the budget.

James Vallance was elected to a five-year term on the Radio and Television Commission.

The clerk read Item 2 of the General Board report. A motion carried to postpone this item until Thursday morning.

Item 3 of the General Board report was read. A motion carried to adopt Item 3.

The clerk read Item 4 of the General Board report. A motion was made and seconded to amend Item 4 by adding the following paragraph:

And the Board of Retirement and Insurance use their collateral and borrow the money, settle the unpaid medical claims, then go about raising the needed funds, and as funds are raised, the Board of Retirement and Insurance will be reimbursed.

A motion carried to refer Item 4, with the proposed amendment, to the Retirement and Insurance Board with instructions to bring back further recommendations Thursday morning.

The following men were elected for two-year terms on the General Board from their respective states: New Mexico, Bill Adkisson; North Carolina, Tom Lilly; Northeast Association, Jim Nason; Northwest Association, Paul Wood; Ohio, Delmar Sparks; Oklahoma, Jack Richey; South Carolina, Earl Hendrix; Tennessee, Raymond Riggs; Texas, Billy Walker; Virginia, Jack Stallings; West Virginia, Carl Vallance. Edgar (Dick) Van Hoose from Kentucky was elected for a one-year term to the General Board.

Billy Walker, Jack Richey and Tom Lilly were elected to the Executive Committee for two-year terms.

A motion carried to recess until Thursday morning.

WEDNESDAY EVENING

Rolla Smith opened the service by introducing the Men's Chorale who, under the direction of Vernon Whaley, sang "Joy In Serving Jesus." Blaine Hughes led the congregation in singing "The Banner of the Cross." Galen Dunbar led in prayer.

The Men's Chorale sang "Will You Keep That Vow?". Paul Thompson, missionary to Arizona, gave a testimony. Ken Eagleton, missionary to Brazil, gave a testimony. A Mexican pastor, with Jerry Barron as interpreter, shared a testimony.

A \$17,945.50 missions offering was received. The Free Will Baptist Bible College ensemble sang during the offering.

Blaine Hughes led the congregation in singing "Wonderful Grace of Jesus." Beverly Welch sang "They Could Not."

Jimmy Aldridge, missionary to Ivory Coast, West Africa, brought the message on the subject, "Making Disciples."

Blaine Hughes led the closing prayer.

THURSDAY MORNING

Moderator Bobby Jackson opened the morning session by reading passages from Nehemiah and leading in prayer.

Cleo Pursell gave the Woman's National Auxiliary Convention report. A motion carried to receive the report.

Alton Loveless gave the Historical Commission report. A motion carried to receive the report.

Robert Picirilli was elected to a five-year term on the Historical Commission.

Item 2 of the General Board report was read. A motion carried to adopt the item.

Herman Hersey gave the final report of the Board of Retirement and Insurance which was the recommendation regarding Item 4 of the General Board report. Item 1 of this recommendation, which reads,

We still feel that the original recommendation is to be preferred, since we fear the payment of claims by borrowing money will take away urgency from a fund-raising campaign.

was considered. A motion carried to adopt Item 1.

Item 2 of the Board of Retirement and Insurance recommendation read,

In the event that the convention insists that the money be borrowed, then: a. We recommend that the borrowing be postponed until our meeting in October, which will give time both for immediate fund-raising to cover as much as possible without incurring interest expense; and for determination, in the meantime, of exactly how much more will be needed to settle the claims;

b. We further recommend that the note be executed at that time jointly by the Board of Retirement and Insurance and the Executive Office. We are confident that the money can be borrowed without collateral or without involving our participants' accounts.

An objection to considering this item was heard. The body voted to not consider the item.

A motion carried that the convention receive an offering toward the unpaid medical claims. The amount of the offering was \$1,584.15.

A motion was made and seconded to continue discussion on the unpaid medical claims. An objection to consideration was heard. The body sustained the objection. Discussion on that item ceased.

A motion was made and seconded that the Retirement and Insurance Department place into the fund established by Item 4 of the General Board report all receipts that department has received from Garrett Street Insurance Agency. A motion carried to table the motion.

The clerk read the Registration Committee report. A motion carried to receive the report.

Melvin Worthington gave the Budget Committee report. A motion was made and seconded to receive the report and adopt the recommendations. A motion was made and seconded to amend the recommendation from the Budget Committee to provide the 1% for the Radio and Television Commission by taking ½% from Foreign Missions cooperative receipts, and ½% from Free Will Baptist Bible College, rather than from the Retirement and Insurance Department as proposed by the recommendation. The motion to amend was defeated. The motion to receive the report and adopt the recommendations carried.

The Resolutions Committee report was read by the clerk. A motion was made and seconded to adopt Item 1 of the report. A motion was made and seconded to amend Item 1 to read:

Whereas, the need exists for Free Will Baptists to be informed if a minister's credentials are properly revoked, and in accordance with Chapter II, Section II, paragraph A through G under part IV of the Practices of Free Will Baptists in the Free Will Baptist Treatise, and

Whereas, Section 4, Resolution I passed in 1974 states that each district association should publish in its state paper the names of ministers whose credentials have been revoked, therefore

Be it resolved, that the church or association properly revoking the credentials notify the Executive Office of the National Association of Free Will Baptists so that the information may be published in CONTACT for the benefit of other churches and associations, and that when proper reconciliation is made, the same notification be sent to the Executive Office.

The previous question was moved on the amendment and carried. The amendment was defeated. A motion was made and seconded to table Item 1. The motion to table was defeated. The previous question was moved and carried. The motion to adopt Item 1 was defeated.

A motion was made and seconded to adopt Item 2 of the Resolutions Committee report. A motion was made and seconded to table Item 2. The motion to table was defeated. A motion was made and seconded to amend Item 2 by deleting the first paragraph. The motion to amend was adopted.

A motion was made and seconded to amend Item 2 by inserting "any action contrary to this biblical injunction." The motion to amend was approved by common consent. The previous question was moved and carried. Item 2 was adopted as amended.

The following men abstained from any discussion or vote on resolutions 1 and 2: Nate Ange, Terry Beck, Dale Burden, W. B. Hughes, Tag Kilgore, Dan Merkh, Bobby Sebastian, Jack Stallings and Dennis Wiggs.

A motion was made and seconded to adopt Item 3 of the Resolutions Committee report. A motion was made and seconded to amend the item by inserting the words "secular humanism" after the word "pornography." The motion to amend was adopted. The motion to adopt Item 3, as amended, was adopted.

A motion was made and seconded to adopt Item 4 of the Resolutions Committee report. A motion was made and seconded to amend Item 4, by deleting all words following the word "encourage" in paragraph three and inserting the words "and or admonish our pastors to assist our people in establishing and conducting Christian

homes." A motion was made and seconded to table Item 4. The motion to table was defeated. The motion to amend carried. The motion to adopt as amended carried.

A motion carried to adopt Item 5 of the Resolutions Committee report. A motion carried to adopt Item 6 of the Resolutions Committee report.

A motion carried to give the National Association officers a rising vote of thanks.

A motion was made and seconded that,

Whereas, this body has voted to assist those who have unpaid medical claims who were members of the Religious Employees Association,

Be it understood that this financial assistance is a charitable act and not an expression of guilt on any part of our denomination or its auxiliaries.

Be it further resolved tht those who receive any assistance over and above such claims assign any future receipts over to the Board of Retirement and Insurance.

The motion was adopted.

A motion was made and seconded that,

The National Home Missions Department develop a program to help Free Will Baptist churches that are about to close their doors and who request such help from our Home Missions Department. This is to include both mission churches whose missionary pastors have left and established churches who are having problems surviving.

A motion carried to table this motion.

The clerk read the nominations for general officers. Keith Burden was elected as assistant clerk. Waldo Young was elected as clerk. Ralph Hampton, Jr., was elected assistant moderator. Bobby Jackson was elected as moderator.

A motion carried to adjourn.

1984 EXECUTIVE SECRETARY'S REPORT

The Executive Office has functioned smoothly since the 1983 National Convention in Columbus, Ohio. Mrs. Pam West resigned as bookkeeper in October. Mrs. Melody Hood is now our bookkeeper. Mrs. Kristi Bryan and Mrs. Nancy Smith are working part-time.

The Executive Secretary attended 13 state meetings during 1983. Each state noted significant progress.

Convention site inspection visits were made to Charleston, West Virginia (1991); Tulsa, Oklahoma (1986); Little Rock, Arkansas (1984); Savannah, Georgia (1991); and Norfolk, Virginia (1991). Other site inspections will be scheduled as time permits.

A complimentary copy of the 1984 *Free Will Baptist Yearbook*, printed by Randall House, was mailed to each church. Additional copies may be ordered from Randall House Publications.

The annual Leadership Conference sponsored by the Executive Office met December 7-9, 1983 at the Executive Inn, Nashville, Tennessee. The theme for the conference was "Organized for Outreach."

Eighty Free Will Baptist leaders from 19 states attended the conference. Each Leadership Conference participant received a 70-page notebook which included workshop outlines as well as a listing of 1984 state leaders, state papers, and state meetings.

The 1984 Leadership Conference is scheduled for December 5-7 in Nashville, Tennessee. Each state association is encouraged to send its moderator, promotional or executive secretary and General Board member.

Contributions to and through the Cooperative Channel during 1983 totaled \$802,039.06. Of this total, \$487,876.30 (61%) was designated while \$314,162.76 (39%) was undesignated. A growing number of churches are using the Cooperative Channel as a means to support denominational ministries.

The Cooperative Plan, when properly implemented and utilized, fairly and fully supports all denominational ministries including the local, state, and national outreaches. Brochures explaining the Cooperative Program are available and may be obtained by writing the Executive Office.

Contributions to the National Ministries during 1983 totaled \$4,627,217.56. Comparative figures since 1980 are:

1980	\$3,520,691.10
1981	4,506,067.27
1982	4,233,825.98
1983	4,627,217.56

We appreciate your systematic and sacrificial support of the national ministries.

CONTACT continues to serve a vital and valuable role in the denomination. CONTACT subscriptions numbered 7,183 on June 1, 1984. Complimentary copies are provided for students at Hillsdale FWB College, California Christian College, and Free Will Baptist Bible College during the school year, as well as to pastors whose churches adopt the CONTACT family plan. Randall House continues to do an excellent job printing CONTACT.

Executive Church Bonds operates on a limited basis. We help those churches in states where we are permitted to operate. We commend Mr. Harold Critcher for serving as trustee for Executive Church Bonds.

The unrest in our denomination during the last few years seems minimal at the moment. Efforts have been and are being made to resolve friction between some brethren and restore fellowship. Time has a way of healing which is sometimes more effective than talking. We have patiently, prayerfully, and persistently sought to bring harmony and happiness within our fellowship.

A renewed spirit of cooperation, consideration, congeniality and compassion would enable us to reach our maximum potential as a denomination.

May God's richest blessings be yours as you live, labor and look for Him.

Your Servant,
Melvin Worthington, Th.D.
Executive Secretary

**EXECUTIVE OFFICE OF
THE NATIONAL ASSOCIATION OF FREE WILL BAPTISTS
BALANCE SHEET
OPERATING FUND**

DECEMBER 31

	<u>ASSETS</u>	<u>1983</u>	<u>1982</u>
CURRENT ASSETS			
Cash—General	\$ 8,938.21	\$ 6,873.83	
—Contact Magazine	9,494.77	1,380.87	
—Special projects	1,440.59	131.16	
Accounts receivable—Contact Magazine	2,180.88	947.85	
—Special projects	64.77	388.27	
—employees		25.00	
Merchandise for sale	723.25	1,824.51	
	<u>22,842.47</u>	<u>11,571.50</u>	
FIXED ASSETS—(Note 1)			
Auto	13,157.25	13,157.25	
Office equipment	26,925.57	26,925.57	
	40,082.82	40,082.82	
Less—accumulated depreciation	(28,120.47)	(22,326.83)	
Total fixed assets	<u>11,962.35</u>	<u>17,755.99</u>	
OTHER ASSETS			
Airlines deposit	425.00	425.00	
Total assets	<u>\$35,229.82</u>	<u>\$29,752.49</u>	

LIABILITIES AND FUND BALANCE

CURRENT LIABILITIES

Accounts payable—general	\$ 6,557.51	\$ 7,640.18
Loans payable (note 2)	8,900.00	19,246.51
Payroll taxes	906.94	938.17
Total liabilities	<u>16,364.45</u>	<u>27,824.86</u>

FUND BALANCE	18,865.37	1,927.63
Total liabilities and fund balance	<u>\$35,229.82</u>	<u>\$29,752.49</u>

The accompanying notes are an integral part of the financial statements.

**STATEMENT OF REVENUES, EXPENSES, AND FUND BALANCE
OPERATING FUND**

YEAR ENDED
DECEMBER 31

	<u>1983</u>	<u>1982</u>
GENERAL INCOME		
Cooperative plan	\$138,646.29	\$126,067.11
Gifts	9,669.52	8,236.91
Received from special projects		4,600.00
Miscellaneous	8,372.09	183.16
Total income	<u>156,687.90</u>	<u>139,087.18</u>
GENERAL EXPENSES		
Accounting and legal	1,900.00	2,288.10
Executive Committee—travel	2,703.47	2,333.42
Insurance—general	1,488.80	1,386.20
Insurance and retirement—employees	11,102.99	11,218.01
Office space rental	8,863.20	8,863.20
Office supplies and printing	4,617.52	5,742.74
Payroll taxes	3,713.18	2,568.13
Postage	1,437.43	1,043.75
Promotion	4,708.98	628.73
Salaries	70,016.83	69,996.10
Housing allowances	16,662.00	15,390.00
Telephone and telegraph	2,598.01	4,240.91
Travel	7,889.31	8,767.96
Miscellaneous	6,203.72	2,684.77
Interest expense	799.05	1,110.50
Repairs and maintenance	2,074.00	1,124.50

Depreciation expense	5,690.14	6,492.55
Copier reimbursement		145.67
Total expenses	152,468.63	146,025.24
Net income (loss).....	\$ 4,219.27	(\$ 6,938.06)

CONTACT MAGAZINE INCOME

Sales	\$ 56,974.31	\$ 48,840.63
Advertising income	3,500.00	2,500.00
Less cost of sales	(51,247.99)	(54,878.76)
Net income (loss).....	\$ 9,226.32	(\$ 3,538.13)

YEAR ENDED DECEMBER 31

	1983	1982
SPECIAL PROJECTS INCOME		
Sales	\$ 9,324.49	\$ 6,256.45
Less cost of sales	(5,832.34)	(8,605.08)
	3,492.15	(2,348.63)
Interest		
Less transfer to General Fund		(4,600.00)
Net income (loss).....	\$ 3,492.15	(\$ 6,948.63)
Net Gain (Loss)—Total	\$16,937.74	(\$17,424.82)
Fund balance, beginning	1,927.63	19,352.45
Fund balance, ending.....	\$18,865.37	\$ 1,927.63

The accompanying notes are an integral part of the financial statements.

BALANCE SHEET PLANT FUND

YEAR ENDED DECEMBER 31

ASSETS	1983	1982
CURRENT ASSETS		
Cash—general	\$ 4,475.97	\$ 7,107.72
Accounts receivable.....	135.50	6.38
Total current assets	4,611.47	7,114.10

PROPERTY, PLANT, AND EQUIPMENT (Note 1)

Land, building, and accessory equipment	290,129.72	286,724.91
Telephone equipment	33,603.88	33,603.88
Vehicle	3,482.50	3,482.50
Lawn equipment	1,697.95	1,697.95
Total capital assets	328,914.05	325,509.24
Less—accumulated depreciation	(141,307.67)	(129,431.62)
	187,606.38	196,077.62
Total assets	\$192,217.85	\$203,191.72

LIABILITIES AND FUND BALANCE

CURRENT LIABILITIES

Property taxes	\$ 4,406.71	\$ 2,203.35
Accounts payable.....	2,605.08	5,266.57
Payroll taxes	656.03	308.16
Board of Retirement and Insurance (note 3)	74,708.82	68,500.00
Total current liabilities	82,376.64	76,278.08

FUND BALANCE	109,841.21	126,913.64
Total liabilities and fund balance	\$192,217.85	\$203,191.72

The accompanying notes are an integral part of the financial statements.

STATEMENT OF REVENUE, EXPENSES, AND FUND BALANCE PLANT FUND

YEAR ENDED DECEMBER 31

	1983	1982
GENERAL INCOME		
Rent	\$ 71,435.92	\$ 71,303.92
Telephone	17,848.84	24,586.38
Hospitalization	34,976.13	14,900.37
Miscellaneous	1,553.52	828.94
Total income	125,814.41	111,619.61

GENERAL EXPENSES

General supplies	564.50	1,030.13
Hospitalization and life insurance	34,769.68	12,388.79

Insurance—general	3,706.86	3,895.12
Interest	9,804.24	10,011.72
Janitor service & supplies	2,165.52	8,567.02
Property taxes	4,439.76	4,759.25
Retirement expense	156.00	
Mail truck expense	1,152.68	1,253.15
Mail room expense	1,155.13	1,475.20
Maintenance—general	5,248.16	8,389.43
Office supplies	839.78	630.57
Payroll taxes	1,991.29	864.95
Salaries	27,184.41	17,117.28
Telephone	18,871.84	20,989.71
Utilities	13,795.02	12,970.98
Postage	2,868.46	(347.42)
Depreciation	11,876.05	11,804.70
Miscellaneous	2,297.46	1,734.25
Total expenses	142,886.84	117,534.83
Net income (loss)	(17,072.43)	(5,915.22)
Fund balance, beginning	126,913.64	132,828.86
Fund balance, ending	\$109,841.21	\$126,913.64

The accompanying notes are an integral part of the financial statements.

BALANCE SHEET CONVENTION FUND

	YEAR ENDED DECEMBER 31	
	1983	1982
ASSETS		
Cash	\$16,533.17	\$ 3,335.26
Loans receivable	8,900.00	8,425.87
	<u>\$25,433.17</u>	<u>\$11,761.13</u>
LIABILITIES		
Fund balance	\$25,433.17	\$11,761.13
Total liabilities and fund balance	<u>\$25,433.17</u>	<u>\$11,761.13</u>

The accompanying notes are an integral part of the financial statements.

STATEMENT OF REVENUES, EXPENSES, AND FUND BALANCE CONVENTION FUND

	YEAR ENDED DECEMBER 31	
	1983	1982
ADDITIONS		
Banquet tickets	\$ 2,685.00	\$ 1,780.50
Offerings	6,462.94	12,578.04
Church fees	2,035.00	2,220.00
State fees	24,910.00	24,730.00
Booth fees	6,675.00	6,575.00
Pastors' dinner		2,259.00
Host state gifts	10,000.00	5,000.00
Miscellaneous	2,641.70	3,056.34
Total income	<u>55,409.64</u>	<u>58,198.88</u>
DEDUCTIONS		
Printing and promotions	6,472.29	1,743.61
Auditorium rent and signs	14,423.83	11,639.05
Booth installations	1,632.00	2,426.55
Convention office, publicity and advertising	2,225.56	2,812.26
Honorariums	850.00	550.00
Pastors' dinner		2,973.94
Music programs and song sheets		(3.50)
Travel expense	11,983.09	7,642.67
Banquet tickets	2,676.00	1,825.00
Miscellaneous	1,352.63	5,932.95
Interest	122.20	205.17
Total expenses	<u>41,737.60</u>	<u>37,747.70</u>
Net income	13,672.04	20,451.18
Fund balance, beginning	11,761.13	(8,690.05)
Fund balance, ending	<u>\$25,433.17</u>	<u>\$11,761.13</u>

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS COOPERATIVE PLAN OF SUPPORT

	YEAR ENDED DECEMBER 31	
	1983	1982
RECEIPTS		
Alabama	\$ 12,544.41	\$ 12,871.25
Arizona	644.45	429.37
Arkansas	44,130.57	42,675.02

California	12,465.68	12,873.53
Florida	18,904.20	18,504.44
Georgia	45,085.22	29,386.31
Hawaii	275.00	235.00
Idaho	463.54	444.12
Illinois	86,060.66	77,954.12
Indiana	314.10	275.00
Iowa	258.45	
Kansas	2,875.82	2,948.55
Kentucky	4,409.29	923.78
Maryland	460.00	460.00
Mexico	2.00	
Michigan	39,735.97	45,788.94
Mississippi	10,351.40	8,326.91
Missouri	77,276.19	78,239.82
New Mexico	1,331.46	1,401.90
North Carolina	7,942.60	8,749.19
Ohio	18,817.74	23,727.39
Oklahoma	333,395.30	329,105.99
South Carolina		25.00
Tennessee	12,926.53	15,932.24
Texas	36,480.63	45,851.65
Virginia	1,377.90	770.49
West Virginia	33,509.95	1,194.20
Interest	864.19	285.00
Total receipts (Note 4)	<u>\$802,903.25</u>	<u>\$759,379.21</u>

DISBURSEMENTS	DESIGNATED	UNDESIGNATED	TOTAL 1983	TOTAL 1982
Executive Office	\$ 7,945.88	\$130,700.41	\$138,646.29	\$126,067.11
Foreign Mission Board	344,625.52	42,196.29	386,821.81	365,299.56
Bible College	31,836.48	42,196.29	74,032.77	87,154.58
Home Mission Board	96,231.01	33,023.18	129,254.19	125,577.25
Board of Retirement and Insurance	3,882.39	27,519.44	31,401.83	34,401.73
Layman's Board				16,543.81
FWB Foundation	1,192.06	11,007.72	12,199.78	
Historical Commission	137.71	1,834.61	1,972.32	
Commission on Theological Liberalism	342.00	1,834.61	2,176.61	3,049.46
Miscellaneous	1,171.40		1,171.40	1,285.71
Master's Men	511.85	23,850.21	24,362.06	
Total disbursements (Note 4)	<u>\$487,876.30</u>	<u>\$314,162.76</u>	<u>\$802,039.06</u>	<u>\$759,379.21</u>

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES DECEMBER 31, 1983

Following is a summary of the significant accounting policies of the Executive Office of The National Association of Free Will Baptists:

Assets, liabilities, revenues, and expenses are recognized on the accrual basis except where indicated.

Property, plant, and equipment consisting of major items (land, building, and accessory equipment, telephone equipment and certain other equipment) are handled through the Plant Fund. The Plant Fund charges other departments with a proportional part of the expenses.

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 1983

NOTE 1—Property, plant, and equipment as of December 31, 1983, was held as follows:

	OPERATING FUND	PLANT FUND
Land, building, and accessory equipment	\$	\$290,129.72
Telephone equipment		33,603.88
Vehicles	13,157.25	3,482.50
Office equipment	26,925.57	
Lawn equipment		1,697.95
	40,082.82	328,914.05
Less—accumulated depreciation	28,120.47	141,307.67
	<u>\$11,962.35</u>	<u>\$187,606.38</u>

NOTE 2—Obligations of the Executive Office, Special Projects Fund, were as follows at December 31, 1983:

	AMOUNT
Convention Fund	<u>\$ 8,900.00</u>

NOTE 3—Obligations of the Executive Office, Plant Fund, on notes were as follows at December 31, 1983:

	AMOUNT
Board of Retirement and Insurance	<u>\$ 74,708.82</u>

NOTE 4—The Cooperative Plan of Support receipts are \$864.19 more than the disbursements because interest earned for 1983 totaled \$864.19, which was not disbursed until 1984.

EXECUTIVE CHURCH BONDS, INC.
GENERAL FUND
STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCE
ARISING FROM CASH TRANSACTIONS

	<u>DECEMBER 31</u>	
	1983	1982
<u>ASSETS</u>		
Cash	\$ 9,807.86	\$10,582.73
Office	2,063.70	2,063.70
Total assets	<u>\$11,871.56</u>	<u>\$12,646.43</u>
<u>FUND BALANCE</u>		
Fund balance	\$11,871.56	\$12,646.43
Total fund balance	<u>\$11,871.56</u>	<u>\$12,646.43</u>

SERVICE AND TRUST FUND
STATEMENT OF REVENUE COLLECTED AND EXPENSES PAID

	<u>YEARS ENDED</u> <u>DECEMBER 31</u>	
	1983	1982
<u>REVENUES COLLECTED</u>		
Interest on savings	\$ 854.62	\$ 806.86
Total revenue collected	854.62	806.86
Cash, beginning	15,802.54	14,995.68
Cash, ending	<u>\$16,657.16</u>	<u>\$15,802.54</u>

SERVICE AND TRUST FUND
STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCE
RESULTING FROM CASH TRANSACTIONS

	<u>DECEMBER 31</u>	
	1983	1982
<u>ASSETS</u>		
Cash	\$16,657.16	\$15,802.54
	<u>\$16,657.16</u>	<u>\$15,802.54</u>

CONSOLIDATED BALANCE SHEET
DECEMBER 31, 1983

	<u>OPERATING FUND</u>			<u>PLANT FUND</u>	<u>CONVENTION</u>	<u>DEPARTMENT TOTALS</u>		<u>DEPARTMENT TOTALS</u>	
	General	Contact Magazine	Special Projects	Total			1983		1982
<u>ASSETS</u>									
Cash	\$ 8,938.21	\$ 9,494.77	\$ 1,440.59	\$ 19,873.57			\$ 40,882.71	\$ 18,828.85	
Accounts receivable		2,180.88	64.77	2,245.65			2,381.15	1,367.50	
Notes receivable			723.25	723.25			723.25	1,824.51	
Merchandise	425.00			425.00			425.00	425.00	
Deposits									
Land									
Building & accessory equipment (net)	8,614.30			8,614.30			8,614.30	130,903.52	
Telephone equipment (net)	3,348.05			3,348.05			3,348.05	10,755.52	
Office furniture								7,000.47	
Autos (net)	\$21,325.56	\$11,675.65	\$2,228.61	\$35,229.82	\$192,217.85	\$25,433.17	\$243,980.84	\$236,279.47	
	8,614.30			8,614.30					
	3,348.05			3,348.05					
	\$21,325.56	\$11,675.65	\$2,228.61	\$35,229.82	\$192,217.85	\$25,433.17	\$243,980.84	\$236,279.47	
<u>LIABILITIES</u>									
Property taxes payable	\$	\$	\$	\$	\$ 4,406.71	\$	\$ 4,406.71	\$ 5,266.57	
Insurance payable	869.66	5,632.44	55.41	6,557.51	2,605.08		9,162.59	2,203.35	
Accounts payable—trade			8,900.00	8,900.00	74,708.82		74,708.82	79,948.34	
Notes payable—Ret. & Ins. Dept.	906.94	6,043.21	(6,726.80)	906.94	656.03	25,433.17	1,562.97	938.17	
Notes payable	19,548.96			18,865.37	109,841.21		154,139.75	140,602.40	
Payroll taxes	\$21,325.56	\$11,675.65	\$2,228.61	\$35,229.82	\$192,217.85	\$25,433.17	\$243,980.84	\$236,279.47	
Fund balance									

Loans receivable and payable of \$8,425.87 in 1982, and \$8,900.00 in 1983, have been eliminated in department totals.

FUND BALANCE

Fund balance	\$16,657.16	\$15,802.54
	<u>\$16,657.16</u>	<u>\$15,802.54</u>

GENERAL FUND STATEMENT OF REVENUES COLLECTED AND EXPENSES PAID

	YEARS ENDED DECEMBER 31	
	1983	1982
REVENUES COLLECTED		
Miscellaneous income	\$	\$ 1,750.00
Service fees	3,150.00	750.00
Interest on savings	254.63	172.77
Total to be accounted for	<u>3,404.63</u>	<u>2,672.77</u>
EXPENSES PAID		
Legal	30.00	.00
Leadership and National Conference	815.45	742.73
Accounting and auditing	210.00	205.00
Miscellaneous	205.31	144.79
Office equipment maintenance	127.71	62.50
Office supplies	24.25	116.44
Payroll taxes	175.00	7.15
Postage		18.00
Printing	696.66	482.50
Salaries, commissions and trustee fees	1,771.00	1,475.60
Telephone	89.12	75.76
Travel	35.00	302.42
Total disbursements	<u>4,179.50</u>	<u>3,632.89</u>
Excess of revenues over (expenses) paid before capital expenditures	(774.87)	(960.12)
Cash beginning	10,582.73	11,542.85
Cash ending	<u>\$ 9,807.86</u>	<u>\$10,582.73</u>

EXECUTIVE OFFICE BUDGET 1985

Administrative	\$175,958.01
Convention (1984)	46,169.46
CONTACT	63,200.00
Executive Church Bonds	10,000.00
Total	<u>\$295,327.47</u>

ADMINISTRATIVE BUDGET 1985

PROJECTED EXPENSES

Salaries	\$ 80,217.09
Housing and Utilities	20,268.00
Social Security	10,511.85
Retirement	2,940.07
Employees Insurance (Hospital, Life and Travel)	11,728.00
Office Rental	12,843.00
Office Supplies	4,200.00
Equipment Maintenance	1,500.00
Telephone	3,500.00
Postage	1,650.00
General Insurance	1,600.00
Travel	12,000.00
Executive Committee	3,200.00
Auditing	2,800.00
Contingency Fund	2,000.00
Promotion	1,000.00
Printing	2,000.00
Annual Leadership Conference	2,000.00
Total	<u>\$175,958.01</u>

PROJECTED INCOME

Cooperative Plan	\$165,958.01
Designated Gifts	10,000.00
Total	<u>\$175,958.01</u>

CONVENTION BUDGET

National Association of Free Will Baptists
July 15-19, 1984
Little Rock, Arkansas

PROJECTED EXPENDITURES

Auditorium	\$12,200.00
Printing and Promotion	11,230.00
Convention Office	4,700.00
Convention Personnel	5,675.84
Meals	\$ 1,242.00
Travel	2,140.00
Lodging	2,293.84
Convention Officials	3,956.37
Honorariums	350.00
Decorator's Services	2,850.00
Meal Functions	1,230.41
Executive Committee	900.00
Meal and Motel Expenses	
Pre-Convention Expenses	3,076.84
TOTAL	\$46,169.46

PROJECTED RECEIPTS

Booth Fees	\$ 6,225.00
State Association Fees	24,800.00
Local Church Delegate Fees	2,000.00
Host State (Arkansas)	7,000.00
Offerings	6,144.46
TOTAL	\$46,169.46

CONTACT MAGAZINE 1985

PROJECTED EXPENSES

Printing	\$34,800.00
Postage	13,000.00
Art	1,000.00
Writers Fees and Photos	4,500.00
Promotion	750.00
Computer	6,500.00
Telephone	400.00
Office Supplies	500.00

Travel	750.00
Bound Copies	300.00
Miscellaneous	400.00
(EPA dues, fees)	
Free Will Baptist Press Association	300.00
Total Expenses	\$63,200.00

PROJECTED INCOME

*Subscriptions	\$59,200.00
Publicity	4,000.00
Total Income	\$63,200.00

*Based on 7,400 subscriptions
(3,700 @ \$7.50 = \$27,750.00 Church Family Plan)
(3,700 @ \$8.50 = \$31,450.00 Individual Plan)

EXECUTIVE CHURCH BONDS 1985

OPERATING EXPENSES

Salaries and Commissions	\$ 4,000.00
Social Security	300.00
Travel Expenses	1,500.00
Printing	2,500.00
Telephone	200.00
Legal Fees	150.00
Office Expenses	500.00
(Supplies, postage, etc.)	
Promotion	100.00
Payroll taxes	150.00
Auditing	200.00
Miscellaneous	400.00
TOTAL	\$10,000.00

ANTICIPATED INCOME

Service Fees	\$10,000.00
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**1983
Contributions to National Ministries**

STATES	Executive	Foreign Missions	FWBBC	Home Mis.	Ret. & Ins.
Alabama	\$ 6,272.62	\$ 118,506.67	\$ 53,277.04	\$ 102,851.26	\$ 1,916.92
Alaska	.00	.00	.00	850.00	.00
Arizona	268.49	1,548.30	1,412.07	5,902.99	66.38
Arkansas	19,043.89	123,973.25	16,926.27	66,443.06	3,847.48
California	5,410.86	34,974.75	8,756.63	55,716.58	1,434.69
Canada	.00	1,528.93	25.00	5,493.08	.00
Colorado	.00	2,286.55	571.71	7,881.45	.00
Connecticut	.00	.00	2,025.00	.00	825.00
Delaware	.00	.00	120.00	.00	.00
Florida	7,737.59	66,435.91	16,605.72	66,563.37	2,044.96
Georgia	3,034.37	79,467.39	39,448.03	45,719.34	976.19
Hawaii	113.97	362.04	312.04	353.98	24.15
Idaho	165.98	502.54	1,453.63	2,793.62	62.92
Illinois	6,577.57	67,475.64	17,093.17	46,599.77	1,830.25
Indiana	136.86	20,543.28	4,455.76	11,006.44	46.62
Iowa	95.07	605.08	37.58	360.70	6.70
Kansas	1,181.08	9,123.03	1,288.80	13,397.54	308.42
Kentucky	1,816.03	65,336.03	8,571.31	77,439.47	526.60
Louisiana	.00	20.00	260.00	1,554.18	.00
Maine	.00	.00	50.00	6,945.13	.00
Maryland	198.98	11,766.47	2,835.04	18,844.23	247.60
Michigan	2,421.18	99,308.85	23,779.61	27,416.37	557.05
Minnesota	.00	10.00	.00	.00	.00
Mississippi	4,277.64	35,420.49	13,956.92	30,911.61	831.50
Missouri	22,373.97	172,356.94	23,430.54	103,957.63	6,115.28
Montana	.00	439.32	84.61	915.01	.00
Nebraska	.00	.00	180.00	3,781.80	.00
New Hampshire	.00	.00	.00	4,208.11	.00
New Jersey	.00	.00	15.00	.00	.00
New Mexico	97.81	156.31	391.05	5,996.52	21.49
New York	.00	.00	.00	455.00	.00
North Carolina	5,521.79	318,582.34	82,841.10	129,219.55	3,216.52
Ohio	6,640.75	106,630.44	12,775.45	61,567.79	1,479.08
Oklahoma	43,575.52	272,767.73	20,422.20	166,003.46	9,480.04
Oregon	19.00	.00	.00	10,499.50	.00
Pennsylvania	.00	1,450.84	.00	.00	.00
South Carolina	790.94	148,335.39	33,006.65	43,369.25	35.00
Tennessee	7,007.28	389,367.16	93,030.83	205,224.50	2,672.08
Texas	2,348.89	58,230.13	15,171.32	30,584.85	711.29
Vermont	.00	.00	20.00	1.00	.00
Virginia	547.41	72,832.65	14,243.95	61,518.12	164.58
Washington	.00	.00	260.00	4,567.00	.00
West Virginia	956.65	60,506.22	6,623.57	60,006.04	351.16
Wisconsin	.00	.00	35.00	490.00	.00
Wyoming	.00	.00	.00	70.00	.00
Mexico	.85	.00	.00	.00	.18
Northeast Asc.	.00	3,661.31	.00	.00	.00
Northwest Asc.	.00	2,703.70	.00	.00	.00
Puerto Rico	.00	.00	.00	292.60	.00
Virgin Islands	.00	1,604.75	459.74	23,662.00	.00
WNAC	.00	.00	1,190.70	.00	454.44
TOTALS	\$148,633.04	\$2,348,820.43	\$517,443.04*	\$1,511,433.90	\$40,254.57

*This total reflects gifts from January 1, 1983-December 31, 1983.

Master's Men	Comm. on Theo. Lib.	WNAC	FWB Found.	Historical Commission	Totals
\$ 2,727.08	\$ 63.47	\$ 489.08	\$ 317.27	\$ 52.86	\$ 286,474.27
.00	.00	.00	.00	.00	850.00
123.51	4.46	.00	22.56	3.76	9,352.52
4,033.34	289.96	937.29	1,505.19	250.86	237,250.59
897.66	81.58	501.55	414.27	69.06	108,257.63
.00	.00	.00	.00	.00	7,047.01
.00	.00	.00	.00	.00	10,739.71
.00	.00	.00	.00	.00	2,850.00
.00	.00	.00	.00	.00	120.00
1,753.14	142.75	592.22	680.36	113.39	162,669.41
1,245.22	47.45	128.23	200.65	31.84	170,298.71
320.93	1.61	110.00	9.67	1.61	1,610.00
56.03	2.68	.00	16.04	2.68	5,056.12
1,943.27	132.15	10.70	626.28	104.37	142,393.17
98.37	1.78	.00	10.63	1.78	36,301.52
.00	1.64	.00	9.79	1.64	1,118.20
235.74	74.67	110.96	97.74	16.28	25,834.26
962.65	27.68	29.50	141.09	23.51	154,873.87
.00	.00	.00	.00	.00	1,834.18
.00	.00	.00	.00	.00	6,995.13
33.92	2.61	260.00	15.66	5.51	34,210.02
567.50	30.99	182.97	144.42	21.18	154,430.12
.00	.00	.00	.00	.00	10.00
945.44	56.83	730.49	310.57	51.75	87,493.24
3,756.32	607.93	665.89	1,372.40	269.38	334,906.28
.00	.00	.00	.00	.00	1,438.94
.00	.00	80.00	.00	.00	4,041.80
.00	.00	.00	.00	.00	4,208.11
.00	.00	.00	244.00	.00	259.00
9.94	.78	188.00	4.60	.78	6,867.28
.00	.00	.00	.00	.00	455.00
941.67	33.00	693.44	161.65	26.94	541,238.00
1,282.54	95.28	30.00	571.63	95.28	191,168.24
9,032.92	698.90	1,329.54	3,586.00	597.67	527,493.98
.00	.00	.00	.00	.00	10,518.50
.00	.00	.00	.00	.00	1,450.84
.00	.00	512.86	.00	.00	226,050.09
2,688.11	56.31	1,424.50	300.95	50.16	701,821.88
441.29	28.73	785.35	131.36	113.79	108,547.00
.00	.00	.00	.00	.00	21.00
107.97	8.31	191.00	49.83	8.31	149,672.13
.00	.00	.00	.00	.00	4,827.00
765.76	49.89	165.00	55.10	57.92	129,537.31
.00	.00	.00	.00	.00	525.00
.00	.00	.00	.00	.00	70.00
.15	.00	.00	.07	.01	1.26
.00	.00	.00	.00	.00	3,661.31
.00	.00	.00	.00	.00	2,703.70
.00	.00	.00	.00	.00	292.60
.00	.00	.00	.00	.00	25,726.49
.00	.00	.00	.00	.00	1,645.14
\$34,970.47	\$2,541.44	\$10,148.57	\$10,999.78**	\$1,972.32	\$4,627,217.56

**This total does not reflect gifts to the Endowment Trust Funds.

1985 BUDGET COMMITTEE REPORT

The National Association of Free Will Baptists has approved in this convention the following budget:

Executive Office	\$ 295,327.47
Free Will Baptist Bible College	2,288,000.00
Foreign Missions	2,895,498.00
Home Missions and Church Extension	1,700,000.00
Master's Men	83,821.00
Retirement and Insurance	163,614.00
Free Will Baptist Foundation	15,000.00
Sunday School and Church Training	3,044,590.00
Radio And Television Commission	53,700.00
TOTAL	\$10,539,550.47

All these ministries receive funds through the Cooperative Plan except for Executive Church Bonds, and the Sunday School and Church Training Department which are self-sustaining.

The Budget Committee recommends that gifts received through the Cooperative Plan be allocated to the national ministries on the following basis:

1. Underwrite the Executive Office Administration Budget above those gifts received directly.
2. Disburse the balance of undesignated funds to the following national ministries according to these percentages:

Free Will Baptist Bible College	23%
Foreign Missions	23%
Home Missions	18%
Board of Retirement and Insurance	14%
Master's Men	13%
Free Will Baptist Foundation	6%
Commission on Theological Liberalism	1%
Historical Commission	1%
Radio And Television Commission	1%
TOTAL	100%

Respectfully Submitted, Your Servants,
 Melvin Worthington, Executive Secretary
 Charles Thigpen, President of Free Will Baptist Bible College
 Rolla Smith, General Director of Foreign Missions Department
 Roy Thomas, General Director of Home Missions Department
 Herman Hersey, General Director of Retirement and Insurance Department
 James Vallance, General Director of Master's Men Department
 Roger Reeds, General Director of Sunday School and Church Training Department

HOME MISSIONS BOARD REPORT

Thirteen Home Missionary families were approved in 1983. They were Steve Trail, Alexandria, Louisiana; Elmer Turnbough, St. Petersburg, Florida; Jim Williams, Carthage, Missouri; Mike Harrell, Globe, Arizona; Ron Parker, Tyler, Texas; Willie Booth, Lancaster, Ohio; Mike Mutchler, Portland, Oregon; John Reed, Petersburg, Virginia; Greg Bevan, Quantico Area, Virginia; Tim Coats, Rapid City, South Dakota; Sam Hensley, Fairfield, California; Tom Dooley, Hamilton, Ohio; and Wallace Hayes, Lebanon, Tennessee.

Five missionaries led their churches to become self supporting in 1983. They were: Walter Sumerlin, Charlottesville, Virginia; Steve Nichols, Greenwood, Mississippi; David Bigger, Ponca City, Oklahoma; J. D. Norris, Jr., Tallahassee, Florida; and Rodney Outlaw, Headland, Alabama.

Four national workers in Mexico received support in 1983. Jesus (Chuy) de la Rosa directs our school, the Institute of Gold; Gonzalo Medina, Cutberto Herrera, and Augustin Ollervides are national Mexican pastors who are beginning Free Will Baptist churches in the needy cities of Mexico.

Seven Free Will Baptist chaplains in the armed forces served under the endorsement of the National Home Missions Board. They are Lieutenant Robert Cooper, Navy; Major Larry Cusick, Air Force; Captain Walter Golding, Air Force; Captain Larry Langford, Lieutenant Colonel Gerald Mangham, Captain James Bishop, and Captain Kerry Steedley, all of the Army.

February 15, 1983 Rev. Connie D. Cariker assumed the position of Director of Evangelism and Church Growth. The Department conducted 21 evangelism conferences sponsored by: Mt. Moriah Association, Tuscaloosa, Alabama; Beaver Creek Association, Spartanburg, South Carolina; Texas State Association, Bryan, Texas; Eastside Free Will Baptist Church, Elizabethton, Tennessee; New Hope Association, Conway, Arkansas; South Georgia Association, Glennville, Georgia; Peace Free Will Baptist Church, Wilson, North Carolina; Burdine Free Will Baptist Church, Jenkins, Kentucky; Cave Springs Association, Thayer, Missouri; Faith Free Will Baptist Church, Goldsboro, North Carolina; First Free Will Baptist Church, Johnston City, Illinois; Western Piedmont Association, Gastonia, North Carolina; Michigan State Association, Detroit, Michigan; Polk Bayou Association, Batesville, Arkansas; Free Will Baptist Churches of New Bern, North Carolina; Maryland Association, Wilmington, Delaware; Northern Quarterly Meeting of the Cumberland Association, Pleasant View Christian School, Pleasant View, Tennessee; First Free Will Baptist Church, Bakersfield, California; and Heritage Temple Free Will Baptist Church, Phoenix, Arizona.

Good crowds of pastors and laymen attended each conference.

Enlargement campaigns, HEAVEN BOUND and I WANT THAT MOUNTAIN, and also HOW TO HAVE A BIG DAY AND SPECIAL SUNDAYS, written by Rev. Connie D. Cariker, were published by the Department. Numerous tracts, new convert packets, follow up lessons, books, and pamphlets were distributed.

The Church Extension Loan Fund grew to \$398,077.00. Loans were made to First Free Will Baptist Church, Providence, Rhode Island and First Free Will Baptist Church, Salem, Oregon.

Gift income reached a record high of \$1,535,328.00 for the year. The National Home Missions Department is blessed with a capable and dedicated staff who works faithfully to assist our missionaries, chaplains, pastors, and churches. They are:

Roy Thomas, General Director
 Trymon Messer, Associate Director
 John Gibbs, Director of Development
 Connie D. Cariker, Director of Evangelism & Church Growth
 Bill Daniel, Director of Communications
 Iva Mae Bracey, Bookkeeper
 Pat Thomas, Publications Editor & Secretary
 Kathy Brown, Data Processor & Secretary
 Gay Shoulders, Secretary
 Jinger Lau, Secretary & Receptionist
 Angie Samson and Mark Barber, part time, students from Free Will Baptist Bible College

Please remember us in prayer as we labor to place "A Missionary In Every State For A Church In Every City."

Respectfully submitted,
 Roy Thomas, General Director

**BOARD OF HOME MISSIONS
 OF THE NATIONAL ASSOCIATION OF FREE WILL BAPTISTS**

*Balance Sheet
 December 31, 1983*

<u>Assets</u>			
	<u>Operating</u>	<u>Plant Fund</u>	<u>Total All Funds</u>
Cash and interest bearing deposits	\$ 85,076		85,076
Insurance refund	1,025		1,025
Investments, at cost (note 2)	164,029		164,029
Note receivable (note 3)	10,700		10,700
Prepaid insurance	3,198		3,198
Equipment at cost, less accumulated depreciation of \$50,648 (note 4)		60,972	60,972
Other asset (note 7)	60,460		60,460
Total assets	\$324,488	60,972	385,460
<u>Liabilities and Fund Balances</u>			
Accounts payable	\$ 2,274		2,274
Restricted deferred revenue—			
missionary accounts (note 5)	172,281		172,281
Deferred compensation (note 6)	86,679		86,679
Note payable (note 7)	565		565
Total liabilities	261,799		261,799

Fund balances:			
Undesignated	62,689		62,689
Net investment in plant		60,972	60,972
Total fund balances	62,689	60,972	123,661
Total liabilities and fund balances	\$324,488	60,972	385,460

Commitments (note 8)

See accompanying notes to financial statements.

**Statement of Support and Revenue, Expenses,
 Capital Additions, Transfers Among Funds and Changes in Fund Balances
 Year Ended December 31, 1983**

	<u>Operating</u>	<u>Plant</u>	<u>Total</u>
	<u>Unrestricted</u>	<u>Restricted</u>	<u>Fund All Funds</u>
Support and revenue:			
Contributions	\$342,110	1,109,230	1,451,340
Printing services	24,642		24,642
Investment income	20,387		20,387
Other income	2,900		2,900
Total support and revenue	390,039	1,109,230	1,499,269
Expenses:			
Administrative expenditures ..	396,789		396,789
Missionary maintenance		1,109,230	1,109,230
Depreciation		17,223	17,223
Total expenses	396,789	1,109,230	1,523,242
Excess (deficiency) of support and revenue over expenses before capital addition	(6,750)	(17,223)	(23,973)
Capital additions:			
Donated assets		9,100	9,100
Total capital additions		9,100	9,100
Excess (deficiency) of support and revenue over expenses after capital additions	(6,750)	(8,123)	(14,873)

Fund balances, beginning of year as restated (note 9)	84,086	54,448	138,534
Transfers to plant fund for acquisitions	(14,647)	14,647	
Fund balances, end of year	\$ 62,689	60,972	123,661

See accompanying notes to financial statements.

Notes to Financial Statements December 31, 1983

Board of Home Missions is operated under the auspices of The National Association of Free Will Baptists.

(1) Summary of Significant Accounting Policies

The major accounting principles and practices followed by the Board of Home Missions of the National Association of Free Will Baptists are presented below to assist the reader in evaluating the financial statements. The financial statements are presented in accordance with standards recommended in *Audits of Certain Nonprofit Organizations* an Audit and Accounting Guide (American Institute of Certified Public Accountants).

Fund Accounting

In order to ensure observance of limitations and restrictions placed on the use of resources available to the Board, the accounts of the Board are maintained in accordance with the principles of "fund accounting". This is the procedure by which resources for various purposes are classified for accounting and reporting purposes into funds that are in accordance with activities or objectives specified.

The assets, liabilities and fund balances of the Board are reported in self-balancing fund groups as follows:

- Operating funds—such funds include unrestricted funds available for support of Board operations and restricted funds for support of missions. Unrestricted funds are reported as revenue in the year received or accrued. Restricted funds are recorded as additions to deferred revenue. Such restricted operating funds are recorded as revenues during the period they are expended.
- Plant funds—such funds represent resources restricted for plant acquisitions and funds expended for plant.

Plant Assets and Depreciation

Uses of operating funds for plant acquisitions are accounted for as transfers to plant funds. Depreciation of equipment is provided over the estimated useful lives of the respective assets on a straight-line basis.

Income Taxes

The Board of Home Missions is exempt from income taxes; accordingly, no provision for income taxes has been made in the accompanying financial statements.

(2) Investments

Investments are presented in the financial statements at cost and consists of corporate stock and a 12-1/2% deferred annuity. The market value of the investments at December 31, 1983 was \$161,840.

(3) Note Receivable

The Board holds a noninterest bearing note in the amount of \$10,700 secured by real estate. Such note was collected March 1, 1984.

(4) Plant Funds

A summary of plant fund assets is as follows:

Furniture and equipment	\$ 70,580
Automobiles	41,040
	111,620
Less accumulated depreciation	50,648
Net investment in plant	\$ 60,972

(5) Restricted Deferred Revenue

Changes in restricted deferred revenue is as follows:

Balance, beginning of year	\$ 145,322
Contributions	1,136,189
Available	1,281,511
Expenses	1,109,230
Balance, end of year	\$ 172,281

(6) Deferred Compensation

The Board provides for each full-time employee deferred compensation based on a formula combining a percent of salary and years of service. The amounts are payable to the employee when employment is terminated.

A summary of the liability at December 31, 1983 is as follows:

Balance, beginning of year	\$ 67,434
Contributions for benefit of:	
Missionaries	20,010
Administrative employees	5,683
	93,127

Terminations	6,448
Balance, end of year	<u>\$ 86,679</u>

(7) Other Asset and Notes Payable

The Board received title to the church building and property of the Albuquerque, New Mexico Free Will Baptist Church by assuming debt relating to the property amounting to \$60,460. The note payable at December 31, 1983 amounted to \$565 and was paid in February, 1984.

(8) Commitments

The Board has contingent liabilities in the amount of \$172,880 for the guarantee of debt relating to certain churches.

(9) Restatements of Beginning Fund Balances

Certain beginning fund balances have been restated to conform to current presentation.

	Operating			
	Unrestricted	Restricted	Employee Bonus	Plant Fund
To conform to presentation, as recommended in audits of certain nonprofit organizations, an Audit and Accounting Guide (American Institute of Certified Public Accountants), for unexpended balances of restricted funds which are considered to be restricted deferred revenues	\$	(145,322)		
Provision for deferred compensation (see note 6) previously reported as fund balance instead of a liability			(67,434)	
Property acquired in Albuquerque, New Mexico (see note 7) which had been previously reported as a plant fund asset	60,460			(60,460)
Net increase (decrease)	60,460	(145,322)	(67,434)	(60,460)
Fund balances, beginning of year, as reported	23,626	145,322	67,434	114,908
Fund balances, end of year, as restated	<u>\$84,086</u>			<u>54,448</u>

(10) Related Party Transaction

The Church Extension Loan Fund, Inc., an affiliated organization, shares the office facilities and administrative staff of the Board of Home Mission at no cost.

*Schedule to Combine Unrestricted Fund Support and Revenue,
Plant Fund Contributions, and Additions to Restricted Deferred Revenue
Year ended December 31, 1983*

	Unrestricted Fund	Restricted Deferred Revenue	Plant Fund	Total
Contributions	\$342,110	1,136,189	9,100	1,487,399
Printing services	24,462			24,462
Investment income	20,387			20,387
Other income	2,900			2,900
	<u>\$390,039</u>	<u>1,136,189</u>	<u>9,100</u>	<u>1,535,328</u>

*Schedule of Unrestricted Fund and Restricted Fund Expenses
as Compared to Budget
Year ended December 31, 1983*

	Budget	Actual Expenses	Actual (Over) Under Budget
Unrestricted fund expenses:			
Administrative:			
Salaries	\$ 151,00	143,429	8,071
Computer Services	5,500	1,909	3,591
Rent	12,500	12,276	224
Printing and postage	38,500	36,553	1,947
Office supplies and equipment	21,000	23,647	(2,647)
Housing allowance	44,500	50,595	(6,095)
Payroll taxes	5,000	5,749	(749)
Legal and audit	1,700	2,150	(450)
Telephone	12,000	8,375	3,625
Miscellaneous	4,500	4,160	340
Employee savings expense	6,300	5,683	617
Insurance	11,200	19,270	(8,070)
Board member expense	7,500	7,405	95
Automobile and travel	47,000	41,910	5,090
Promotion	2,000	10,226	(8,226)
Literature	8,300	14,358	(6,058)
Personal revivals	8,000	9,094	(1,094)
Total unrestricted fund expenses	<u>\$ 387,000</u>	<u>396,789</u>	<u>(9,789)</u>

Restricted fund expenses:

Missionary maintenance

Salaries	\$ 880,000	998,718	(118,718)
Travel and promotion	55,000	49,496	5,504
Employee savings expense	20,000	20,010	(10)
Postage and printing	25,000	24,525	475

Miscellaneous	13,000	10,932	2,068
Land and building	4,500	5,549	(1,049)
Advertising	2,500		2,500
	<u>\$1,000,000</u>	<u>1,109,230</u>	<u>(109,230)</u>
Plant fund:			
Depreciation	<u>\$ 13,000</u>	<u>17,223</u>	<u>(4,223)</u>

CHURCH EXTENSION LOAN FUND, INC.

Balance Sheet
December 31, 1983

Assets

Interest-bearing deposits	\$132,507
Marketable securities, at cost (market value \$217,854)	217,435
Notes receivable (note 2)	48,135
Total assets	<u>\$398,077</u>

Liabilities and Fund Balance

Liabilities:

Accrued interest	\$ 25,343
Revocable trust (note 3)	68,000
Notes payable (note 4)	283,964
Total liabilities	<u>377,307</u>

Fund balance (deficit):

Undesignated	(7,647)
Designated (note 5)	28,417
Total fund balance	<u>20,770</u>
Total liabilities and fund balance	<u>\$398,077</u>

See accompanying notes to financial statements.

Statement of Support and Revenue, Expenses and Changes in Fund Balances Year ended December 31, 1983

Support and revenue:

Contributions (note 5)	\$28,417
Investment income	16,120
Interest income	2,868
Contributions	1,558
Total support and revenue	<u>48,963</u>

Expenses:	
Interest expense	25,940
Loss on sale of securities	12,217
Total expenses	<u>38,157</u>
Excess of support and revenue over expenses	10,806
Fund balance at beginning of year	9,964
Fund balance at end of year (note 5)	<u>\$20,770</u>

See accompanying notes to financial statements.

CHURCH EXTENSION LOAN FUND, INC.

Notes to Financial Statements December 31, 1983

The Church Extension Loan Fund, Inc. is operated under the auspices of the National Association of Free Will Baptists. The fund is administered under the direction of the Board of Home Missions. This fund was established primarily to assist churches in their building projects.

(1) Summary of Significant Accounting Policies

The major accounting principles and practices followed by the Church Extension Loan Fund, Inc. are presented below to assist the reader in evaluating the financial statements. The financial statements are presented in accordance with standards recommended in *Audits of Certain Nonprofit Organizations*, an Audit and Accounting Guide (American Institute of Certified Public Accountants).

Basis of Financial Statements

The accompanying financial statements have been prepared on the accrual basis of accounting.

Income Taxes

The Church Extension Loan Fund, Inc. is exempt from income taxes; accordingly, no provision for income taxes has been made in the accompanying financial statements.

(2) Notes Receivable

Notes receivable are as follows:

12% note receivable, \$633 monthly from First Free Will Baptist Church, Salem, Oregon, secured by first mortgage on the real estate.	<u>\$44,113</u>
--	-----------------

12% note receivable, \$172 monthly from First Free Will Baptist Church, North Kingston, Rhode Island, secured by first mortgage on the real estate.

4,022

\$48,135

(3) Revocable Trust

The Fund is recipient of a revocable trust in the amount of \$68,000. The Fund is required to make payments to the beneficiary for 75% of interest earned on the trust funds within certain limitations. Interest paid to the trust beneficiary during 1983 amounted to \$1,096.

(4) Notes Payable

Notes payable, amounting to \$283,964, consist of 7% to 10% demand notes to individuals and churches. Such funds will be loaned to qualifying churches to finance building projects.

(5) Designated Fund Balance

The loan fund received as a contribution the proceeds, amounting to \$28,417, from the sale of church real property in Anchorage, Alaska. This contribution has been designated by the administration of the loan fund to be held in trust to such time that new facilities are acquired.

(6) Related Party Transaction

The Church Extension Loan Fund, Inc. shares office facilities and administrative staff with the Board of Home Missions at no cost.

ANALYSIS OF INCOME YEAR ENDED DECEMBER 31, 1983

CONTRIBUTIONS	Proposed 1983 Quota	Receipts	Total Given	Balance (Over) Under Quota
Alabama	\$ 100,000.00	10,596.04	102,851.26	(2,851.26)
Alaska	500.00	50.00	850.00	(350.00)
Arizona	7,000.00	426.41	5,902.99	1,097.01
Arkansas	40,000.00	5,787.50	66,443.06	(26,443.06)
California	80,000.00	7,602.09	55,716.58	24,283.42
Canada	1,000.00	730.52	5,493.08	(4,493.08)
Colorado	16,000.00	898.18	7,881.45	8,118.55
Florida	37,000.00	8,202.27	66,563.37	(29,563.37)
Georgia	30,000.00	7,234.96	45,719.34	(15,719.34)
Hawaii	500.00		353.98	146.02

Idaho	11,000.00	100.00	2,793.62	8,206.38
Illinois	40,000.00	4,094.01	46,599.77	(6,599.77)
Indiana	25,000.00	1,195.21	11,006.44	13,993.56
Iowa	4,000.00	185.00	360.70	3,639.30
Kansas	15,000.00	927.78	13,397.54	1,602.46
Kentucky	85,000.00	7,574.17	77,439.47	7,560.53
Louisiana	5,000.00	194.00	1,554.18	3,445.82
Maine	1,500.00	870.00	6,945.13	(5,445.13)
Maryland	12,000.00	1,860.89	18,844.23	(6,844.23)
Mexico	500.00			500.00
Michigan	33,000.00	5,794.75	27,416.37	5,583.63
Minnesota	3,500.00			3,500.00
Mississippi	45,000.00	1,217.11	30,911.61	14,088.39
Missouri	85,000.00	13,788.05	103,957.63	(18,957.63)
Montana	2,000.00	100.00	915.01	1,084.99
Nebraska	2,000.00	10.00	3,781.80	(1,781.80)
New Hampshire	2,000.00	750.00	4,208.11	(2,208.11)
New Mexico	2,500.00	617.68	5,996.52	(3,496.52)
New York	500.00	20.00	455.00	45.00
North Carolina	110,000.00	9,118.51	129,219.55	(19,219.55)
Ohio	45,000.00	7,680.02	61,567.79	16,567.79
Oklahoma	155,000.00	11,501.91	166,003.46	(11,003.46)
Oregon	7,500.00	974.50	10,499.50	(2,999.50)
Puerto Rico	500.00	72.00	292.60	207.40
South Carolina	30,000.00	6,978.60	43,369.25	(13,369.25)
Tennessee	160,000.00	14,816.20	205,224.50	(45,224.50)
Texas	25,000.00	3,505.41	30,584.85	(5,584.85)
Vermont	500.00		1.00	499.00
Virginia	45,000.00	13,761.77	61,518.12	(16,518.12)
Virgin Islands	20,000.00	2,069.99	23,662.00	(3,662.00)
Washington	3,000.00	10.00	4,567.00	(1,567.00)
West Virginia	75,000.00	5,318.92	60,006.04	14,993.96
Wisconsin	1,000.00	20.00	490.00	510.00
Wyoming	500.00		70.00	430.00
Other States	500.00	603.78	3,324.36	2,824.36
Other Income	35,000.00	1,521.64	26,556.36	8,443.64
TOTAL RECEIPTS	1,400,000.00	158,779.87	1,541,314.40	(141,314.40)

PROPOSED FAITH BUDGET FOR 1985

Missionary Maintenance	1983 Expenses	1985 Budget
Salaries	\$ 998,718.00	\$1,100,000.00
Travel & Promotion	49,496.00	55,000.00
Employee Savings Expense	20,010.00	22,000.00
Postage & Printing	24,525.00	27,000.00
Miscellaneous	10,932.00	25,000.00
Land & Building Fund	5,549.00	20,000.00
Total	\$1,109,230.00	\$1,249,000.00

Administrative

Salaries	\$ 143,429.00	\$ 155,000.00
Computer Service	1,909.00	2,000.00
Rent	12,276.00	15,000.00
Printing and Postage	36,553.00	38,000.00
Office Supplies & Equipment	23,647.00	26,000.00
Housing Allowance	50,595.00	50,000.00
Payroll Taxes	5,749.00	6,000.00
Auditing	2,150.00	2,500.00
Telephone	8,375.00	10,000.00
Miscellaneous	4,160.00	10,000.00
Employee Savings Expense	5,683.00	6,500.00
Insurance	19,270.00	20,000.00
Board Members Expense	7,405.00	8,000.00
Auto & Travel	41,910.00	45,000.00
Promotion	10,226.00	12,000.00
Literature	14,358.00	15,000.00
Personal Revivals	9,094.00	10,000.00
Total	\$ 396,789.00	\$ 431,000.00
Plant Fund		20,000.00
Total	\$ 396,789.00	\$ 451,000.00
TOTAL FAITH BUDGET	\$1,506,019.00	\$1,700,000.00

PROPOSED QUOTAS FOR 1985

Alabama	\$ 105,000.00
Alaska	1,000.00
Arizona	7,000.00
Arkansas	68,000.00
California	82,000.00
Canada	6,000.00
Colorado	11,000.00
Florida	67,000.00
Georgia	48,000.00
Hawaii	500.00
Idaho	10,000.00
Illinois	53,000.00
Indiana	20,000.00
Iowa	4,000.00
Kansas	20,000.00
Kentucky	80,000.00
Louisiana	5,000.00
Maine	7,000.00
Maryland	20,000.00
Mexico	500.00
Michigan	33,000.00
Minnesota	500.00
Mississippi	45,000.00

Missouri	110,000.00
Montana	1,000.00
Nebraska	4,000.00
New Hampshire	8,000.00
New Mexico	6,000.00
New York	500.00
North Carolina	135,000.00
Ohio	65,000.00
Oklahoma	175,000.00
Oregon	12,000.00
Puerto Rico	500.00
Rhode Island	1,000.00
South Carolina	46,000.00
Tennessee	210,000.00
Texas	32,000.00
Vermont	500.00
Virginia	64,000.00
Virgin Islands	25,000.00
Washington	6,000.00
West Virginia	70,000.00
Wisconsin	1,000.00
Wyoming	500.00
Other States	3,500.00
Other Income	30,000.00
TOTAL	\$1,700,000.00

REPORT OF BOARD OF RETIREMENT AND INSURANCE

This is the fifteenth time I have reported to you as the director of the Board of Retirement. We have come a long way in the past few years.

Year 1983 was an excellent one for us. The total funds in participants' accounts increased 20.5 percent. Retirement funds from all sources increased 17.0 percent or \$1,232 a day. Earnings were exceptionally good.

As a result the Board at its annual meeting April 16-18 voted a 1.5 percent good experience bonus on all retirement accounts as of June 30. Further action included a vote to increase base earnings on all retirement accounts by 0.5 percent beginning July 1, 1984. The increase will be reflected in the December 1984 statements to members.

We now have a good pension program that will provide an adequate pension for the younger servants of the church. Men and women who enter our program in their twenties or thirties can accumulate a sizeable fund that will assure a pension sufficient for themselves and their families at death, disability or retirement.

But that is not the case with our pastors and missionaries who are over age 50. During these past 15 years as we built and expanded our program, none of these men and women have accumulated sufficient funds for an adequate pension. The most urgent issue facing us now is that in just a few short years, these brothers and sisters will reach retirement age. If they are to have a reasonable provision in old age, we must "go the second mile."

Churches and schools as well as national and state agencies and ministries should increase contributions, even double contributions, for those who are in or past their 50's.

God instructs us to care for our brothers and sisters who serve. Now is the time for us to act. We must not wait until the problem is upon us.

Adequate insurance coverage continues to be a vital need for our ministers. Through our insurance program a total of \$35,000 in life insurance is now available for pastors and missionaries. Varying amounts ranging from \$5,000 to \$35,000 are available for other church employees. At present a total of seven million three hundred ninety thousand dollars of life insurance is in force providing protection for ministers, church and denominational employees, and their families at very good rates. For example, a pastor can have \$200,000 travel protection for \$60.00 a year. For an additional small premium his wife and/or children may be covered. Your church as well as your pastor and his family need this protection.

The most essential insurance need of the pastor's family continues to be hospitalization. Because of the economy and high medical costs, it remains the most difficult to provide. We are pleased with our present hospitalization and major medical program. We are monitoring carefully the service the company is giving.

We thank you for your gifts to our ministry. In behalf of our church and denominational employees, ministers and missionaries, we thank you for your care and support these past fifteen years.

BOARD OF RETIREMENT 1985 PROPOSED BUDGET

Department share of Insurance Premiums \$ 1,000
Salaries \$52,564

Housing Allowance	\$22,800
Employee Benefits	\$15,500
Office Expenses & Supplies	\$33,000
Travel & Promotion	\$20,000
Legal & Auditing	\$ 3,000
ALERT Ministries	\$ 3,500
Equipment & Maintenance	\$ 2,500
Board Travel	\$ 6,500
Miscellaneous	\$ 2,000
Insurance	\$ 1,250
TOTAL	\$163,614

1985 PROPOSED STATE QUOTAS

STATE	TOTAL 1983	1985 Quota
Alabama	\$ 1,916.92	\$ 3,500
Arkansas	3,847.48	4,500
California	1,434.69	2,000
Florida	2,044.96	2,500
Georgia	976.19	2,500
Idaho	62.92	100
Iowa	6.70	100
Illinois	1,830.25	2,200
Indiana	46.62	150
Kansas	308.42	500
Kentucky	526.60	1,200
Maryland	247.60	1,000
Michigan	557.05	1,000
Mississippi	831.50	1,500
N.E. Association	825.00	1,000
Missouri	6,115.28	6,500
North Carolina	3,216.52	4,500
Ohio	1,479.08	2,500
South Carolina	35.00	1,200
Oklahoma	9,480.04	10,000
Tennessee	2,672.08	3,500
Texas	711.29	1,500
Virginia	164.58	1,000
West Virginia	351.16	1,000
Arizona	66.38	200
New Mexico	21.49	100
Hawaii	24.15	50
TOTAL	\$39,799.95	\$55,800

**BOARD OF RETIREMENT AND INSURANCE OF
THE NATIONAL ASSOCIATION OF FREE WILL BAPTISTS
BALANCE SHEET**

DECEMBER 31

	1983	1982
<u>ASSETS</u>		
<u>OPERATING FUND</u>		
Cash—checking	\$ 7,445.30	\$ 4,119.00
—savings	1,713.32	2,029.73
Trust—Board of Retirement Fund	42,676.26	39,080.31
	<u>\$ 51,834.88</u>	<u>\$ 45,229.04</u>
<u>RETIREMENT FUND</u>		
Cash	\$ 149,496.27	\$ 34,125.30
Church bonds, par value	707,450.00	935,700.00
Notes receivable	2,230,117.81	1,668,259.39
Interest receivable	35,342.62	34,403.91
	<u>\$3,122,406.70</u>	<u>\$2,672,488.60</u>
<u>PROPERTY FUND</u>		
Office furniture and fixtures	\$ 16,735.77	\$ 13,004.37
Automobiles	9,950.00	9,950.00
	<u>\$ 26,685.77</u>	<u>\$ 22,954.37</u>
<u>INSURANCE FUND</u>		
Cash	\$ 13,655.21	\$
	<u>\$ 13,655.21</u>	<u>\$</u>

**BOARD OF RETIREMENT AND INSURANCE OF
THE NATIONAL ASSOCIATION OF FREE WILL BAPTISTS
CONSOLIDATED BALANCE SHEET
DECEMBER 31, 1983 AND 1982**

	OPERATING FUND	RETIREMENT FUND	PROPERTY FUND	INSURANCE FUND	DEPARTMENT TOTALS 1983	DEPARTMENT TOTALS 1982
<u>ASSETS</u>						
Cash	\$ 9,158.62	\$ 149,496.27	\$	\$13,655.21	\$ 172,310.10	\$ 40,274.03
Trust Board of retirement and insurance	42,676.26					
Church bonds, par value		707,450.00			707,450.00	935,700.00
Notes receivable		2,230,117.81			2,230,117.81	1,668,259.39
Interest receivable		35,342.62			35,342.62	34,403.91
Office furniture and fixtures			16,735.77		16,735.77	13,004.37
Automobiles			9,950.00		9,950.00	9,950.00
Total assets	<u>\$51,834.88</u>	<u>\$3,122,406.70</u>	<u>\$25,685.77</u>	<u>\$13,655.21</u>	<u>\$3,171,906.30</u>	<u>\$2,701,591.70</u>
<u>LIABILITIES AND FUND BALANCE</u>						
Contingency reserve		\$ 25,233.80	\$	\$	\$ 25,233.80	\$ 15,233.80
Reserve trust		131,726.48			131,726.48	72,152.74
Accounts payable	1,725.32	3,229.60		13,132.55	18,087.47	2,185.18
Notes payable		61,000.00			61,000.00	61,000.00
Accrued payroll taxes	350.44				350.44	727.86
Unearned interest income						1,297.26
Deposit on bond sales		182,753.29			182,753.29	332,471.92
Unallocated income					(1,297.26)	
Total liabilities	<u>2,075.76</u>	<u>403,943.17</u>		<u>13,132.55</u>	<u>419,151.48</u>	<u>483,771.50</u>
Participants accounts						1,949,172.56
Trust funds		2,349,085.11			2,349,085.11	203,143.77
Investment in fixed assets		369,378.42	26,685.77		26,685.77	22,954.37
Fund balance	49,759.12		\$26,685.77		50,281.78	42,549.50
Total liabilities and fund balance	<u>\$51,834.88</u>	<u>\$3,122,406.70</u>	<u>\$26,685.77</u>	<u>\$13,655.21</u>	<u>\$3,171,906.30</u>	<u>\$2,701,591.70</u>

The Trust in the Operating Fund of \$42,676.26 held by the Retirement Fund is eliminated in the department totals.

**STATEMENT OF REVENUES, EXPENSES AND FUND BALANCE
FOR THE YEARS ENDED DECEMBER 31**

	<u>DECEMBER 31</u>	
	<u>1983</u>	<u>1982</u>
<u>LIABILITIES AND FUND BALANCE</u>		
<u>OPERATING FUND</u>		
Due to insurance companies	\$ 1,725.32	\$ 1,951.68
Accrued payroll taxes	350.44	727.86
	2,075.76	2,679.54
Fund balance	49,759.12	42,549.50
	<u>\$ 51,834.88</u>	<u>\$ 45,229.04</u>
<u>RETIREMENT FUND</u>		
Notes payable	\$ 61,000.00	\$ 61,000.00
Accounts payable	3,229.60	233.50
Unearned interest income		1,297.26
Deposits on bond sales	182,753.29	332,471.92
Unallocated income		(1,297.26)
Reserves:		
Contingencies	25,233.80	15,233.80
Reserve trust	131,726.48	72,152.74
	<u>403,943.17</u>	<u>481,091.96</u>
Fund balance:		
Participants	2,349,085.11	1,949,172.56
Trust funds	369,378.42	242,224.08
	<u>2,718,463.53</u>	<u>2,191,396.64</u>
	<u>\$3,122,406.70</u>	<u>\$2,672,488.60</u>
<u>PROPERTY FUND</u>		
Investment in fixed assets	\$ 26,685.77	\$ 22,954.37
	<u>\$ 26,685.77</u>	<u>\$ 22,954.37</u>
<u>INSURANCE FUND</u>		
Premiums payable	\$ 13,102.55	\$
Enrollment fees payable	30.00	
	13,132.55	
Fund balance	522.66	
	<u>\$ 13,655.21</u>	<u>\$</u>

	<u>1983</u>	<u>1982</u>
<u>OPERATING FUND</u>		
<u>REVENUES</u>		
Gifts:		
Cooperative plan of support	\$ 30,179.03	\$ 34,137.45
Other state gifts	9,647.34	10,497.15
Total gifts	39,826.37	44,634.60
Miscellaneous income		600.00
Enrollment and service fees	94,800.00	69,700.00
Insurance and administrative fees	10,560.62	10,659.90
Interest income	3,840.19	3,510.71
Total revenue	<u>149,027.18</u>	<u>129,105.21</u>
<u>EXPENSES</u>		
Department's share of insurance premiums:		
Premiums paid	1,757.87	2,598.45
Less premiums collected	1,155.57	1,375.36
Net cost	602.30	1,223.09
Fiduciary insurance expense	1,215.00	
Salaries	40,968.45	43,554.38
Housing allowance	18,525.00	11,400.00
Social security, retirement and insurance	13,833.90	12,218.80
Office expense and supplies	36,201.93	33,857.17
Travel and promotion	15,882.65	17,441.60
Legal and audit fees	2,400.00	1,739.30
Ministry to senior adults	2,687.61	1,148.97
Equipment and maintenance	3,931.17	497.50
Board expense	3,520.39	2,987.10
Miscellaneous	2,039.58	933.54
Interest	9.58	
Total expenditures	<u>141,817.56</u>	<u>127,001.45</u>
Excess of revenue over expenditures	<u>7,209.62</u>	<u>2,103.76</u>
<u>FUND BALANCE</u>		
Beginning	42,549.50	40,445.74
Ending	<u>\$ 49,759.12</u>	<u>\$ 42,549.50</u>

**STATEMENT OF REVENUES, EXPENSES, AND FUND BALANCE
FOR THE YEARS ENDED DECEMBER 31**

	<u>1983</u>	<u>1982</u>
RETIREMENT FUND		
REVENUES		
Contributions:		
Participants	\$ 282,643.52	\$ 265,664.87
Trusts	155,234.17	78,272.87
Interest income	345,755.60	275,932.04
Bond discount		100.00
Late charges	11,663.05	14,911.76
Forfeitures and service fees	30,471.58	27,662.91
	<u>826,767.92</u>	<u>662,544.45</u>
EXPENSES		
Funds withdrawn:		
Insurance	19,106.10	26,943.31
Participants	29,537.35	33,669.30
Retired pastors	23,755.70	7,532.17
Death benefits		84,784.44
Trust funds	52,272.53	1,480.84
Forfeitures	2,465.61	69,700.00
Service fees to operating fund	94,800.00	3,658.20
Interest expense	8,190.00	82,152.74
Transfers to reserves	69,573.74	(1,297.26)
Transfer to unallocated income		
Total deductions	<u>299,701.03</u>	<u>308,623.74</u>
Excess revenues over expenses	527,066.89	353,920.71
FUND BALANCE		
Beginning	2,191,396.64	1,837,475.93
Ending	<u>\$2,718,463.53</u>	<u>\$2,191,396.64</u>

**STATEMENT OF REVENUES, EXPENSES AND FUND BALANCE
FOR THE YEARS ENDED DECEMBER 31**

	<u>1983</u>	<u>1982</u>
PROPERTY FUND		
REVENUES		
Property purchased by the operating fund	\$ 3,731.40	\$ 497.50
EXPENSES		
Disposals by the operating fund		(4,448.88)
Excess revenues over (expenses)	3,731.40	(3,951.38)

FUND BALANCE

Beginning	22,954.37	26,905.75
Ending	<u>\$26,685.77</u>	<u>\$22,954.37</u>

INSURANCE FUND

REVENUES		
Service fees	\$ 4,348.37	\$
Interest	174.29	
	<u>4,522.66</u>	
EXPENSES		
Service fees paid to operating fund	4,000.00	
Excess revenues over expenses	<u>522.66</u>	

FUND BALANCE

Beginning		
Ending	<u>\$ 522.66</u>	\$

SUMMARY OF ACCOUNTING POLICIES

The following is a summary of the Board's major accounting policies which have been consistently applied and are presented in order to assist in evaluating the Board's financial statements and other data contained in this report.

BASIS OF ACCOUNTING

The Board generally uses the accrual basis of accounting.
The Board also uses fund accounting which accounts for assets, liabilities, income and expense by specific purposes.

CAPITALIZATION POLICIES

Purchase of capital items are expensed in the Operating Fund. Major items are recorded in the Property Fund as an increase in the fund balance. When an item is retired, its cost is removed from the assets and the fund balance. No depreciation is computed on the properties.

MARKETABLE SECURITIES

Marketable securities are carried at par or face value. The discount or premiums is taken into income at the time of purchase.

REPORT OF THE FREE WILL BAPTIST FOUNDATION

The Free Will Baptist Foundation has a two-fold purpose: (1) to help Free Will Baptists better fulfill their stewardship obligations and (2) to accomplish together as a denomination what we cannot individually for a continuing support of the Lord's work.

At the recent meeting of the Foundation trustees, I pointed out three imperative principles which must guide the work of the Foundation ministry. Let me share them with you.

1. The Foundation must remain neutral in regards to the agencies named in any trust. We must give the donor what he/she wants—we must honor the donor's wishes.
2. There must be absolute confidentiality and anonymity in all transactions.
3. The Foundation must act only as an auxiliary servant to all agencies of the denomination.

As of this date seven different trusts have been established and are now being administered by the Foundation. The Foundation Operating Fund, Foreign Missions Department, National Cooperative Plan, Tennessee Children's Home, Hillsdale College and two local churches are the beneficiaries.

During the year, 40 acres of land in Colorado were donated. Income from this gift is designated by the donor for the National Cooperative Plan endowment trust.

We have recruited a number of volunteers to serve as area representatives. They are available to help you with your financial planning. Feel free to call on them.

Francis Boyle, 569 Santa Barbara St., Santa Paula, CA 93060, 805-525-9619
 Jack Forlines, 15077 Blackburn Rd., Lot 6, Woodbridge, VA 22191, 703-494-0069
 Raymond Lee, 9610 Colleen, Houston, Texas 77080, 713-460-5258
 N. R. Smith, Hillsdale FWB College, P.O. Box 7208, Moore, OK 73153, 405-794-6661
 Ernest Harrison, 911 W. Corporation, Henryetta, OK 74437, 918-652-7801
 Clarence Burton, P.O. Box 991, Lebanon, MO 65536, 417-588-1521
 Millard Sasser, 11828 Archerton Dr., Bridgeton, MO 63044, 314-739-6056
 Carl Sullivan, 504 Richmond St., Huntington, WV 25702, 304-523-4417

The Foundation is "building a bridge to greater stewardship." Greater stewardship will pave the way for us to reach our real potential in service to the Lord. Together we can build a base of giving that will assure a continuing support of Free Will Baptist ministries throughout the world.

PROPOSED BUDGET—1985

Legal/Auditing	\$ 500
Office Expense	3,000
Training/Education	2,500
Travel/Promtion	3,500
Salaries/Honorariums	3,000
Debt Retirement/Interest	2,500
	<u>\$15,000</u>

FREE WILL BAPTIST FOUNDATION, INC. BALANCE SHEET

DECEMBER 31

	1983	1982
ASSETS		
Cash	\$ 455.20	\$ 216.58
Investment trust	12,218.20	2,546.60
Earnings receivable		34.05
	<u>\$12,673.40</u>	<u>\$ 2,797.23</u>
LIABILITIES AND FUND BALANCE		
Notes payable (note 2)	\$11,200.00	\$14,800.00
Endowment funds	12,218.20	2,721.60
Unallocated income		(22.76)
Payroll taxes payable	160.80	
	<u>23,579.00</u>	<u>17,498.84</u>
Fund balance	(10,905.60)	(14,701.61)
	<u>\$12,673.40</u>	<u>\$ 2,797.23</u>

STATEMENT OF REVENUES, EXPENSES AND FUND BALANCE

DECEMBER 31

	1983	1982
REVENUES COLLECTED		
Service fees income	\$ 49.88	\$
Endowment income	36.57	369.37
Gifts		2.21
Coop plan of support	10,999.78	
	<u>11,086.23</u>	<u>371.58</u>
EXPENSES PAID		
Social Security and retirement	140.40	1,609.71
Travel and promotion	2,923.82	1,278.64
Office expense	683.16	300.00
Legal and auditing	210.00	1,660.46
Interest expense	2,102.92	150.00
Salaries	1,200.00	
Miscellaneous	29.92	
	<u>7,290.22</u>	<u>4,998.81</u>

Excess revenue over expenses	3,796.01	(4,627.23)
Fund balance, beginning	(14,701.61)	(10,074.38)
Fund balance, ending	<u>(\$10,905.60)</u>	<u>(\$14,701.61)</u>

The accompanying notes are an integral part of this statement.

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 1983

NOTE 1—ORGANIZATION

The Free Will Baptist Foundation, Inc., was incorporated under the laws of the State of Tennessee on September 19, 1980 as a non-profit organization. It serves as a branch of the National Association of Free Will Baptists. It is expected to be exempt from income taxes under the exempt status of the National Association of Free Will Baptists.

NOTE 2—NOTES PAYABLE

The Foundation owes the Board of Retirement and Insurance \$11,200.00 for money borrowed from them as of December 31, 1983.

MASTER'S MEN REPORT

The Master's Men Department has experienced a year of change and growth. Your prayers and support have been appreciated during the past year. A new job always requires a period of adjustment. I thank you for your patience and confidence during my adjustment to this National work.

THANKS

The Master's Men Board and General Director give thanks for all that has been accomplished. Master's Men grew to 252 chapters at the end of 1983, involving 2,568 men. That is the largest number of chapters in any year for which we have records. Work was shared by 19 State Senators. One new state group was organized last October in Kentucky.

During my first 39 weeks in office, we welcomed 38 new chapters. The thanks go to men across our denomination who have shown confidence in the work of Master's Men Department.

ACCOMPLISHMENTS

Through 1983 and the spring of 1984 men have been involved in several activities and projects of note:

Master's Men have been working to raise \$8,000 to build the Metcalf Memorial Dormitory in Brazil. At the time this report is written, over \$5,000 have been given. The 52 bed dormitory will be used by our missionaries to reach more souls. The building it replaces is unusable. The dormitory will honor the desire of John and Kay Metcalf to minister in South America.

Two Tennessee laymen were "Volunteers" for three weeks of labor to begin the construction of the Metcalf Memorial Dormitory. Mr. Carroll Poole and Mr. Don Wilbanks labored hard while in Brazil. They were able to raise the block walls to roof-line height. Considerable work remained to be accomplished by workers in that country.

Through Project Toolshed funds, Master's Men have purchased a \$900 memory typewriter for use in language translation in Ivory Coast, Africa. Mike and Deleen Cousineau took the typewriter with them June 3rd when they returned for their second tour of service.

The Sixth National Master's Men Conference ministered to 177 men from 18 states. The conference theme was "Looking For A Man". Conference Director Bill Ezell stated, "The conference was the most spirited and spiritual in the past three or four years." He was presented with a plaque for four years of conference leadership. Good weather, good food, good fellowship, good workshops, good leadership; these things created a memorable gathering. Next year, the men will again invade the Buffalo River valley at Camp Linden in Tennessee April 25-27.

FINANCES

Master's Men Department thanks the denomination for \$24,362.06 in 1983 from the Cooperative Giving. That amount was nearly half our spendable income. Without those gifts, the department couldn't have functioned all year. In the past this department has always endured financial difficulties. With the funds from Co-op, our work can go forward. Cooperative giving makes possible the support of the entire denominational effort by every Free Will Baptist.

Master's Men Department had a fund deficit of \$14,211 on January 1, 1983. The fund deficit was reduced to \$8,064 by December 31, 1983. The only outstanding debt now is a bank note which will be retired in 1985. We are paying current billings because of the faithful giving of our people.

The expenses of this National Convention are over \$4,000 less because Master's Men are ushers and security guards. A minimum number of hired security men were necessary this year. Mr. Charles Denman labors to make this work go smoothly. Master's Men are on the job.

FUTURE

A "DECADE OF DISCIPLESHIP" begins with January 1985. The meaning of discipleship will be taught in our study materials. Men will be urged to live as a disciple. Our churches will be stronger through this study.

It is a thrill to be involved in the work of Master's Men. Free Will Baptist churches across America are reaping the benefits of Master's Men chapters. Your church can share the blessings. Every man should be a Master's Man. Come on along as we follow the Master.

Thank you for your prayer and financial support.

In His service and your service,
Jim Vallance
General Director

PROPOSED BUDGET 1985

INCOME

Gifts	\$ 9,121.00
Dues	20,000.00
Master's Men Day Offering	5,000.00
Sales	2,000.00
Cooperative Giving	30,000.00
Travel	2,000.00
Master's Men Conference	11,000.00
Director's Club	2,500.00
Interest Income	200.00
Master's Men Breakfast	2,000.00
TOTAL	\$83,821.00

EXPENSES

Honorarium	\$ 200.00
Audit	1,000.00
Convention Expense	2,200.00
Booth, Travel	200.00
Master's Men Breakfast	2,000.00
Master's Men Conference	9,000.00
Cost of Sales	2,000.00
Equipment Maintenance	1,000.00
Promotion	2,000.00
Postage	4,000.00
Printing	8,000.00
Office Supplies	2,500.00
Office Equipment	3,020.00
Telephone	2,000.00
Travel	9,000.00
Director	\$6,000.00
Board	3,000.00
Salaries	26,801.00
Insurance	2,361.00
Director	2,161.00
Office	200.00
Payroll Taxes	2,500.00
Bank Note	3,000.00
Randall House Publishing	2,200.00
Miscellaneous	1,000.00
TOTAL	\$83,821.00

THE MASTER'S MEN, A DEPARTMENT OF THE NATIONAL ASSOCIATION OF FREE WILL BAPTISTS

BALANCE SHEET December 31, 1983

ASSETS	1983	1982
CURRENT ASSETS		
Cash	\$2,892	\$ 572
Deposits	50	50
Accounts receivable, net of allowance for doubtful accounts of \$229 and \$400 for 1983 and 1982, respectively		1,007
Inventories	1,306	775
Total Current Assets	4,248	2,474
PROPERTY AND EQUIPMENT, net (Note 2)	3,655	4,562
Total Assets	\$7,903	\$7,036

LIABILITIES AND FUND BALANCE

CURRENT LIABILITIES

Accounts payable	\$3,588	\$4,839
Deferred revenue (Note 3)	3,257	3,840
Notes payable (Note 4)	3,822	3,764
Total current liabilities	\$10,667	\$12,443

LONG-TERM DEBT (Note 4)

Total liabilities	2,515	6,358
	\$13,182	\$18,801

FUND BALANCE (DEFICIT) (Note 5)

Unrestricted	\$(8,064)	\$(14,211)
Restricted	2,785	2,446
Total fund balance (deficit)	\$(5,279)	\$(11,765)
Total liabilities and fund balance	\$ 7,903	\$ 7,036

The accompanying notes are an integral part of the financial statements.

STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE

Years ended December 31

	1983			1982
	Unrestricted	Restricted	Total	Total
REVENUES				
Dues from members	\$ 16,250	\$	\$ 16,250	\$ 15,683
Gifts and other income	20,172	3,111	23,283	21,267
Cooperative program	24,362		24,362	16,739
Merchandise sales	1,827		1,827	2,263
	\$ 62,611	\$ 3,111	\$ 65,722	\$ 55,952
EXPENDITURES				
Cost of merchandise sales and printing	\$ 6,916	\$	\$ 6,916	\$ 7,025
Salaries	24,068		24,068	24,319
Conventions, travel and lodging	12,148	1,514	13,662	12,738
Office expense	4,808		4,808	4,724
Postage	2,820		2,820	2,508
Payroll taxes	1,613		1,613	1,800
Promotion	1,524		1,524	962
Honorariums	100		100	160
Accounting fees	1,000		1,000	750
Bookkeeping	620		620	1,530
Depreciation	1,056		1,056	1,048
Provision for doubtful acct.	(171)		(171)	200
Project Book Shelf				130
Project Tool Shed		60	60	
Interest expense		1,160	1,160	1,241
	\$ 56,502	\$ 2,734	\$ 59,236	\$ 59,135

EXCESS REVENUES OVER (UNDER) EXPENDITURES	\$ 6,109	\$ 377	\$ 6,486	\$(3,183)
TRANSFERS-DEBT SERVICE	38	(38)		
NET INCREASE (DECREASE) IN FUND BALANCE	\$ 6,147	\$ 339	\$ 6,486	\$(3,183)
FUND BALANCE (DEFICIT) AT JANUARY 1, 1983	(14,211)	2,446	(11,765)	(8,582)
FUND BALANCE (DEFICIT) AT DECEMBER 31, 1983	\$(8,064)	\$ 2,785	\$(5,279)	\$(11,765)

The accompanying notes are an integral part of the financial statements.

STATEMENT OF CHANGES IN FINANCIAL POSITION

Years Ended December 31

WORKING CAPITAL PROVIDED	1983	1982
Excess revenues over (under) expenditures	\$ 6,486	\$(3,183)
Items not affecting working capital		
Depreciation	1,056	1,048
Working capital provided by (used for)		
operations	\$ 7,542	\$(2,135)
Proceeds from long-term debt		9,146
	\$ 7,542	\$ 7,011

WORKING CAPITAL APPLIED

Additions to property and equipment	\$ 149	\$ 1,100
Reduction of long-term debt	3,843	4,558
	\$ 3,992	\$ 5,658
INCREASE IN WORKING CAPITAL	\$ 3,550	\$ 1,353

ANALYSIS OF CHANGES IN WORKING CAPITAL

Increase (decrease) in current assets		
Cash	\$ 2,320	\$(1,918)
Accounts receivable	(1,077)	304
Inventories	531	(137)
Decrease (increase) in current liabilities		
Accounts payable	1,251	(1,719)
Deferred revenue	583	257
Accrued payroll taxes		304
Notes payable	(58)	4,262
	\$ 3,550	\$ 1,353

The accompanying notes are an integral part of the financial statements.

NOTES TO FINANCIAL STATEMENTS
December 31, 1983

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Following is a summary of the significant accounting policies of the Master's Men, a Department of the National Association of Free Will Baptists, hereafter referred to as the Department.

GOVERNMENT—The Department operates under the auspices of the National Association of Free Will Baptists and is governed by a Board of Directors.

RECEIVABLES AND ALLOWANCE FOR DOUBTFUL ACCOUNTS—Accounts receivable are presented in the financial statements at the amount deemed collectible by management. Any provision for doubtful accounts is recognized using the allowance method.

INVENTORIES—Inventories are stated at the lower of cost or market, with cost being determined by use of the first-in, first-out method.

PROPERTY AND EQUIPMENT AND DEPRECIATION—Property and equipment are presented in the financial statements at cost and are depreciated by the straight-line method over the estimated useful lives of the assets of 3-10 years.

INCOME TAXES—The Department is exempt from Federal and state income taxes; accordingly, no provision for income taxes is made in the financial statements.

NOTE 2—PROPERTY AND EQUIPMENT

The following is a summary of property and equipment owned by the Department at December 31,:

	1983	1982
Equipment and furniture	\$6,655	\$6,506
Motorhome	1,000	1,000
	<u>\$7,655</u>	<u>\$7,506</u>
Less accumulated depreciation	4,000	2,944
Property and equipment, net	<u>\$3,655</u>	<u>\$4,562</u>

NOTE 3—DEFERRED REVENUE

Deferred revenue consists of dues received for future years as of December 31, 1983 and 1982.

NOTE 4—NOTES PAYABLE

The Department's notes payable are summarized as follows as of December 31,:

Note payable to First American Bank, Nashville, TN; interest at 2% above the Bank's index rate; dated 9/5/82; payable at \$300 monthly thru 9/5/85; unsecured	\$5,663	\$ 8,352
Note payable to IBM; interest at 17.5% dated 7/1/80; payable at \$111 monthly thru 7/1/84; secured by equipment with a basis of \$2,438 and \$2,819 as of December 31, 1983 and 1982, respectively	674	1,770
	<u>\$6,337</u>	<u>\$10,122</u>
Less current position	3,822	3,764
Long-term debt	<u>\$2,515</u>	<u>\$ 6,358</u>

NOTE 5—RESTRICTED FUND BALANCE

The restricted fund balance is receipts designated for specific projects and consists of the following at December 31,:

	1983	1982
Project Book Shelf	\$ 152	\$ 125
Project Tool Shed	2,791	2,604
Project Equipment and Furniture	(283)	(283)
Project Brazil	125	
	<u>\$ 2,785</u>	<u>\$ 2,446</u>

FOREIGN MISSIONS BOARD REPORT

A record number of missionaries—eight couples and two singles—were appointed to missionary service in 1983: Rick and Linda Bowling (Uruguay); Stan and Brenda Bunch (Panama); Mark and Donna Daniel (Ivory Coast); Dave and Sharon Filkins (Ivory Coast); John and Kay Metcalf (Brazil); Lynn Midgett (Spain); Darrel and Lila Nichols (Ivory Coast); Steve and Becky Riggs (France); Dawn Sweeney (France); and Dennis and Carol Teague (France).

We regret the tragic loss of one of these couples as John and Kay Metcalf, an outstanding young couple, were killed in an automobile accident this past February. While we do not understand it, we know God "doeth all things well." We must praise Him for the millions of miles our missionary family has traveled with no previous fatalities and very few injuries.

Earl Larson joined the home staff as treasurer/administrative assistant and has already proven to be a tremendous asset to the foreign missions team.

Sixteen student missionaries served during the summer, and Tim and Deanna Thompson were appointed for a nine-month term in France. Marilyn Pritchard went to Ivory Coast to assist the Clint Morgans for a year.

Three couples resigned during the year: Dock and Norma Caton, Joe and Barbara Haas and Jerry and Janice Webb.

These missionaries began language study during the year: Ken and Judy Bailey (Japan) and Cathy Crawford (France).

Every field reports that hearts and lives are being transformed by the power of the gospel:

BRAZIL—Missionaries Dave Franks and Ken and Marvis Eagleton celebrated their 25th year of ministry in Brazil during 1983. On one occasion last year Franks reported baptizing 17 converts. Eagleton welcomed his son Terry to assist him in the ministry and inaugurated a Bible institute program in the Araras church. The Bible institute in Ribeirao Preto graduated its first four-year student, Antonio Silva, and Bobby Poole announced 24 students had enrolled for the new year beginning in March. Much of the new church building at Conselheiro Lafaiete was completed during the year and the United States Master's Men accepted the challenge last spring to build a new boys' dormitory at the camp property in Jaboticabal. Two men, Carroll Poole and Don Wilbanks both of Tennessee, went to Brazil in March of this year and laid the blocks for the building. The work in Uberlandia continues to flourish with several young men called to preach, and a vibrant witness is being given to the community. This all emphasizes the great need for a unified Bible institute program in Brazil to train national pastors.

FRANCE—John and Pansy Murray returned from furlough to resume their ministry in Nantes in April. A massive literature distribution effort was made in all the areas during much of 1983, and while the number of converts was not large, several were baptized. In April, Reverend and Mrs. Alton Loveless of Columbus, Ohio, ministered to missionaries from France and Spain during a retreat. Before coming home for furlough in September, Tom McCullough baptized two teenage girls, his first baptisms in France.

INDIA—Miss Laura Belle Barnard, pioneer missionary to India visited that field for the first time since she returned home in 1960. She has authored a book on her life and the India work and it is scheduled to be released by July, 1985. Following a visit to South India, Carlisle Hanna reported that three of our churches were doing well. The Immanuel church in Kotagiri was without a pastor. He spoke at the opening of the two Free Will Baptist schools. The North India work has at least 20 regular worship

centers. Ten are organized churches. Nine ordained and two licensed preachers minister at these and many other preaching points. They have retreats, conferences, regular Bible classes, outreach programs, etc. We were sorrowed that Pastor Dorairaj, the leader of the South India works, died in August.

Ivory Coast—God is marvelously blessing the work throughout the Ivory Coast. Fifteen hundred people attended the evangelistic film services each night of the four-night April campaign in Bouna. More than 50 new converts showed up at church the following Sunday. Attendance on that day was 170 but the building would only hold 125. They have started a new building since Eddie Payne returned to the field. A similar campaign in Tanda during July had many professions of faith but follow-up was not as effective, so the number of genuine conversions is not certain. Some 350 delegates from 24 villages attended the annual church conference in July at Bondoukou. But a sad note was sounded in August as Jean Baptiste, one of the three ordained national preachers, died due to kidney failure. However, the Christian funeral and the testimony of Jean's widow had a profound affect on the area. To top it off, the Christians responded biblically, promising to care for the widow. They have kept their promise.

JAPAN—We are thankful that the Jerry Banks family could return to Japan in December. They had taken an early furlough for medical reasons and were delayed in returning to the field for that reason. Jim and Olena McLain also returned to Sapporo in November after a lengthy furlough. In the greater Toyko area Fred Hersey reported greater involvement by laymen in the church at Iriso. In addition to assisting Ben Abe, pastor of the Higashi Tsukisamu church, Dale Bishop carried on a monthly Bible study for junior high school students of Hokkaido International School. Praise the Lord for two national pastors who assumed leadership of the Bihoro and Abashiri churches. Miss Mirial Gainer, associate missionary, was granted tenure as an associate professor at Hokusei University. While reports were incomplete, missionaries reported at least 13 conversions during the year in Japan, a very difficult field in which to work.

PANAMA—In the absence of the Larry Inscoes who were on furlough, nationals took charge of the work in the Las Tablas area. Conversions and growth were reported during that time. Steve Lytle and a team of ten young people from Panama City were down at Las Tablas for a few days in an effective evangelistic outreach. A building program has been planned for Las Tablas church. Raul Sanes, graduate of Rio Grande Bible Institute in Texas, accepted the pastorate of the First Church in Panama City. The Betania church in Panama City under the leadership of the Steve Lytles experienced a substantial growth during the year. They have outgrown their rented building and hope to buy property soon. Panama reported 118 conversions during the year.

SPAIN—A new work was begun by the Ron Callaways and Dennis Owens early in 1983 in Mostoles, a suburb of Madrid. Response has been encouraging in terms of attendance and conversions. Lonnie and Anita Sparks were home for a short furlough. In their absence, Dennis and Trena Owen were in charge of the Alcala de Henares church. Jeff and Susan Turnbough assisted while attending language study. Spain reported 29 conversions during the year.

URUGUAY—Mario Conceicao became the first Uruguayan to be ordained for the ministry. He is a convert from the first work begun in Uruguay and a graduate of a Bible institute in Montevideo. He pastors the Barrio Recreo church. After holding services in their home in Montevideo for a few months, the Walter Ellisons finally secured a suitable place to rent for their services. It is sowing time in this capital city. Pray for a harvest of souls. Paul and Amy Robinson continue to have a good ministry

in the Rivera church. Molly Barker was home for furlough during the year. The country is in a precarious situation politically and economically. It is said to be the most atheistic country in South America.

Income for 1983 was \$2,413,693—an increase of \$270,175 over 1982. The 1984 budget is \$2,714,688. The proposed budget for 1985 is \$2,895,498.

I am grateful for an efficient and cooperative home staff whose work is so vital in keeping the missionaries on the "front line":

Eugene Waddell, Associate Director; Don Robirds, Director of Communications; Earl Larson, Treasurer/Administrative Assistant; Don and Billie Sexton, Area Representatives; Shirley Lauthern, Secretary to Mr. Smith; Willie Midgett, Secretary to Mr. Waddell; Ruthann Hall, Secretary to Mr. Robirds; Thelma McNew, Bookkeeper; Joyce Walker, Bookkeeper (part-time); and Wallace Hayes, Mail clerk.

On behalf of the staff, the board and the missionaries, I express thanks for the continued prayers and gifts of the many churches and individuals who have a part in foreign missions. The involvement by various state and national denominational agencies and colleges is greatly appreciated. Significant contributions have been made by the Woman's Auxiliary which continues to maintain a strong missions emphasis through offerings, special projects, prayers, missionary programs and the provision closet.

With the world in desperate need of the gospel, let us purpose to do everything God enables us to do in sharing the Word of our Lord with as many as possible in these last days. Christ is Lord. HIS LAST COMMAND should be OUR FIRST CONCERN. Let us dare to obey and trust and we will find out what God can do through Free Will Baptists.

In His Commission,
Rolla Smith, General Director

BOARD OF FOREIGN MISSIONS OF THE NATIONAL ASSOCIATION OF FREE WILL BAPTISTS

Balance Sheet
December 31, 1983

Assets			
	Operating	Plant Fund	Total All Funds
Checking and interest-bearing deposits	\$760,312	6,095	766,407
Investment in bonds, at cost	2,000		2,000
Receivables:			
Interest	3,650		3,650
Contributions	7,000		7,000
Prepaid insurance	1,369		1,369
Equipment at cost, less accumulated depreciation of \$22,346 (note 2)		18,557	18,557
Total assets	<u>\$774,331</u>	<u>24,652</u>	<u>798,983</u>

Liabilities and Fund Balances

Accounts payable and accrued expenses	\$ 9,279		9,279
Restricted deferred revenue (note 3)	707,074	6,095	713,169
Total liabilities	<u>716,353</u>	<u>6,095</u>	<u>722,448</u>
Fund balances (note 6):			
Undesignated	57,978		57,978
Net investment in plant		18,557	18,557
Total fund balances	<u>57,978</u>	<u>18,557</u>	<u>76,535</u>
Total liabilities and fund balances	<u>\$774,331</u>	<u>24,652</u>	<u>798,983</u>

Commitments (note 5)

See accompanying notes to financial statements.

Statement of Support and Revenue, Expenses, Transfers Among Funds and Changes in Fund Balances Year ended December 31, 1983

	Operating		Plant Fund	Total All Funds
	Unrestricted	Restricted		
Support and revenue:				
Contributions (note 1a)	\$ 262,908	1,838,998		2,101,906
Investment income	51,616			51,616
Gain on sale of securities	1,662			1,662
Total support and revenue ...	<u>316,186</u>	<u>1,838,998</u>		<u>2,155,184</u>
Expenses:				
Travel and promotional	135,872			135,872
Administrative	299,911			299,911
Foreign fields		1,781,598		1,781,598
Depreciation			4,225	4,225
Total expenses	<u>435,783</u>	<u>1,781,598</u>	<u>4,225</u>	<u>2,221,606</u>
Excess (deficiency) of support and revenue over expenses	<u>(119,597)</u>	<u>57,400</u>	<u>(4,225)</u>	<u>(66,422)</u>
Fund balances, beginning of year, as restated (note 6)	129,988		15,285	145,273
Transfers among funds:				
To plant funds for acquisitions	(9,813)		9,813	
Plant assets disposed of			(2,316)	(2,316)
Maintenance fees (note 4)	57,400	(57,400)		
Fund balances, end of year	<u>\$ 57,978</u>		<u>18,557</u>	<u>76,535</u>

See accompanying notes to financial statements.

Notes to Financial Statements
December 31, 1983

Board of Foreign Missions is operated under the auspices of the National Association of Free Will Baptists.

(1) Summary of Significant Accounting Policies

The major accounting principles and practices followed by the Board of Foreign Missions of the National Association of Free Will Baptists are presented below to assist the reader in evaluating the financial statements. The financial statements are presented in accordance with standards recommended in *Audits of Certain Nonprofit Organization*, Audit and Accounting Guide (American Institute of Certified Public Accountants).

Fund Accounting

In order to ensure observance of limitations and restrictions placed on the use of resources available to the Board of Foreign Missions, the accounts of the Board are maintained in accordance with the principles of "fund accounting." This is the procedure by which resources for various purposes are classified for accounting and reporting purposes into funds that are in accordance with activities or objectives specified.

The assets, liabilities and fund balances of the Board are reported in self-balancing fund groups as follows:

- (a) Operating Funds—Such funds include unrestricted funds available for support of Board operations and restricted funds for support of missions. Unrestricted funds are reported as revenue in the year received or accrued. Restricted funds are recorded as additions to deferred revenue. Such restricted operating funds are recorded as revenues during the period they are expended.
- (b) Plant Funds—Such funds represent resources restricted for plant acquisitions and funds expended for plant.

Plant Assets and Depreciation

Uses of operating funds for plant acquisitions are accounted for as transfers to plant funds. Depreciation of equipment is provided over the estimated useful lives of the respective assets on a straight-line basis.

Income Taxes

The Board of Foreign Missions is exempt from income taxes; accordingly, no provision for income taxes has been made in the accompanying financial statements.

(2) Plant Funds

A summary of plant fund assets is as follows:

Office furniture and equipment	\$28,712
Cameras and projectors	3,029
Automobile	9,162
Total plant assets	40,903
Less accumulated depreciation	22,346
Net investment in plant	<u>\$18,557</u>

Depreciation expense, computed on the straight-line method amounted to \$4,225.

(3) Changes in Restricted Deferred Revenue (See note 6)

Changes in restricted deferred revenue is as follows:

	Operating Fund	Plant Fund
Balance, beginning of year	\$ 454,660	
Contributions	2,091,412	6,095
Funds available	2,546,072	6,095
Expenses	1,838,998	
Balance, end of year	<u>\$ 707,074</u>	<u>6,095</u>

(4) Maintenance Fees

The Board charges a fee against the foreign field accounts to reimburse the unrestricted operating fund for information service production expenses. These fees are presented as transfers from the restricted operating fund to the unrestricted operating fund.

(5) Pension

The Board participates in the master pension plan of the Board of Retirement and Insurance of the National Association of Free Will Baptists. The plan is contributory. The policy is to fund pension cost accrued. Pension expenses amounted to \$39,415 in 1983. The net assets of such master plan amount to approximately \$3,122,407 as of December 31, 1983, the latest report date. The plan has not been actuarially evaluated; therefore, information as to the amount required to fund actuarially computed prior service costs, and the amounts of actuarial present value of vested and nonvested benefits have been omitted.

(6) Restatements of Beginning Fund Balances

Certain beginning fund balances have been restated to conform to current presentation.

	Operating	
	Unrestricted	Restricted
To conform to presentation, as recommended in audits of certain nonprofit organizations, an Audit and Accounting Guide (American Institute of Certified Public Accountants), for unexpended balances of restricted funds which are considered to be restricted deferred revenues.....	\$	(374,256)
Contributions for restricted purposes which were erroneously recorded as unrestricted revenues in prior periods	(80,404)	
Net increase (decrease)	(80,404)	(374,256)
Fund balances, beginning of year, as reported.....	210,392	374,256
Fund balances, beginning of year, as restated	\$ 129,988	

Schedule 1 *Schedule to Combine Unrestricted Fund Support and Revenue and Additions to Restricted Deferred Revenues*

Year ended December 31, 1983

	Unrestricted Fund	Restricted Fund	Deferred Revenue Plant Fund	Total
Contributions	\$262,908	2,091,412	6,095	2,360,415
Investment income.....	51,616			51,616
Gain on sale of securities	1,662			1,662
	<u>\$316,186</u>	<u>2,091,412</u>	<u>6,095</u>	<u>2,413,693</u>

Schedule 2 *Schedule of Unrestricted Fund and Restricted Fund Expenses*
Year ended December 31, 1983

Unrestricted fund expenses:	
Travel and promotion:	
Audio visual	\$ 5,079
Department auto expense	1,766
Board members expense	10,400
Honorariums	813
Information service production	83,653
Department intinerary expense	33,054

Tracts and books	732
Insurance	280
Walk-a-thon	95
	<u>135,872</u>

Administrative:

Salaries	147,955
Housing and utilities	34,120
Retirement	2,415
Employee hospitalization	17,999
Department postage	32,727
Auditing	1,850
Employee compensation	436
Employee payroll liability	4,829
Office rent	19,102
Telephone	10,430
Maintenance/office equipment	3,245
Office equipment and supplies	19,076
Miscellaneous	5,727
	<u>299,911</u>

Total unrestricted fund expenses 435,783

Restricted fund expenses:

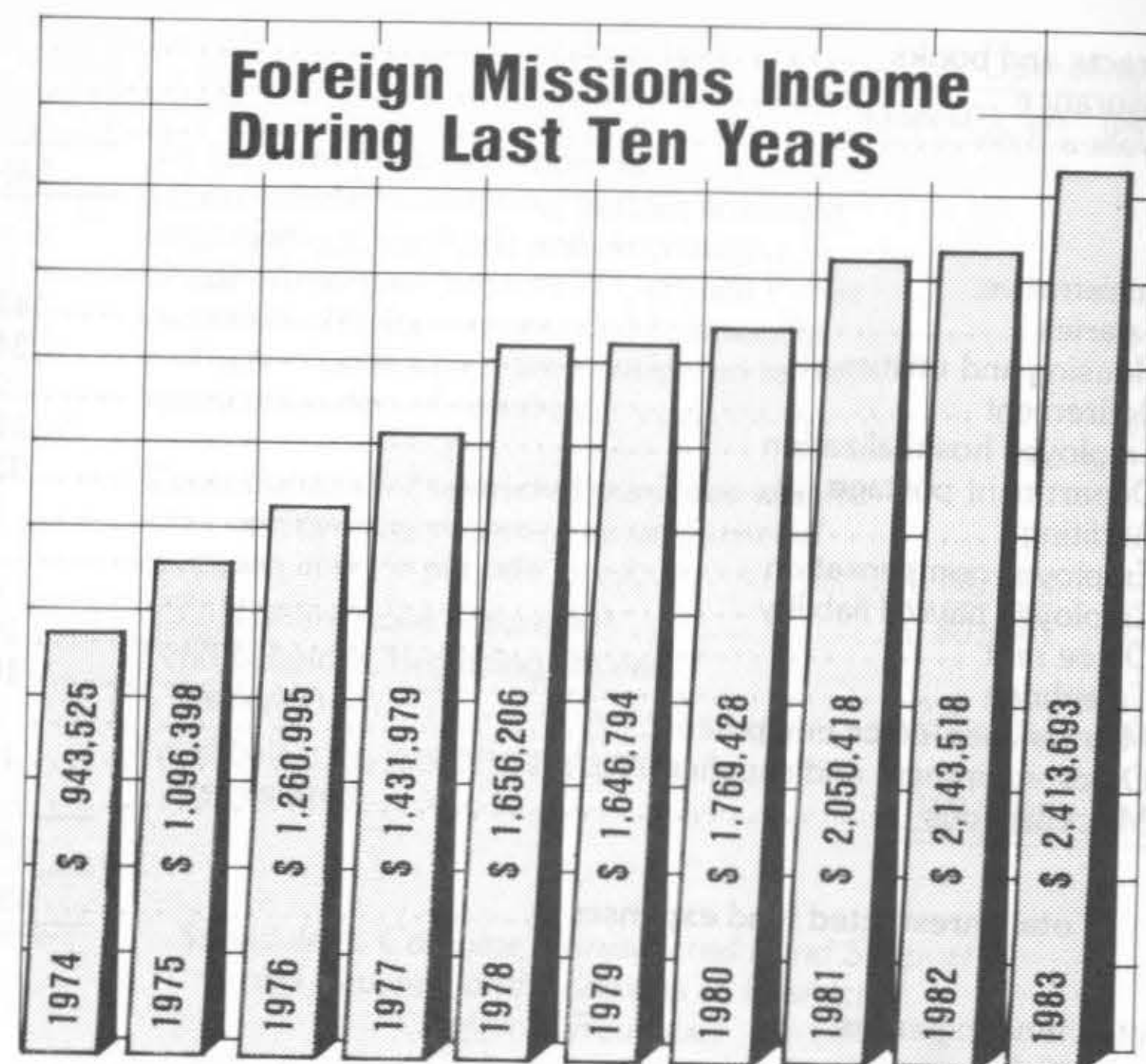
Foreign fields:

Brazil	337,769
France	306,567
India	99,747
Ivory Coast	487,314
Japan	202,482
Panama	86,957
Spain	178,083
Uruguay	92,886
Summer missionaries	44,660
Appointees	1,603
Cassette project	930

Total restricted fund expenses 1,838,998

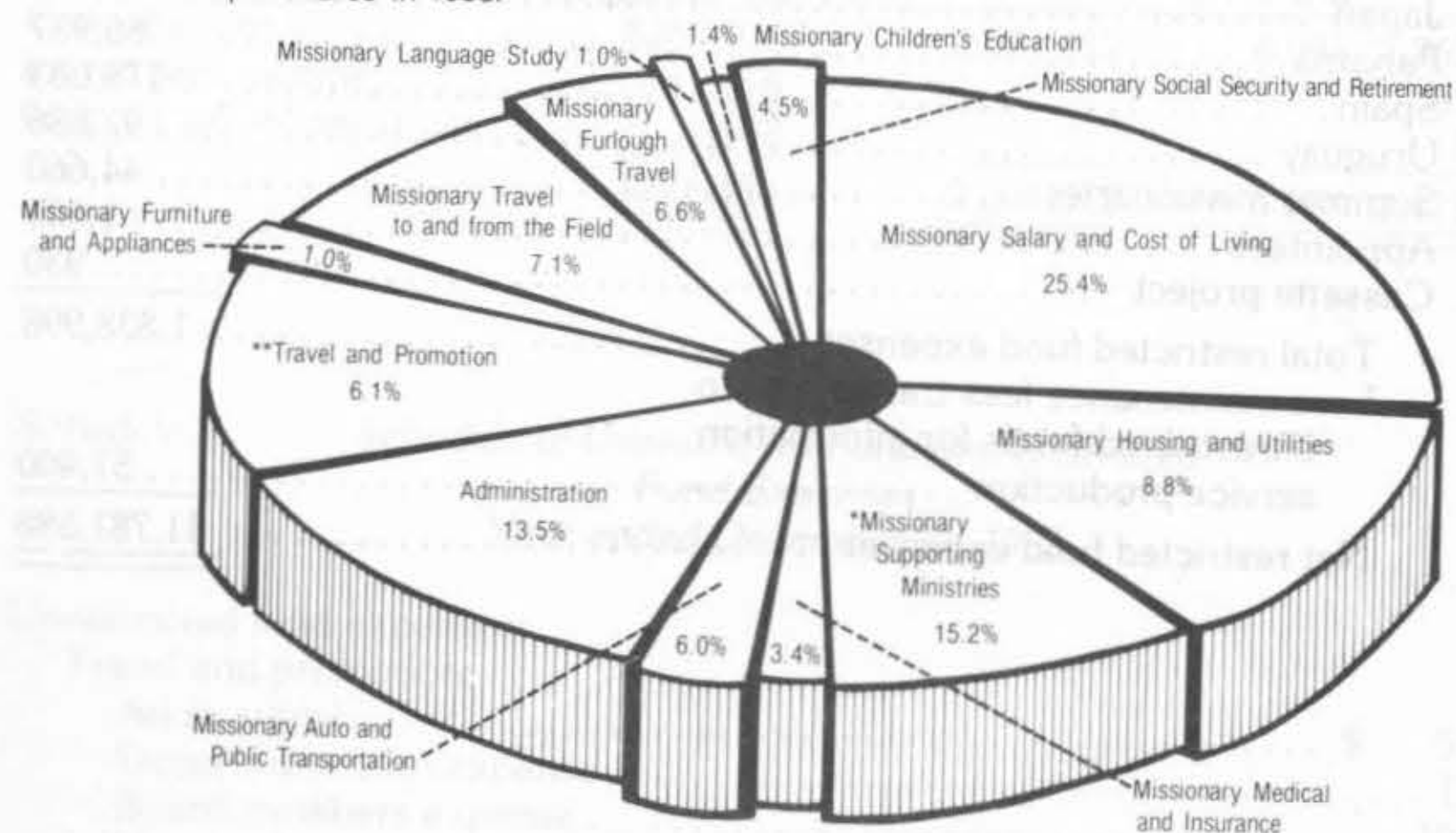
Less maintenance fees transferred to
unrestricted funds for information
service production

Net restricted fund expenses \$1,781,598



Foreign Missions Expenditures for 1983

This graph shows the category percentages of the total designated and undesignated expenditures in 1983.

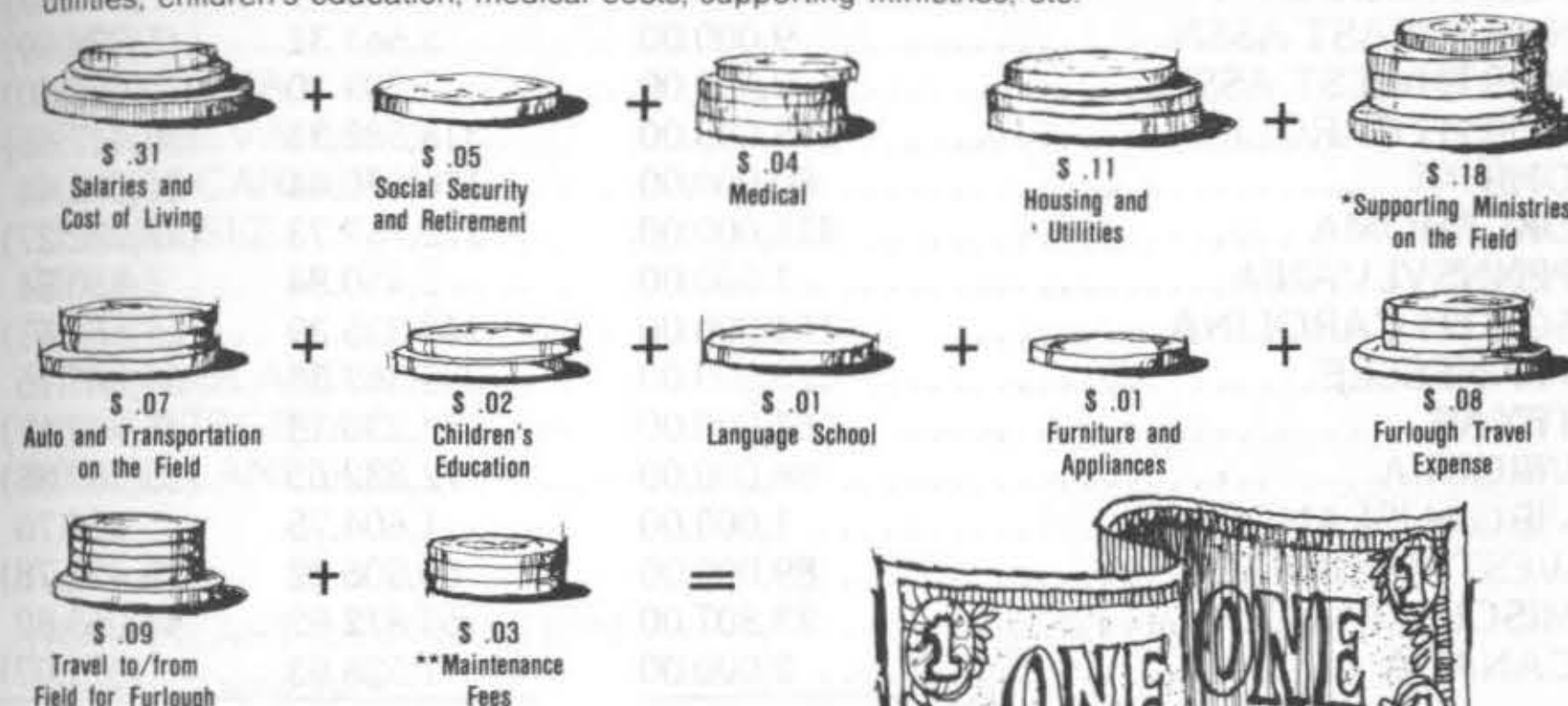


*Supporting Ministries on the field: Literature, radio, cassette ministry, films, etc.

**Travel and Promotion: Department and board personnel travel, promotional literature, Heartbeat magazine, audio-visual materials, informational services, etc.

The Missionary Dollar

This breakdown indicates the way each dollar designated to a missionary is spent. It shows the average of all missionaries although these costs would sometimes vary greatly in such items as housing and utilities, children's education, medical costs, supporting ministries, etc.



*Supporting ministries include literature, radio, films, evangelistic campaigns, etc.

**This is a monthly amount transferred from each missionary account to provide missionaries with individual reports of donors and to help in publishing promotional and informational materials such as Heartbeat magazine.

QUOTA RECEIPTS Year Ended December 31, 1983

	AMOUNT OF QUOTA	AMOUNT OF RECEIPTS	RECEIPTS OVER (UNDER) QUOTA
ALABAMA	\$ 159,000.00	118,506.67	(40,493.33)
ARIZONA	3,000.00	1,548.30	(1,451.70)
ARKANSAS	123,000.00	123,973.25	973.25
CALIFORNIA	60,000.00	34,974.75	(25,025.25)
COLORADO	4,000.00	2,286.55	(1,713.45)
FLORIDA	70,000.00	66,435.91	(3,564.09)
GEORGIA	80,000.00	79,467.39	(532.61)
HAWAII	1,000.00	362.04	(637.96)
IDAHO	1,500.00	502.54	(997.46)
ILLINOIS	83,000.00	67,475.64	(15,524.36)
INDIANA	21,000.00	20,543.28	(456.72)
IOWA	1,000.00	605.08	(394.92)
KANSAS	14,000.00	9,123.03	(4,876.97)
KENTUCKY	66,000.00	65,336.03	(663.97)
LOUISIANA	1,000.00	20.00	(980.00)
MARYLAND	11,000.00	11,766.47	766.47
MICHIGAN	110,000.00	99,308.85	(10,691.15)
MINNESOTA	500.00	10.00	(490.00)

MISSISSIPPI	36,000.00	35,420.49	(579.51)
MISSOURI.....	145,000.00	172,356.94	27,356.94
MONTANA.....	1,000.00	439.32	(560.68)
NEW MEXICO	500.00	156.31	(343.69)
NORTHEAST ASSN.....	9,000.00	3,661.31	(5,338.69)
NORTHWEST ASSN.....	9,500.00	2,703.70	(6,796.30)
NORTH CAROLINA.....	355,000.00	318,582.34	(36,417.66)
OHIO	80,000.00	106,630.44	26,630.44
OKLAHOMA	315,000.00	272,767.73	(42,232.27)
PENNSYLVANIA.....	1,000.00	1,450.84	450.84
SOUTH CAROLINA.....	164,000.00	148,335.39	(15,664.61)
TENNESSEE.....	325,000.00	389,367.16	64,367.16
TEXAS.....	64,000.00	58,230.13	(5,769.87)
VIRGINIA	98,000.00	72,832.65	(25,167.35)
VIRGIN ISLANDS	1,000.00	1,604.75	604.75
WEST VIRGINIA	89,000.00	60,506.22	(28,493.78)
MISCELLANEOUS	23,807.00	64,872.82	41,065.82
CANADA	2,000.00	1,528.93	(471.07)
	<u>\$2,527,807.00</u>	<u>\$2,413,693.25</u>	<u>\$(114,113.75)</u>

BUDGET OF INCOME STATE QUOTAS—1985

STATE	QUOTAS
ALABAMA	\$ 160,000.00
ARIZONA	3,000.00
ARKANSAS	155,000.00
CALIFORNIA	55,000.00
CANADA	3,000.00
COLORADO	3,000.00
FLORIDA	83,000.00
GEORGIA	97,000.00
HAWAII	1,000.00
IDAHO	1,000.00
ILLINOIS	92,000.00
INDIANA	26,000.00
IOWA	750.00
KANSAS	12,000.00
KENTUCKY	82,000.00
LOUISIANA	500.00
MARYLAND	14,500.00
MICHIGAN	125,000.00
MISSISSIPPI	47,000.00
MISSOURI	187,000.00
MONTANA	1,000.00
NEBRASKA	1,000.00
NEW MEXICO	500.00

NORTHEAST ASSOCIATION.....	5,000.00
NORTHWEST ASSOCIATION	4,000.00
NORTH CAROLINA	362,000.00
OHIO.....	110,000.00
OKLAHOMA.....	362,000.00
PENNSYLVANIA	2,000.00
SOUTH CAROLINA	200,000.00
TENNESSEE	395,000.00
TEXAS	75,000.00
VIRGINIA	95,000.00
VIRGIN ISLANDS.....	2,000.00
WEST VIRGINIA.....	80,000.00
MISCELLANEOUS.....	53,248.00
	<u>\$2,895,498.00</u>

NORTHEAST ASSOCIATION

New Hampshire
Vermont
New Jersey
Maine
Connecticut
Washington, D.C.
Massachusetts
New York

NORTHWEST ASSOCIATION

Alaska
Oregon
Washington

1985 Budget of Expense

FOREIGN FIELDS

Africa	797,187.00
Brazil.....	327,774.00
France	398,559.00
India	83,637.00
Japan	253,233.00
Panama.....	137,266.00
Spain.....	190,197.00
Uruguay	130,091.00
Short-term missionaries	15,000.00
Student missionaries	40,000.00
Foreign Fields Total	<u>\$2,372,944.00</u>

Charles A. Thigpen, President

TRAVEL AND PROMOTION

Audio Visual	6,650.00
Video	14,050.00
Films	6,250.00
Department Automobile Expense	3,000.00
Board Members Expenses	12,000.00
Honorariums	1,000.00
Information Service Production	114,212.00
Less Maintenance Fees	(75,625.00)
Department Itinerary Expenses	38,000.00
Tracts and Books	700.00
Travelers Insurance	500.00
Cassette Tape Ministry	4,000.00
Travel and Promotion Total	124,737.00

ADMINISTRATIVE

Salaries	193,427.00*
Department Postage	40,000.00
Auditing	3,000.00
Employee Compensation	500.00
Employee Hospitalization	21,000.00
Employee Payroll Taxes	5,254.00
Administrative Housing	47,520.00
Administrative Social Security	16,496.00
Retirement	6,120.00
Office Rent	23,000.00
Telephone	12,000.00
Maintenance/Office Equipment	3,500.00
Office Equipment	5,000.00
Office Supplies	15,000.00
Contingency	6,000.00
Administrative Total	397,817.00
TOTAL BUDGET	\$2,895,498.00

*Includes salary for an additional man.

FREE WILL BAPTIST BIBLE COLLEGE REPORT

Oliver Wendell Holmes once said, "Man's mind stretched to a new idea never goes back to its original dimension." The business of this college is to "stretch minds." In order to do this properly, we do not work on students' minds in isolation; we concern ourselves with the whole being. We are interested in each student spiritually, socially, and emotionally, as well as mentally. Our jobs is to "perfect the saints for the work of the ministry." God in His wisdom has called some of these students to preach, some to go to mission fields, some to be evangelists, pastors, and teachers, but *all* are to be *normal New Testament believers* performing a ministry for the Lord. This is a heavy responsibility and an awesome task but, because it is done for God's glory, there is an eternal dimension and an eternal reward.

There are five groups whom I have chosen for special tributes. The first group to be selected is students. We have had many fine students at the college this year. As a whole, they are a hard-working, studying, contented group of students. Student morale has never been better than this year. I am grateful for this year's students and I congratulate them for making this one of our best years.

Faculty and staff are worthy of honor and praise. They are a dedicated, unselfish, harmonious group of people. I wish that every member in each of our churches really knew how self-sacrificing the faculty and staff really are. Each is prepared spiritually, academically and from personal experience for his work. I do not believe that a young person could be trained under a more qualified group anywhere in America. I thank God for these good people who are a part of the college team.

The third tribute I offer is to those who make this school possible—the loyal, faithful supporters of Free Will Baptist Bible College. This college exists because of the prayer support, financial support and the words of commendation which are spoken by our friends. It thrills us to learn of individuals and churches who pray regularly for the college. We are also pleased to know of all who speak favorably of the college and encourage others to enroll as students or to help financially. Many pastors have been such a special help to the college. Some pastors have led their people to contribute regularly to the college. Others, who had already been giving regularly, increased their giving. There also have been individuals who have started giving faithfully—or increased their giving. For all of this we give sincere and well-deserved thanks.

Tribute of honor is due the alumni of the college. No school could desire more wonderful former students and graduates. With few exceptions, this group has been loyal, faithful and supportive. This group has helped more with enthusiasm and recruitment than any other group. The officers of the Alumni Association have given outstanding service this year.

The final group chosen for words of thanks and praise is the college board of trustees. These are men of faith and vision. The sense of fellowship and purpose is keenly expressed by this group of dedicated men. These trustees are chosen by the National Association of Free Will Baptists and establish all policy for the college. They serve without pay even though they devote several days each year to this ministry.

We give God thanks for all of these who mean so much to Free Will Baptist Bible College. Truly this has been a team effort. All of us are "laborers together with God." We are all sharing together for the purpose of glorifying God as we fulfill the Great Commission.

The various statistical and financial reports follow.

Sincerely,
Charles A. Thigpen, President

REGISTRATION REPORT 1983-84

Enrollment513

ENROLLMENT BREAKDOWNS

By State

Alabama	34	Kansas	1	Ohio	15
Arizona	1	Kentucky	13	Oklahoma	3
Arkansas	9	Louisiana	1	South Carolina	17
California	5	Maryland	1	Tennessee	96
Delaware	3	Michigan	18	Texas	10
Florida	17	Mississippi	10	Virginia	26
Georgia	23	Missouri	23	Washington	5
Idaho	1	New Mexico	1	West Virginia	10
Illinois	27	New York	1	Wisconsin	1
Indiana	32	North Carolina	96	Foreign	13

(The student body represents 29 states and 7 foreign countries.)

By Classification

Freshmen	168	Male	264	Ministerial	108
Sophomores	114	Female	249	Missionary	75
Juniors	107				
Seniors	80	Free Will Baptist ..	484	Single	363
Special	44	Other	29	Married	150

ENROLLMENT SUMMARY 1983-84

Enrollment	First Semester	457
Additional Enrollment	Second Semester	44
Total Enrollment	First and Second Semester	501
Summer 1983 Enrollment Not Already Counted		12
Total Graduate School Enrollment For 1983-84		(13)
Total Year Enrollment 1983-84		513 (526)

ENROLLMENT REVIEW—LAST TEN YEARS

1974-75	614	1979-80	613
1975-76	615	1980-81	581
1976-77	619	1981-82	648
1977-78	640	1982-83	580
1978-79	612	1983-84	526

FINANCIAL AID REPORT

Loans Issued	279	\$169,101.37
Student Workers	158	149,530.64
Scholarships	44	7,845.00

WELCH LIBRARY Report for 1983-84

Total books, bound volumes, microforms, sound recordings, video cassettes, instructional materials, etc. 44,422

The May 31, 1984, financial report and proposed budget of the Bible College will be distributed at the National Association. The audit report will be presented as the college's official report.

GIFT REPORT

June 1, 1983—May 31, 1984

States	General	Building	Total
Alabama	\$ 53,643.72	\$ 1,360.36	\$ 55,004.08
Arizona	1,236.20	5.00	1,241.20
Arkansas	19,124.54	5,205.03	24,329.57
California	9,082.00	550.00	9,632.00
Colorado	575.55		575.55
Connecticut	1,975.00		1,975.00
Florida	16,321.36	1,180.57	17,501.93
Georgia	34,819.15	13,702.95	48,522.10
Hawaii	197.79		197.79
Idaho	585.33	200.00	785.33
Illinois	20,459.32	5,260.58	25,719.90
Indiana	5,051.22	123.30	5,174.52
Kansas	440.86		440.86
Kentucky	9,661.40	199.00	9,860.40
Louisiana	395.00		395.00
Maryland	4,246.69	10.00	4,256.69
Michigan	23,098.42	110.00	23,208.42
Mississippi	15,437.65	2,504.27	17,941.92
Missouri	21,949.15	615.00	22,564.15
Montana	19.50		19.50
Nebraska	180.00	325.00	505.00

New Mexico	293.94		293.94
North Carolina	81,211.67	42,699.51	123,911.18
Ohio	12,171.47	501.69	12,673.16
Oklahoma	21,778.71	422.50	22,201.21
South Carolina	36,656.29	1,716.36	38,372.65
Tennessee	91,527.77	6,575.15	98,102.92
Texas	13,773.91	2,070.00	15,843.91
Virginia	13,460.82	1,104.95	14,565.77
Washington	275.00		275.00
West Virginia	6,585.47	156.00	6,741.47
W.N.A.C.	1,157.35		1,157.35
Virgin Islands	673.54		673.54
Other	30,939.35	13,297.20	44,236.55
	\$549,005.14	\$99,894.42	\$648,899.56
Graduate School			6,991.68
Alumni Project			18,929.12
Estates & Trusts			46,298.58
			\$721,118.94

GENERAL FUND

STATES	1983-84 QUOTA	1984-85 QUOTA
Alabama	\$ 49,000.00	\$ 54,500.00
Arizona	1,250.00	1,500.00
Arkansas	20,500.00	20,500.00
California	7,000.00	10,500.00
Colorado	1,000.00	1,000.00
Delaware	350.00	
Florida	17,000.00	18,000.00
Georgia	44,000.00	44,000.00
Hawaii	500.00	500.00
Idaho	750.00	750.00
Illinois	18,000.00	19,000.00
Indiana	6,500.00	6,500.00
Kansas	2,000.00	2,000.00
Kentucky	12,000.00	12,000.00
Maine	2,000.00	
Maryland	3,500.00	5,000.00
Michigan	22,000.00	24,000.00
Mississippi	17,500.00	16,000.00

Missouri	30,000.00	30,000.00
Montana	150.00	150.00
Nebraska	350.00	400.00
New Mexico	1,000.00	1,000.00
North Carolina	105,000.00	105,000.00
Ohio	13,000.00	13,000.00
Oklahoma	32,500.00	33,500.00
South Carolina	36,000.00	37,500.00
Tennessee	95,000.00	96,000.00
Texas	17,000.00	15,000.00
Virgin Islands	400.00	800.00
Virginia	18,000.00	15,000.00
Washington	250.00	400.00
West Virginia	12,000.00	12,000.00
W.N.A.C.	3,000.00	3,000.00
Other	61,500.00	61,500.00
TOTALS	\$650,000.00	\$660,000.00

FREE WILL BAPTIST BIBLE COLLEGE

Balance Sheet

May 31, 1984

(with comparative figures for 1983)

Assets	1984	1983
Current funds:		
Unrestricted:		
Cash, including interest bearing deposits of \$23,637.12 in 1984 and \$2,799.01 in 1983	\$ 24,787.12	4,399.01
Investments at fair value at date of gift	5,562.63	5,872.83
Real estate held for sale	47,208.40	-
Accounts receivable:		
Students	19,290.07	14,681.36
Staff and others	14,886.81	11,642.64
Due from plant funds	407,004.96	400,338.20
Total accounts receivable	441,181.84	426,662.20
Inventory	29,757.22	21,579.01
Deposits and deferred charges	45,150.18	-
Total unrestricted funds	593,647.39	458,513.05
Restricted:		
Due from other funds:		
Current unrestricted funds	9,320.73	3,412.38
Loan funds	-	5,759.94
Total restricted funds	9,320.73	9,172.32
Total current funds	\$ 602,968.12	467,685.37
Loan funds:		
Interest bearing deposits	\$ 30,295.81	34,453.95
Notes receivable, less allowance for doubtful notes of \$30,000.00 in 1984 and \$23,000.00 in 1983	228,529.41	193,180.90
Due from current unrestricted funds	42,001.25	23,133.09
Total loan funds	\$ 300,826.47	250,767.94

Liabilities and Fund Balances

	1984	1983
Current funds:		
Unrestricted:		
Note payable to bank	\$ 137,000.00	40,000.00
Accounts payable	33,386.01	25,847.21
Students' credit balances and deposits	17,290.31	15,340.69
Accrued salaries	47,451.21	44,304.21
Deferred revenues - summer school	15,594.00	17,446.00

Due to other funds:
Current restricted funds
Loan funds

9,320.73 3,412.38
42,001.25 23,133.09

51,321.98 26,545.47

Fund balance

291,603.88 289,029.47

Total unrestricted funds

593,647.39 458,513.05

Restricted:

Due to endowment funds
Fund balances

- 5,146.00
9,320.73 4,026.32

Total restricted funds

9,320.73 9,172.32

Total current funds

\$ 602,968.12 467,685.37

Loan funds:

Accrued interest
Notes payable to bank
Notes payable to individuals
Due to current restricted funds
Fund balances - private

\$ 434.39 -
56,606.29 44,775.36
28,815.28 -
- 5,759.94
214,970.51 200,232.64

Total loan funds

\$ 300,826.47 250,767.94

FREE WILL BAPTIST BIBLE COLLEGE

Balance Sheet, Continued

Assets	1984	1983
Endowment funds:		
Interest bearing deposits	\$ 122,069.77	92,030.07
Securities, at cost, which approximates market	-	920.64
Note receivable - plant funds	25,805.92	29,354.92
Due from current restricted funds	-	5,146.00
Total endowment funds	\$ 147,875.69	127,451.63
Annuity funds:		
Rental property at appraised value at date of gift	\$ 78,000.00	78,000.00
Total annuity funds	\$ 78,000.00	78,000.00
Plant funds:		
Interest bearing deposits, including \$7,752.12 in 1984 and \$4,381.75 in 1983 held by Trustee under lease obligations	\$ 11,395.06	10,559.56
Investments, including \$82,413.92 in 1984 and \$82,678.38 in 1983 held by Trustee under lease obligations	92,407.73	93,672.19

Investment in plant:		
Land	373,068.60	373,068.60
Land off campus	40,000.00	40,000.00
Buildings and improvements	3,431,726.81	3,431,726.81
Equipment	576,758.27	555,005.75
Library books	84,248.00	79,200.00
Total investment in plant	<u>4,505,801.68</u>	<u>4,479,001.16</u>

Total plant funds	\$ <u>4,609,604.47</u>	<u>4,583,232.91</u>
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Agency funds:		
Cash	\$ <u>5,870.37</u>	<u>3,000.53</u>
Total agency funds	\$ <u>5,870.37</u>	<u>3,000.53</u>

Liabilities and Fund Balances

	1984	1983
Endowment funds:		
Fund balances:		
Endowment	\$ 25,310.26	16,821.23
Quasi-endowment, unrestricted	105,484.40	105,484.40
Scholarship, restricted	17,081.00	5,146.00
Total endowment funds	\$ <u>147,875.66</u>	<u>127,451.63</u>
Annuity funds:		
Annuity payable	\$ 26,750.00	29,200.00
Fund balance	51,250.00	48,800.00
Total annuity funds	\$ <u>78,000.00</u>	<u>78,000.00</u>
Plant funds:		
Due to current funds	\$ 407,004.96	400,338.20
Accounts payable and accrued expenses	297.18	533.36
Lease obligation	430,000.00	465,000.00
Notes payable:		
Endowment fund	25,805.92	29,354.92
8% mortgage payable in annual installments of \$10,000.00 through 1984	-	10,000.00
11-3/4% mortgage payable in monthly installments of \$730.00 through 1999	57,231.50	58,462.96
12-3/4% mortgage payable in monthly installments of \$717.22 through 2010	65,006.76	65,304.10
Other	12,000.00	12,000.00
Total notes payable	<u>160,044.18</u>	<u>175,121.98</u>
Fund balances:		
Unexpended (deficit)	(393,665.39)	(383,699.94)
Net investment in plant	<u>4,005,923.54</u>	<u>3,925,939.31</u>
Total fund balances	<u>3,612,258.15</u>	<u>3,542,239.37</u>
Total plant funds	\$ <u>4,609,604.47</u>	<u>4,583,232.91</u>

Agency funds:		
Deposits held in custody for others	\$ <u>5,870.37</u>	<u>3,000.53</u>
Total agency funds	\$ <u>5,870.37</u>	<u>3,000.53</u>

FREE WILL BAPTIST BIBLE COLLEGE

Statement of Changes in Fund Balances

Year ended May 31, 1984

	Current Funds	
	Unrestricted	Restricted
Revenues and other additions:		
Unrestricted current funds revenues	\$ 2,118,221.81	-
Gifts	-	8,605.22
Endowment income	-	1,026.64
Investment income - restricted	-	-
Interest on student loans	-	-
Additions to plant facilities from current funds	-	-
Retirement of indebtedness from:		
Current funds	-	-
Unexpended plant funds	-	-
Increase in trustee account	-	-
Adjustment for inventory of plant assets	-	-
Adjustment of computed annuity liability	-	-
Total revenues and other additions	<u>2,118,221.81</u>	<u>9,631.86</u>
Expenditures and other deductions:		
Educational and general expenditures	1,445,923.15	3,317.45
Auxiliary enterprises expenditures	669,724.25	1,020.00
Provision for doubtful notes	-	-
Additions to plant facilities	-	-
Retirement of indebtedness	-	-
Expansion campaign expense and promotion	-	-
Interest expense	-	-
Loss on sale of investments	-	-
Other	-	-
Total expenditures and other deductions	<u>2,115,647.40</u>	<u>4,337.45</u>
Net increase (decrease) for the year	<u>2,574.41</u>	<u>5,294.41</u>
Fund balance (deficit) at beginning of year as reported	289,029.47	9,172.32
Reclassification of restricted funds	-	(5,146.00)
Fund balance (deficit) at beginning of year as reclassified	<u>289,029.47</u>	<u>4,026.32</u>
Fund balance (deficit) at end of year	\$ <u>291,603.88</u>	<u>9,320.73</u>

Loan Funds	Endowment Funds	Annuity Funds	Plant Funds	
			Unexpended	Net Investment In Plant
-	-	-	-	-
12,054.00	21,035.00	-	119,115.48	-
-	-	-	-	-
1,152.20	-	-	-	-
10,447.08	-	-	-	-
-	-	-	-	21,177.73
-	-	-	-	38,549.00
-	-	-	-	11,528.80
-	-	-	-	3,105.91
-	-	-	-	5,622.79
-	-	2,450.00	-	-
<u>23,653.28</u>	<u>21,035.00</u>	<u>2,450.00</u>	<u>119,115.48</u>	<u>79,984.23</u>
-	-	-	-	-
7,000.00	-	-	-	-
-	-	-	11,528.80	-
-	-	-	62,192.09	-
-	-	-	56,593.43	-
434.39	-	-	-	-
-	610.94	-	-	-
<u>1,481.02</u>	<u>-</u>	<u>-</u>	<u>(1,233.39)</u>	<u>-</u>
8,915.41	610.94	-	129,080.93	-
<u>14,737.87</u>	<u>20,424.06</u>	<u>2,450.00</u>	<u>(9,965.45)</u>	<u>79,984.23</u>
200,232.64	122,305.63	48,800.00	(383,699.94)	3,925,939.31
-	5,146.00	-	-	-
<u>200,232.64</u>	<u>127,451.63</u>	<u>48,800.00</u>	<u>(383,699.94)</u>	<u>3,925,939.31</u>
<u>214,970.51</u>	<u>147,875.69</u>	<u>51,250.00</u>	<u>(393,665.39)</u>	<u>4,005,923.54</u>

FREE WILL BAPTIST BIBLE COLLEGE
Statement of Current Unrestricted Funds Revenues,
Expenditures and Other Changes

Year ended May 31, 1984

(with comparative figures for 1983)

	1984	1983
Revenues:		
Tuition and fees	\$ 728,337.67	733,259.05
Gifts	602,295.40	628,810.50
Endowment income	12,077.04	12,593.46
Investment income	47,831.53	49,373.70
Sales and service of auxiliary enterprises	725,301.86	736,906.62
Other sources	2,378.31	4,339.65
<u>Total revenues</u>	<u>2,118,221.81</u>	<u>2,165,282.98</u>

Expenditures:		
Educational and general:	536,599.02	552,419.49
Instruction	146,453.69	157,254.16
Academic support	145,761.69	126,854.97
Student services	202,478.36	179,850.38
Operation and maintenance of plant	414,630.39	406,200.59
Institutional support		
<u>Total educational and general</u>	<u>1,445,923.15</u>	<u>1,422,579.59</u>
Auxiliary enterprises:	600,323.92	644,402.36
Expenditures		
Mandatory provision for lease obligations	69,400.33	67,616.79
<u>Total auxiliary enterprises</u>	<u>669,724.25</u>	<u>712,019.15</u>
<u>Total expenditures and mandatory transfers</u>	<u>2,115,647.40</u>	<u>2,134,598.74</u>
Revenues over expenditures and other changes	\$ <u>2,574.41</u>	<u>30,684.24</u>

FREE WILL BAPTIST BIBLE COLLEGE
Proposed Budget
1984-85

Current Unrestricted Funds

Revenues:	\$ 774,000
Tuition and fees	660,000
Gifts - state quotas	12,000
Endowment income	45,000
Investment income	770,000
Sales and service of auxiliary enterprises	15,000
Graduate school	12,000
Other sources	
<u>Total revenue</u>	<u>\$2,288,000</u>

Expenditures:

Educational and general:	\$ 551,100
Instruction	161,700
Academic support	155,700
Student services	198,000
Operation and maintenance of plant	456,500
Institutional support	
<u>Total educational and general</u>	<u>1,523,000</u>
Auxiliary enterprises:	652,800
Expenditures	71,200
Mandatory provision for lease obligations	
<u>Total auxiliary enterprises</u>	<u>724,000</u>
Graduate school	41,000
<u>Total expenditures</u>	<u>\$2,288,000</u>

SUNDAY SCHOOL AND CHURCH TRAINING REPORT

It has been my happy privilege to furnish you this report for the past twenty-five years. Our department has marched forward from a budget of \$11,000.00 to a budget of over three million dollars in that time. God's hand and His blessing have been upon our department.

We have enjoyed some growth over this past year. Our audit will reveal this to you. We are projecting some growth over the next year. Our budget for 1985 will reveal this to you.

We never take our eyes off the fact that our publishing house belongs to you. When you speak, we listen. Please feel free to call us or write to us at any time.

Our commitment is to strive to improve our products continuously. Our ministry is to present the gospel of the Lord Jesus Christ by means of the printed page. In light of this commitment we are taking steps to open a Spanish division of our publishing house. Some of our materials are being translated into other languages as well. It is thrilling to know that something written by one of our writers, and published by us, is being used around the world to present the claims of Christ.

Please add our department to your prayer list. We think of you often and we pray for you. I stand in need of your prayers at all times. God bless you.

Yours in His service,
Dr. Roger C. Reeds, General Director
Sunday School and Church Training Department
National Association of Free Will Baptists

SUNDAY SCHOOL AND CHURCH TRAINING BOARD OF THE NATIONAL ASSOCIATION OF FREE WILL BAPTISTS

Statements of Activity and Change in Fund Balance
Years ended February 29, 1984 and February 28, 1983

	1984	1983
Revenues:		
Net sales:		
Curriculum.....	\$1,395,705.74	1,286,844.74
Randall House books	87,554.57	66,007.10
Merchandise	52,768.36	87,490.45
Bulletins	64,707.69	71,938.01
Vacation Bible school.....	21,208.35	19,446.95
Bookstore	58,231.83	45,759.74
Printing.....	136,730.63	147,036.13
Other sales.....	68,652.63	65,246.17
Net sales	1,885,559.80	1,789,769.29
Freight and handling	50,843.47	50,556.66
Other income	25,864.90	12,435.99
Loss on disposal of assets.....	(4,526.75)	(3,951.36)
Interdepartmental sales (note 5)	734,572.26	610,750.77
Total revenues	2,692,313.68	2,459,561.35

Expenses:

Cost of sales:	303,219.50	328,017.66
Inventory at beginning of year.....	200,499.32	241,988.99
Outside merchandise purchases.....		
Cost of printing:	281,925.08	264,729.32
Preparation.....	507,247.68	408,284.94
Production	154,210.55	125,730.43
Editorial	26,654.33	29,453.04
Depreciation	1,473,756.46	1,398,204.38
	341,423.51	303,219.50
Less inventory at end of year	1,132,332.95	1,094,984.88
Interdepartmental purchases (note 5)	734,572.26	610,750.77

Selling, general and administrative expenses:

Sales and promotion.....	88,988.38	88,195.84
Administrative	48,278.29	49,121.80
Bookkeeping	74,925.20	61,689.27
Shipping	122,321.54	122,317.50
Building.....	96,835.57	119,151.92
General.....	169,974.12	128,686.66
Interest expense	56,819.54	64,086.17
Depreciation	68,666.41	70,520.20
Church growth and youth	49,975.46	
	776,784.51	703,769.36

Total expenses	2,643,689.72	2,409,505.01
Excess of revenues over expenses	48,623.96	50,056.34
Fund balance, beginning of year	839,890.85	789,834.51
Fund balance, end of year	\$ 888,514.81	839,890.85

See accompanying notes to financial statements.

Balance Sheets February 29, 1984 and February 28, 1983

Assets	1984	1983
Current assets:		
Cash (note 2)	\$ 56,619.05	101,807.48
Receivables:		
Customer accounts	166,847.10	187,866.28
Employee and other	1,850.00	2,877.04
	168,697.10	190,743.32
Less allowance for doubtful accounts	8,500.00	8,500.00
Net receivables	160,197.10	182,243.32

Inventories	341,423.51	303,219.50
Deferred charges	19,868.93	16,690.00
Total current assets	578,108.59	603,960.30

Property, plant and equipment, at cost
(notes 3 and 4):

Land	127,873.12	127,873.12
Building	557,137.82	532,838.17
Printing service equipment	325,700.40	311,565.35
Office and administrative equipment	178,556.31	135,043.37
Automotive equipment	39,483.38	39,483.38
	1,228,751.03	1,146,803.39
Less accumulated depreciation	439,565.25	383,037.56
Net property, plant and equipment	789,185.78	763,765.83

Capital leases (note 6):

Office and administrative equipment	39,851.03	93,884.03
Automotive equipment	10,329.75	10,329.75
	50,180.78	104,213.78
Less accumulated amortization	27,115.33	63,378.50
Net capital leases	23,065.45	40,835.28
	\$1,390,359.82	1,408,561.41

See accompanying notes to financial statements.

Liabilities and Fund Balance	1984	1983
Current liabilities:		
Notes payable to bank and others	\$ 37,500.00	33,034.98
Current portion of long-term debt (notes 2 and 4)	91,832.06	89,508.56
Current portion of obligations under capital leases (note 6)	12,205.23	17,101.84
Accounts payable	139,620.69	153,635.40
Accrued expenses	31,488.95	35,920.72
Total current liabilities	312,646.93	329,201.50
Long-term liabilities:		
Long-term debt (notes 2 and 4)	187,292.15	225,357.90
Obligations under capital leases (note 6)	1,905.93	14,111.16
Total long-term debt	189,198.08	239,469.06
Fund balance	888,514.81	839,890.85
	\$1,390,359.82	1,408,561.41

Commitments (note 6)

Statements of Changes in Financial Position
Years ended February 29, 1984 and February 28, 1983

	1984	1983
Sources of funds:		
Excess of revenues over expenses	\$ 48,623.96	50,056.34
Items which do not use working capital:		
Depreciation and amortization	95,320.74	99,973.24
Loss on disposal of assets	4,526.75	3,951.36
Working capital provided by operations	148,471.45	153,980.94
Increase in long-term debt, including capital lease obligations	55,000.00	124,531.15
Decrease in working capital	9,297.14	
	\$ 212,768.59	278,512.09
Uses of funds:		
Additions to property, plant, equipment and capital leases	\$ 107,497.61	128,770.04
Current installments and repayment of long- term debt and obligations under capital leases	105,270.98	122,417.81
Increase in working capital		27,324.24
	\$ 212,768.59	278,512.09

Changes in components of working capital:

Increase (decrease) in current assets:		
Cash	\$(45,188.43)	2,328.51
Receivables	(22,046.22)	24,234.17
Inventories	38,204.01	(24,798.16)
Deferred charges	3,178.93	1,140.00
Prepaid expenses		(1,962.38)
	(25,851.71)	942.14

Increase (decrease) in current liabilities:

Notes payable to bank and others	4,465.02	(104,465.02)
Accounts payable	(14,014.71)	41,731.32
Accrued expenses	(4,431.77)	8,065.04
Current portion of long-term debt and obligations under capital leases	(2,573.11)	28,286.56
	(16,554.57)	(26,382.10)

Increase (decrease) in working capital ... \$(9,297.14) 27,324.24

See accompanying notes to financial statements.

Notes to Financial Statements
February 29, 1984 and February 28, 1983

The Board operates under the auspices of the National Association of Free Will Baptists and is governed by a board of directors.

(1) Summary of Significant Accounting Policies

Inventories

Inventories are stated at the lower of cost or market, with cost being determined by use of the first-in, first-out method.

Depreciation

Depreciation of property, plant and equipment is provided on the straight-line method based on estimated useful lives (see note 3).

The estimated useful lives are as follows:

Building	40 years
Office and printing equipment	5-15 years
Automotive equipment	3-4 years

Income Taxes

The Board is exempt from Federal income taxes; accordingly, no provisions for income taxes is made in the accounts.

(2) Restricted Cash and Bonds Payable

Cash includes \$16,383.77 in 1984 and \$15,165.38 in 1983, which represents deposits with the paying agent for retirement of matured bonds and accrued interest on outstanding bonds. Required annual deposits are as follows (see note 4):

1985-1986	\$26,000.00
1987	2,000.00

(3) Property, Plant and Equipment

Depreciation and amortization charged to operations computed on the straight-line method was \$95,320.74 in 1984 and \$99,973.24 in 1983.

(4) Long-Term Debt

	1984	1983
A summary of long-term debt is as follows:		
7% mortgage payable at \$2,000.00 annually secured by warranty deed on 3.52 acres of land.....	\$ 8,000.00	10,000.00

Equipment obligations, maturing through 1987, payable monthly \$6,046.54 including interest secured by equipment with a depreciated cost of \$101,990.59 in 1984 and \$129,966.04 in 1983..... 105,100.98 161,100.66

14-3/4% unsecured installment note, payable monthly in \$1,183.00 including interest through 1987..... 34,182.38 42,669.07

11-1/2% unsecured installment note, payable monthly at \$465.93 including interest through 1991..... 28,972.04 31,096.73

13-1/2% unsecured installment note, payable monthly at \$1,265.55 including interest through 1988 52,368.81

9% First Mortgage Bonds, secured by a deed of trust on property with a depreciated value of \$412,500.03 in 1984 (see note 2)..... 50,500.00 70,000.00

279,124.21 314,866.46

Less current portion of long-term debt..... 91,832.06 89,508.56

Long-term debt, excluding current portion..... \$187,292.15 225,357.90

(5) Interdepartmental Transactions

The accompanying financial statements include interdepartmental revenues and expenses of \$734,572.26 in 1984 and \$610,750.77 in 1983, which result from transfers of publications from production to sales departments.

(6) Commitments

Leases

Under the provision of Statement of Financial Accounting Standards No. 13, leases are classified as capital or operating leases. Capital leases are defined as those that meet one or more of the following criteria: (a) transfers ownership of the property to the lessee by the end of the lease term; (b) contains a bargain purchase option; (c) the lease term is equal to 75% or more of the economic life of the leased property; (d) the present value at the beginning of the lease term of the minimum lease payments equal or exceeds 90% of the fair value of the leased property to the lessor at the inception of the lease over investment tax credits retained by the lessor. All other leases are classified as operating leases.

(6) Commitments, Continued

(a) Capital leases:

The Board leases certain automotive and office and administrative equipment under capital leases. These assets are being amortized over their estimated useful lives. The obligations are being amortized by that portion of annual rentals in excess of interest.

The following is a schedule, by years, of future minimum lease payments under such capital leases as of February 29, 1984.

Year ending February 28:

1985	\$13,497.60
1986	2,549.94
	<u>\$16,047.54</u>

(b) Operating leases:

Total rent expense charged to operations is summarized as follows:

Shipping equipment	\$ 629.06
Printing service equipment	5,658.93
	<u>\$6,287.99</u>

The future minimum rental payments required that have initial or remaining noncancelable lease terms in excess of one year as of February 29, 1984 amount to \$2,916.56 for the year ending February 28, 1985.

Pension

The Board participates in the master pension plan of the Board of Retirement and Insurance of the National Association of Free Will Baptists. The plan is contributory and employees with two years of service are covered. The policy is to fund pension cost accrued. Pension expenses amounted to \$13,444.72 in 1984 and \$10,777.00 in 1983. The net assets of such master plan amount to approximately \$3,122,406.70 as of December 31, 1983, the latest report date. The plan has not been actuarially evaluated; therefore, information as to the amount required to fund actuarially computed prior service costs, and the amounts of actuarial present value of vested and nonvested benefits have been omitted.

1985 BUDGET

Revenues:

Net Sales:

Curriculum	\$1,655,590.00
Randall House Books	85,000.00
Merchandise	60,000.00

Bulletins	65,000.00
Vacation Bible School	22,000.00
Bookstore	60,000.00
Printing	150,000.00
Other Sales	75,000.00
Net Sales	<u>\$2,172,590.00</u>

Other Income:

Postage and Handling	52,000.00
Youth Ministries	35,000.00
Miscellaneous Income	10,000.00
Interdepartmental Sales	775,000.00
	<u>3,044,590.00</u>

Cost of Sales:

Merchandise Purchases	225,000.00
Depreciation	27,000.00
Interest Expense	50,000.00
Interdepartmental Purchases	775,000.00
Printing Preparation	290,484.00
Printing Production	478,018.00
Editorial	157,483.00
Sales and Promotion	130,959.00
Administrative	54,534.00
Bookkeeping	72,916.00
Shipping	129,400.00
Building	135,100.00
Church Growth	49,165.00
Youth	83,865.00
General	385,666.00
	<u>3,044,590.00</u>

DIVISION BUDGETS

Administrative:

Salaries	\$30,090.00
Social Security	3,800.00
Housing	5,544.00
Travel	10,000.00
Utilities	2,000.00
Supplies	800.00
Equipment Maintenance	300.00
Miscellaneous	2,000.00
	<u>\$54,534.00</u>

Bookkeeping:

Salaries	60,216.00
Travel	500.00
Supplies	3,200.00
Equipment Maintenance	8,000.00
Miscellaneous	1,000.00
	<u>72,916.00</u>

Sales and Promotion:

Salaries	\$101,979.00
Travel	7,000.00
Supplies	1,000.00
Equipment Maintenance	280.00
Promotion	10,000.00
Advertising	9,700.00
Miscellaneous	1,000.00
	<u>130,959.00</u>

Church Growth:

Salaries	\$31,895.00
Housing	4,770.00
Social Security	3,000.00
Travel	8,000.00
Supplies	500.00
Miscellaneous	1,000.00
	<u>49,165.00</u>

Youth Division:

Salaries	41,565.00
Travel	3,000.00
Supplies	300.00
NYC-85	20,000.00
Promotion	1,000.00
Truth & Peace Conference	15,000.00
Youth Evangelism	2,000.00
Miscellaneous	1,000.00
	<u>83,865.00</u>

Shipping:

Salaries	68,500.00
Freight Expense	50,000.00
Travel	500.00
Supplies	8,000.00
Equipment Rental	700.00

Equipment Maintenance	700.00
Miscellaneous	1,000.00
	<u>\$129,400.00</u>

Building:

Salaries	50,400.00
Housing	6,000.00
Travel	500.00
Supplies	7,000.00
Equipment Rental	300.00
Equipment Maintenance	700.00
Building Maintenance	4,000.00
Building Improvements	25,000.00
Utilities	30,000.00
Building Insurance	9,000.00
Social Security	1,200.00
Miscellaneous	1,000.00
	<u>\$135,100.00</u>

Printing Preparation:

Typesetting	7,000.00
Layout	4,000.00
Art Services	5,000.00
Negatives	22,000.00
Masking & Opaquing	4,000.00
Plates	12,000.00
Salaries	187,484.00
Travel	2,000.00
Supplies	4,000.00
Equipment Rental	6,000.00
Equipment Maintenance	6,000.00
Freelance Layout	20,000.00
Outside Color Separation	9,000.00
Miscellaneous	2,000.00
	<u>\$290,484.00</u>

Printing Production:

Stock	\$240,000.00
Outside Printing	15,000.00
Salaries	158,018.00
Travel	2,000.00
Supplies	35,000.00
Equipment Maintenance	20,000.00
Ink	6,000.00
Miscellaneous	2,000.00
	<u>\$478,018.00</u>

Editorial:

Salaries	94,115.00
Social Security	6,000.00
Housing	8,268.00
Travel	10,000.00
Utilities	2,600.00
Supplies	300.00
Equipment Maintenance	200.00
Curriculum Development	2,000.00
Writers Fees	23,000.00
Royalty Payments	9,000.00
Miscellaneous	2,000.00
	<u>157,483.00</u>

General:

Supplies	3,000.00
Telephone	24,000.00
FICA Tax Expense	48,000.00
Employee Insurance	60,000.00
Employee Share of IRP	17,000.00
Board Travel & Expense	8,000.00
Legal and Auditing	6,000.00
Auto Repairs and Gasoline	5,000.00
Taxes	2,000.00
Miscellaneous	10,000.00
Depreciation	68,000.00
Working Capital	<u>134,666.00</u>
	<u>\$385,666.00</u>

WOMAN'S NATIONAL AUXILIARY REPORT

The 49th annual session of the Woman's National Auxiliary Convention was held July 17, 1984, in the Statehouse Convention Center.

Total registration was 1,078. Present enrollment is 10,597 representing 23 state conventions, 1 district, and 5 locals with missionaries from 5 countries.

Speakers were Fred Hersey, Japan, and Steve Riggs, missionary appointee to France. Beatrice Bush Bixler spoke at the fellowship dinner with 750 present.

The convention theme, "Ask of Me," (Psalm 2:8), emphasized intercessory prayer. Numerous missionaries shared instances of answered prayer.

Pre-convention activities on Monday consisted of an inspiring seminar, "Your Attitudes are Showing," and a Presidents and Field Workers meeting.

Creative Arts Contest

We have many talented and creative women in our ranks. This year 122 women from 24 states and one foreign country submitted 413 entries in our creative arts contest.

New Materials

A new poetry book, "Sparks from the Fireplace," and several new plays have been compiled from this year's contest. Margie Patton, Georgia, is the author of our new WNAC Emphasis Program material, "God's Instruments." Other new supplies are the 1984-'85 catalog, a revised secretary record and report Book, Co-Laborer plan leaflet, and a calendar of activities.

Publications

Co-Laborer magazine circulation continues at approximately 18,000. Lorene Miley is editor. "The Minister's Wife," a biannual newsletter, is sent without charge to minister's wives. Circulation has grown the past year from 2500 to 3000. "The Communicator," a newsletter, is also mailed twice a year.

WNAC Retreat

WNAC's third retreat is scheduled for September 6-8, 1984, at Ridgecrest Conference Center, Ridgecrest, NC (19 miles from Asheville). Excitement is running high as we anticipate 1200 women from 20 states. Some are traveling in buses or vans.

Mabel Willey and Jan Arnoldi and Chester, are speaking. Ten seminars are planned with capable Free Will Baptist women leading them.

The complete low cost per person is \$48.00. This includes two nights in a hotel (quad), five meals (Thursday supper through Saturday breakfast), and registration. Singles, doubles, or triples are available at slightly higher prices. Students from any of our Bible Colleges will be given a \$6.55 discount in rates.

Send registration and \$8.00 per person deposit to Ridgecrest Conference Center, P.O. Box 128, Ridgecrest, NC 28770. Notice of cancellation must be received by August 7, if deposit is to be refunded.

Contributions

Cash gifts to missions, missionary objectives and Bible Colleges were almost \$293,000, an increase over last year of nearly \$21,000. Of this amount foreign missions received more than \$144,000 and home missions nearly \$79,000. More than \$29,000 was contributed to Bible Colleges. Gifts to other mission projects, youth camps, retired ministers and childrens' homes exceeded \$41,000. A gift of \$1,000 was made to Cayo Raymond, Haitian student, from our National Student Fund.

Non-cash gifts were more than \$41,000, including approximately \$31,000 in gifts to the Missionary Provision Closet.

Total cash and non-cash gifts were \$334,318.05.

Student loan receipts were \$13,573.77. We disbursed \$4,850 in ten student loans. Balance in student loan fund is \$13,949.16.

Co-laborer fund gifts were \$8,545.99, an increase of \$553.24. However, WNAC Emphasis month offerings decreased more than \$2,600.

Operational budget for 1984-85 is \$14,200.00.

Cleo Pursell
Executive Secretary-Treasurer

Staff:

Lorene Miley, editor
Dr. Mary R. Wisehart, field worker
Evelyn Jones, bookkeeper
Peggy Outland, general office worker

GIFTS TO MISSIONS/MISSIONARIES OBJECTIVES

CASH GIFTS		\$292,890.36
Foreign Missions		\$144,116.43
Sent through WNAC	118,055.04	
*Sent direct	26,061.39	
Home Missions		78,564.76
Sent through WNAC	65,027.46	
*Send direct	13,519.30	
Bible Colleges		29,185.83
Sent through WNAC	12,298.56	
*Sent direct	3,313.50	
Student Loan Fund	13,573.77	
Other Gifts to missions, youth camps, retired, ministers, children's homes		41,041.34
Sent through WNAC	20,961.49	
*Sent direct	20,079.85	
NON-CASH GIFTS		41,427.69

Missionary Provision Closet	31,463.22
Children's Homes	4,981.17
Retired Ministers	925.76
Other Gifts	4,057.54

TOTAL CASH AND NON-CASH GIFTS \$334,318.05

*Verified by missions departments

COMPARATIVE REPORTS RECEIPTS AND DISBURSEMENTS

Year	Receipts	Disbursements
1982-83	306,069.32	294,227.87
1983-84	337,632.98	332,749.64

STUDENT LOAN FUND

1982-83	9,738.58	10,000.00
1983-84	13,573.77	4,850.00

THE REPORT OF THE GENERAL BOARD

The General Board met July 16, 1984, in the Excelsior Hotel, Little Rock, Arkansas. From this meeting we offer the following report and recommendations.

I. We heard the reports of the Executive Office, the Home Missions Department, the Master's Men Department, the Department of Retirement and Insurance, Free Will Baptist Foundation, the Sunday School and Church Training Department, the Foreign Missions Department, and Free Will Baptist Bible College. We recommend these reports, with the budgets, for adoption as each one is presented. (Adopted.)

II. In order to meet the requirements of section 501 (c) (3) of the Internal Revenue Code, we recommend the adoption of the following amendments to the Charter, to be inserted at the end of item 5.

The purposes for which the corporation is organized are exclusively religious, charitable, scientific, literary, and educational within the meaning of section 501 (c) (3) of the Internal Revenue Code of 1954 or the corresponding provision of any future United States Internal Revenue Law.

Notwithstanding any other provision of these articles, this organization shall not carry on any other activities not permitted to be carried on by an organization exempt from Federal income tax under section 501 (c) (3) of the Internal Revenue Code of 1954 or the corresponding provision of any future United States Internal Revenue Law. (Adopted Thursday Morning).

III. We are presenting three new reporting forms: one from the church to the district, one from the district to the state, and one from the state to the national association. We recommend the adoption of these to be used throughout the denomination as forms for reporting to our different bodies. Copies of these are to be distributed to you. (Adopted)

IV. We recommend the adoption of the following recommendation that comes from the Board of Retirement and Insurance.

That a fund be established to receive gifts toward the unpaid medical expenses of those who were in the Religious Employees Association's plan and this fund be administered jointly by the Executive Office and the Board of Retirement and Insurance. (Adopted with the final report of Retirement & Insurance)

RADIO AND TELEVISION COMMISSION REPORT

The Radio and Television Commission of the National Association of Free Will Baptists has had two official meetings since being formed in Columbus, Ohio last year. We met in Nashville, Tennessee on October 18, 19, 1983 and again on February 21, 22, 1984. All members were present.

The Commission is moving ahead with the instructions given to it by the National Association. Our first priority has been radio. Much prayer and study have gone into our work. At this convention we have our radio "pilot program" for you to hear. The thirty minute program, "Victorious Living," is 100% Free Will Baptist. Rev. Tom Malone, pastor of First Free Will Baptist Church of Florence, Alabama has been selected as our speaker. Brother Malone is a veteran pastor with a love for souls and we believe God will use him greatly in this new denominational outreach. The music will be Free Will Baptist. The whole program will be distinctively Free Will Baptist with the purpose of preaching the Word of God with power to reach souls for Christ and to promote the work of our denomination.

We have chosen Jim Vallance to serve as emcee for the program. Jim brings with him a wealth of experience, and we think he will be a very valuable asset to this ministry.

If the National Association endorses the work of the Commission, it is our desire to move ahead as soon as financially possible. We have secured a number of rate cards from various radio stations across our land. The average cost for a thirty minute program such as ours, carried on an average or medium powered station, runs from thirty to seventy-five dollars. The cost depends on the size station, time of broadcast, and the potential market of listeners.

The Commission feels it is wise to select six or seven cities in certain geographical areas of our nation to begin the broadcasts. Local churches or associations could assume the cost of airing this program in their areas. While the costs will vary widely from state to state, let's assume that the cost of broadcasting the program will be \$75.00. $52 \times \$75.00 = \$3,900$. An association of churches could sponsor the program in their listening area for a very reasonable contribution per church. In some instances, individual local churches could pay for it. At the conclusion of each program there will be time left for local sponsoring agencies to get their message across to the audience.

We would recommend that since the pilot is now completed that the Commission be allowed to move ahead with the making of thirteen radio programs. This is the number that most stations wish to include in a contract package. These programs would not be dated or distinguished in any way that would make them unusable in other markets around the country.

We would remind the association that we own no production equipment or facilities of any kind. It will be necessary to purchase some equipment each year (radio only) and thus add to our ability to do better and more efficiently the work of the Commission.

Regarding the TV pilot we would also remind you that this is a much more complex and expensive field in which to labor. The Commission was asked to prepare a pilot program for the convention in Nashville, Tennessee in 1985. We have made preliminary investigations into this matter and have determined that a pilot TV program will cost in the area of \$7,000-10,000. We will be happy to continue working on this project for the 1985 meeting, providing funding is made possible. We have very limited funds with which to operate, while using no paid employees. If we are to be successful in this ministry and are able to carry out this kind of responsibility we must

have your financial undergirding.

Thank you for your interest, gifts, and prayers this past year. We solicit the whole-hearted support of all our people as we endeavor to follow the Lord's directions.

We appeal to all our churches to send us a gift immediately and to include this ministry in your regular giving. Since many of our churches give through the Cooperative Plan of Support, we request 1% of undesignated Cooperative Plan gifts for the work of the Commission.

Send all gifts to:

Rev. Larry D. Hampton, Secretary-Treasurer
Free Will Baptist Radio and Television Commission
P.O. Box 17306
Nashville, Tennessee 37217

Our financial report and budget for 1985 follow.

Respectfully Submitted,
George C. Lee, Chairman
Guy F. Owens, Vice-Chairman
Larry Hampton, Secretary-Treasurer
Sandy Goodfellow
Jim Vallance

Radio And Television Commission

Treasurer's Report

October 1, 1983—December 31, 1983

Receipts

Executive Office.....	\$2,000.00
Co-operative Plan (Designated Giving)	180.00
Churches	260.00
District Associations	200.00
Individuals.....	55.05
Interest on Savings Account	10.99
TOTAL	\$2,706.04

Deposited to Checking Account	\$1,695.05
Deposited to Savings Account	1,000.00

Disbursements

Bank Charges	\$ 13.78
Board Expenses.....	417.09
Postage	201.64
Printing	358.86
Subscriptions	36.00
TOTAL	\$1,027.37

Deposits	\$1,695.05
Disbursements	1,027.37
On hand in checking account	\$ 667.68
Deposits	\$1,000.00
Interest	10.99
On hand in savings account	\$1,010.99
Checking account	\$ 667.68
Savings account	1,010.99
Total on hand	\$1,678.67

1985 Proposed Budget

Board Expenses	\$ 2,000
Part-Time Help	1,200
Radio Production Costs	4,500
Speaker	\$2,600
Supplies (Tapes)	1,100
Master Tapes.....	600
Tape Handling and Postage	200
Equipment and Maintenance	2,000
Phone	500
Office Expenses	800
(Mailing, etc.)	
National Convention Booth and Materials	200
Airtime.....	30,000
TV Pilot	10,000
Miscellaneous	2,500
	\$53,700

REGISTRATION COMMITTEE REPORT

National Convention 4,096

Ministers	800
Local Church Delegates	201
State Delegates	99
Missionaries	84
Standing Board Members	5
Visitors	2,907

National Youth Conference 1,430

Woman's National Auxiliary Convention 1,078

TOTAL 6,604

CREDENTIALS COMMITTEE REPORT

We, the Credentials Committee, have examined the letters and find them in order as stated below.

1. From the following state associations with the right to five delegates each:

Alabama	Kentucky	Oklahoma
Arkansas	Maryland	South Carolina
California	Michigan	Tennessee
Florida	Mississippi	Texas
Georgia	Missouri	Virginia
Illinois	North Carolina	West Virginia
Indiana	New Mexico	
Kansas	Ohio	

2. From the following district associations with the right to three delegates each:

Arizona District Association
Atlantic Canada District Association
Northeast District Association
Northwest District Association
Keystone District Association Pennsylvania
Mexico District Association

3. From the following local churches reporting directly to this body with the right to one delegate each:

Baton Rouge First, Louisiana
Bettendorf First, Iowa
Billings First, Montana
Waipahu FWB Church, Waipahu, Hawaii

4. We recommend that the delegates from the three above mentioned categories be seated. We further recommend that all other delegates properly registered from

local churches comprising the above associations be seated.

5. We recommend that all legally appointed lay delegates of standing boards be seated, if properly registered.

Submitted by: Herbert Waid, Georgia, Chairman
Jack Stallings, Virginia
Nathan Eason, Kansas
Bill Adkisson, New Mexico
Earl Hendrix, South Carolina

NOMINATING COMMITTEE REPORT

GENERAL BOARD (Terms to expire in 1986)

New Mexico, replacing Bill Adkisson; Bill Adkisson
North Carolina, replacing Tom Lilly; Tom Lilly
Northeast Association, replacing Walter Minor; Jim Nason
Northwest Association, replacing Jesse Dunn; Paul Wood
Ohio, replacing Delmar Sparks; Delmar Sparks
Oklahoma, replacing Jack Richey; Jack Richey
South Carolina, replacing Willie Justice; Earl Hendrix
Tennessee, replacing Raymond Riggs; Raymond Riggs
Texas, replacing Billy Walker; Billy Walker
Virginia, replacing Jack Stallings; Jack Stallings
West Virginia, replacing Carl Vallance; Carl Vallance

(Term to expire in 1985)

Kentucky, replacing Edward Hutchinson; Edgar (Dick) Van Hoose

EXECUTIVE COMMITTEE (Terms to expire in 1986)

Replacing Carl Vallance, West Virginia; Billy Walker (TX)
Replacing Jack Richey, Oklahoma; Jack Richey (OK)
Replacing Raymond Riggs, Tennessee; Tom Lilly (NC)

BIBLE COLLEGE TRUSTEES (Terms to expire in 1990)

Replacing Sam Truett, North Carolina; Sam Truett (NC)
Replacing James Earl Raper, Tennessee; James Earl Raper (TN)
Replacing J. D. O'Donnell, Texas; J. D. O'Donnell (TX)

FOREIGN MISSIONS BOARD (Terms to expire in 1990)

Replacing Dan Cronk, Tennessee; Dan Cronk (TN)
Replacing Joe Ange, Tennessee; Archie Mayhew (CA)
Replacing J. Reford Wilson, Illinois; Galen Dunbar (KS)

SUNDAY SCHOOL AND CHURCH TRAINING BOARD (Terms to expire in 1990)

Replacing Paul Thompson, Arizona; Milburn Wilson (CA)
Replacing Carl Cheshier, Arkansas; James McAllister (MO)
Replacing Joe McLamb, North Carolina; Malcolm Fry (NC)

COMMISSION ON THEOLOGICAL LIBERALISM (Term to expire in 1989)

Replacing L. C. Johnson, Tennessee; L. C. Johnson (TN)

HISTORICAL COMMISSION (Term to expire in 1989)

Replacing Robert Picirilli, Tennessee; Robert Picirilli (TN)

RADIO AND TELEVISION COMMISSION (Term to expire in 1989)

Replacing James Vallance, Tennessee; James Vallance (TN)

HOME MISSIONS BOARD (Term to expire in 1985)

Replacing Elzo Bevan, Maryland; Leroy Cutler (FL)

BOARD OF RETIREMENT (Term to expire in 1987)

Replacing Earl Hendrix, South Carolina; N. R. Smith (OK)

GENERAL OFFICERS

Assistant Clerk, replacing Keith Burden; Keith Burden (OK)
Clerk, replacing Waldo Young; Waldo Young (OK)
Assistant Moderator, replacing Ralph Hampton; Ralph Hampton (TN)
Moderator, replacing Bobby Jackson; Bobby Jackson (NC)

COMMISSION ON THEOLOGICAL LIBERALISM REPORT

The purpose of this Commission is to provide educational materials that will contribute to the continued preservation of orthodox doctrine within our denomination. The scope of our concern extends to any area of thought that either denies or endangers the basic doctrines of our faith or that may be termed heresy.

The members of the Commission seek to be alert to the trends and forces that are at work in today's world that could present a problem to some of our people as it relates to the subject of sound doctrine. Over the years we have prepared several booklets on various concerns.

At this year's National Association we are making available a book entitled *Contending For the Faith*. The book is composed of 11 booklets that have been published by the Commission. It also includes a booklet by Leroy Forlines on evolution and two booklets by Dr. LaVerne D. Miley on abortion and euthanasia. These booklets are published by Randall House Publications. We deeply appreciate their permission to include these three booklets in *Contending For the Faith*.

Leroy Forlines
Chairman

Financial Report

Balance in Bank, January 1, 1983 \$2,199.48

INCOME:

Gifts:

Alabama	\$ 63.47
Arkansas	289.96
Arizona	4.46
California	81.58
Florida	142.75
Georgia	47.45
Hawaii	1.61
Idaho	2.68
Illinois	132.15
Iowa	1.78
Indiana	1.64
Kansas	74.67
Kentucky	27.68
Maryland	2.61
Michigan	30.99
Mississippi	56.83
Missouri	607.93
North Carolina	33.00
New Mexico78
Ohio	95.28
Oklahoma	698.90
Tennessee	56.31

Texas	28.73	
Virginia	8.31	
West Virginia	49.89	
Misc.	8.89	
Total Gifts	2,550.33	
Sales of Literature	864.50	
Refund of National Association Booth	50.00	3,464.83
TOTAL INCOME AND BALANCE		5,664.31

EXPENDITURES:

Office Expense	156.91	
Mailing publicity and materials	579.66	
Display Racks	206.46	
National Association Booth Expense	482.54	
Annual Meeting Expense	425.48	
TOTAL EXPENDITURES		1,851.05
BALANCE IN BANK, December 31, 1983		\$3,813.26

Leroy Forlines, Chairman
E. B. McDonald, Bookkeeper

HISTORICAL COMMISSION REPORT

The Commission's 1984-85 project is to complete preparations to publish the *50-Year Record* in time for the 1985 National Convention.

The *50-Year Record* will include a general history of the National Association since 1935, individual department and agency histories, and appropriate photographs. Randall House Publications will print the book; it will be a maximum of 150 pages in length.

The Commission plans to operate an exhibit at the 1985 Convention in Nashville to display materials of historical significance and to sell copies of the *50-Year Record*.

We encourage denominational publications, both state and national, to print articles and news items in 1985 which will heighten awareness of the Free Will Baptist heritage since 1935.

We also urge pastors and promotional officials to boost attendance for and participation in the 1985 National Convention which meets July 21-25 in Nashville, Municipal Auditorium.

We ask that those who plan the National Convention, National Youth Conference and Woman's National Youth Convention consider the historical significance of 1985 as they select themes and speakers.

Financial Report July 1, 1983-June 30, 1984

Balance on Hand, June 30, 1983 \$1,001.89

INCOME

Gifts (COOP, Designated and undesignated)	\$2,277.31
Gifts (Texas State Association)	46.09
Royalties (Randall House)	32.40
Interest (Savings at First American Bank, Nashville, TN)	104.78

TOTAL INCOME **2,460.58**

EXPENSES

Dr. William Davidson (Typing manuscript of FWB History)	\$250.00
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TOTAL EXPENSES **250.00**

Balance on Hand, June 30, 1984 \$3,212.47

RESOLUTIONS COMMITTEE REPORT

I. WHEREAS, the need exists for Free Will Baptists to be informed if a minister's credentials are revoked, and

WHEREAS, Section 4, Resolution I passed in 1974 states that each district association should publish in its state paper the names of ministers whose credentials have been revoked, therefore

BE IT RESOLVED, that the church or association revoking the credentials notify the Executive Office of the National Association of Free Will Baptists so that the information may be published in CONTACT for the benefit of other churches and associations, and that when reconciliation is made, the same notification be sent to the Executive Office. *(Defeated)*

II. WHEREAS, I Corinthians 6:1-8

Dare any of you, having a matter against another, go to law before the unjust, and not before the saints? Do ye not know that the saints shall judge the world? And if the world shall be judged by you, are ye unworthy to judge the smallest matters? Know ye not that we shall judge angels? How much more things that pertain to this life? If then ye have judgments of things pertaining to this life, set them to judge who are least esteemed in the church. I speak to your shame. Is it so, that there is not a wise man among you? No, not one that shall be able to judge between his brethren? But brother goeth to law with brother, and that before the unbelievers. Now therefore there is utterly a fault among you, because ye go to law one with another. Why do ye not rather take wrong? Why do ye not rather suffer yourselves to be defrauded? Nay, ye do wrong, and defraud, and that your brethren.

forbids a brother to take another brother to court,

BE IT RESOLVED, that this body go on record as disapproving any action contrary to this Biblical injunction. *(Adopted as amended)*

III. WHEREAS, the greatest needs of our nation are spiritual revival and return to God and Biblical values, and

WHEREAS, the current movements for rights of homosexuals, disregard for the sacredness of human life as created by God, such as abortion on demand and euthanasia, the equal rights amendment, pornography, secular humanism, and other such evils are in direct conflict with a return to God and spiritual renewal,

BE IT RESOLVED, that this body go on record as opposing the said evils, and

BE IT FURTHER RESOLVED, that our people be encouraged to work for the election of public officials, regardless of political party, who are supportive of Biblical values. *(Adopted as amended)*

IV. WHEREAS, the American home is experiencing a deterioration in foundation, and

WHEREAS, this moral decay is greatly effecting our Free Will Baptist homes, therefore,

BE IT RESOLVED, that this body encourage and admonish our pastors to assist our people in establishing and conducting Christian homes. *(Adopted as amended)*

V. WHEREAS, offensive television programs continue

BE IT RESOLVED, that we reaffirm our position as stated in Resolution #1 in 1975:

1. That the National Association of Free Will Baptists hereby express its firm conviction that television programs which degrade sex, glorify violence, and deny moral decency have no place on the airways.
2. That we strongly oppose programming which undermines the moral values and ideals of our great nation.
3. That we urge all Free Will Baptists to enthusiastically express appreciation to producers, networks, and sponsors for morally wholesome television programs.
4. That we call on Free Will Baptists to vigorously oppose the showing of offensive movies on television through:
 - (a) Letter writing (to the Federal Communications Commission, legislators, local station managers, and sponsors),
 - (b) Selective buying practices,
 - (c) Selective viewing, and
 - (d) Supporting worthy organizations that are opposing such programs.
5. That we regard this issue with such intense concern that we commit ourselves to work to secure its implementation. *(Adopted)*

VI. BE IT RESOLVED, that this body give a standing vote of appreciation to the Arkansas State Association of Free Will Baptists for their hosting of the 48th Annual Session of the National Association of Free Will Baptists. *(Adopted)*

Master's Men	83,821.00
Retirement and Insurance	163,614.00
Free Will Baptist Foundation	15,000.00
Sunday School and Church Training	3,044,590.00
Radio and Television Commission	53,700.00
TOTAL	\$10,539,550.47

Board of Retirement and Insurance	14%
Historical Commission	1%
Radio and Television Commission	1%
TOTAL	100%

1984 STATISTICAL REPORT

	Associations	Churches	Membership	Baptisms	Ordained Ministers	Licensed Ministers	Ordained Deacons	Sunday School Enrollment	CTS Enrollment	W.N.A.C. Enrollment	Master's Men Enrollment	Spent For Local Causes	Spent For Outside Causes	Value of Church and Parsonage Property	Value of Associational and State Property
ALABAMA	15	185	22,102		317	48	489	12,214	4,438	942	336			12,910,860.00	
ARIZONA	1	8	125		8			239	98	20	21	67,944.76	67,944.76	879,000.00	
ARKANSAS	16	235	24,600	2,189	424	33	547	25,200	5,505	900	430	3,000,000.00	474,292.31	17,000,000.00	465,000.00
CALIFORNIA	6	75	5,025	578	128	37	169	5,674	499	384	51	1,609,400.00	205,808.31	14,609,303.00	510,000.00
CANADA	1	16	498	24	7	11									300,000.00
COLORADO	1	6													
FLORIDA	7	75	5,555		101	31	191	4,343	1,283	441	154	1,313,428.00	141,465.00	5,744,500.00	
GEORGIA	9	118	9,518	330	146	32	397	4,848	1,752	762	315	4,519,090.49	153,667.40	8,990,224.00	429,000.00
HAWAII		1	51	14	2	2	2	62	50	12	10	25,999.43	2,095.00	1,105,000.00	
IDAHO	1	5	141	23	6	1	4	150	50	30					
ILLINOIS	6	44	4,120	147	66	18	97	2,219	524	246	72	755,080.00	112,505.00	5,247,650.00	
INDIANA	4	27	1,991		55	8	41	1,927	273	200	64	259,897.22	41,802.03	3,500,000.00	150,000.00
IOWA		1	40	9	1	1		70		8	10	27,326.50	1,273.74	272,000.00	
KANSAS	2	11	634	84	9	3	11	744		75	6	231,008.80	21,157.60	944,500.00	
KENTUCKY	10	137	14,723		390	38	308	7,698	471	662	84		93,915.00	10,230,800.00	
LOUISIANA		1		9	2	1		53	28	10	7		2,600.00	500,000.00	
MARYLAND	4	28	1,723	95	51	12	44	1,949	171	273	51		37,221.21	3,375,500.00	
MEXICO	1	14	800	60	5	5	20	650		205			500.00	250,000.00	
MICHIGAN	4	50	4,349	259	92	17	99	3,696	229	383	84	905,599.13	137,869.42	11,043,000.00	
MINNESOTA															
MISSISSIPPI	4	58	5,207	193	71	8	182	2,688	1,148	402	127	279,539.77	42,558.78		
MISSOURI	16	166	12,409	323	261	46	320	8,229	875	623	61	2,391,129.44	476,682.23	11,199,000.00	135,568.00
MONTANA		1	39	6	1		1	25					1,248.18		
NEW MEXICO	2	6	116												
NORTH CAROLINA	7	178	16,527	843	113	90	362	13,054	1,687	1,431	194				
NORTHEAST ASSN.	1	4	230		4		5	100		20					
NORTHWEST ASSN.	1	9	367	56	12	2	7	526		51	14				
OHIO	13	144	10,129	355	336	44	303	10,911	584	519	82	1,144,158.00	147,141.00	17,196,102.00	194,569.00
OKLAHOMA	23	261	23,820		441	84	684	19,101	3,384	1,466					1,856,283.00
PENNSYLVANIA	1	3	198	12	3	2	3	450		7	28	18,177.20	1,691.45	250,000.00	
SOUTH CAROLINA	6	112	5,194	341	59	38	174	5,142	1,078	545	144	587,640.24	87,549.93	6,335,900.00	
TENNESSEE	7	177	20,125	985	198	69	219	13,156	1,959	1,216	308	2,363,675.71	477,061.11		
TEXAS	7	64	4,172		82	14		3,060	644	897	105	826,058.00	139,128.83	7,335,000.00	
VIRGINIA	5	99	6,943		220	10	256	7,737	1,139	504	32		61,664.98		
VIRGIN ISLANDS															
WEST VIRGINIA	21	182	11,554		465	32	451	12,438	578	944	171	9,003,840.78	136,584.96	8,900,800.00	
WYOMING															
TOTALS	202	2,501	213,025	6,935	4,076	737	5,386	168,353	28,447	14,178	2,961	29,328,993.47	3,065,428.23	147,819,139.00	4,040,420.00

REPORTING PERIOD 1983-1984