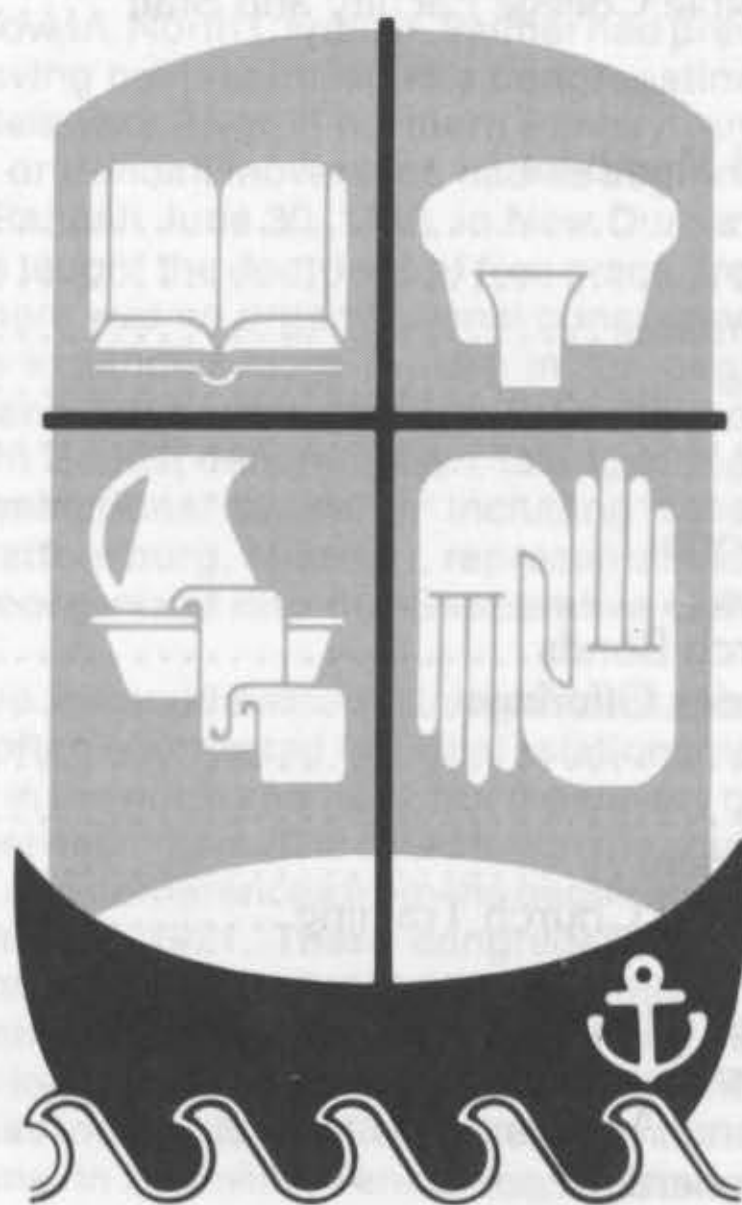


# 1991 Free Will Baptist Yearbook



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 Fifty-Fourth Annual Session of the National Association of Free Will Baptists, Inc. when convened in Phoenix, Arizona July 15-19, 1990

## Future Sessions To Be Held In

1991	Charleston, West Virginia	July 21-25
1992	Indianapolis, Indiana	July 19-23
1993	Louisville, Kentucky	July 18-22
1994	Little Rock, Arkansas	July 17-21
1995	Charlotte, North Carolina	July 16-20
1996	Fort Worth, Texas	July 21-25
1997	Cincinnati, Ohio	July 20-24
1998	Tulsa, Oklahoma	July 12-16
1999	Atlanta, Georgia	July 18-22
2000	Anaheim, California	July 16-20



## Officers and Board Members

### General Officers

Moderator .....	Ralph Hampton
Assistant Moderator .....	Carl Cheshier
Clerk .....	Waldo Young
Assistant Clerk .....	Keith Burden
Executive Secretary-Treasurer .....	Melvin Worthington

### General Board

1992	1991
New Mexico: Earl Jenkins	Alabama: John Edwards
North Carolina: Tom Lilly	Arizona: Paul Thompson
Northeast Association: Jim Nason	Arkansas: David Joslin
Northwest Association: Mike Criswell	Atlantic Canada: Oral McAfee
Ohio: Delmar Sparks	California: Doice McAlister
Oklahoma: Jack Richey	Colorado: Bob Thomas
South Carolina: Joe Cagle	Florida: Robert Owen
Tennessee: Raymond Riggs	Georgia: Herbert Waid
Texas: Thurmon Murphy	Idaho: Tommie Carlson
Virginia: Jeff Crabtree	Illinois: Wallace Malone
West Virginia: Carl Vallance	Indiana: Archie Ratliff
	Kansas: Steve Hendrix
	Kentucky: Tim York
	First Louisiana: Steve Trail
	Maryland: Lester Horton
	Mexico: Fred Jones
	Michigan: Charles Cooper
	Mississippi: J. L. Gore
	Missouri: Dale Skiles

### EXECUTIVE COMMITTEE

Chairman: Ralph Hampton, 5614 Meadowcrest, Nashville, TN 37209  
Clerk: Waldo Young, 1101 East Cammack, Shawnee, OK 74801

1991	1992	Officers
Charles Cooper (Mich.)	Tom Lilly (N.C.)	Ralph Hampton (Tenn.)
J. L. Gore (Miss.)	Jack Richey (Okla.)	Carl Cheshier (Ark.)
Bob Thomas (Colo.)	Carl Vallance (W. Va.)	Waldo Young (Okla.)

## BIBLE COLLEGE TRUSTEES

Chairman: Ken Walker, 2121 29th Street, Ashland, KY 41101  
President: Tom Malone, 3606 West End Avenue, Nashville, TN 37205

1992	1994	1996
Clarence Burton (Mo.)	Ken Walker (Ky.)	Sam Truett (N.C.)
W. B. Hughes (N.C.)	Bob Ketchum (Okla.)	Larry Montgomery (Fla.)
Douglas Little (Ark.)	Howard Price (Ga.)	J. M. Creech (Miss.)

## FOREIGN MISSIONS BOARD

Chairman: Bill Jones, 2207 Carter Creek Parkway, Bryan, TX 77801  
Director: Eugene Waddell, P.O. Box 1088, Nashville, TN 37202

1992	1994	1996
Joe Grizzle (Okla.)	William Reagan (Canada)	Alton Loveless (Ohio)
Bill Jones (Texas)	Robert Trimble (Md.)	Galen Dunbar (Ga.)
Dean Dobbs (N.C.)	Norwood Gibson (S.C.)	Archie Mayhew (Calif.)

## HOME MISSIONS BOARD

Chairman: Rue Dell Smith, 209 East Robinson, Springdale, AR 72764  
Director: Roy Thomas, P.O. Box 1088, Nashville, TN 37202

1991	1993	1995
Milburn Wilson (Calif.)	Lynn Wood (Okla.)	Fred Hanson (Canada)
Glenn Thomas (Ga.)	Rue Dell Smith (Ark.)	Earl Hendrix (S.C.)
Larry Russell (La.)	Wendell Walley (N.C.)	J. D. Norris (Ala.)

## MASTER'S MEN BOARD

Chairman: Wendell Leckbee, 1 Amber Lane, N. Little Rock, AR 72118  
Director: James Vallance, P.O. Box 1088, Nashville, TN 37202

1991	1993	1995
Howard Gwartney (Okla.)	Wendell Leckbee (Ark.)	Johnny Fowlkes (Ark.)
Tim Jordan (Ga.)	Dwight Fletcher (Ga.)	James Orr (Ky.)
Thurman Pate, Jr. (Tenn.)	Charles Denman (Texas)	Waymon Ray (Okla.)



## BOARD OF RETIREMENT

Chairman: Ron Barber, 5829 E. 46th Place, Tulsa, OK 74135  
 Director: Herman Hersey, P.O. Box 1088, Nashville, TN 37202

1991	1993	1995
Ron Barber (Okla.)	Robert Morgan (Tenn.)	Jack Daniel (Ga.)
Roger Harwell (Okla.)	Lincoln Varney (Ky.)	Waymond Fields (Ala.)
Milton Hollifield (N.C.)	Bobby Floars (N.C.)	Wilburn Beasley (S.C.)

## SUNDAY SCHOOL AND CHURCH TRAINING BOARD

Chairman: Milton Worthington, 368 Starr Drive, Troy, MI 48083  
 Director: Roger Reeds, P.O. Box 17306, Nashville, TN 37217

1992	1994	1996
Connie Cariker (Okla.)	Milton Worthington (Mich.)	David Sutton (Texas)
Edwin Hayes (Ohio)	Billy Hanna (Ga.)	James McAllister (Calif.)
Larry Clyatt (Ill.)	Jim Shepherd (Okla.)	Larry Hughes (Ark.)

## COMMISSION FOR THEOLOGICAL INTEGRITY

Chairman: Leroy Forlines, 3606 West End Avenue, Nashville, TN 37205

1991 Lonnie Skiles (Mo.)	1993 Fred Hall (Tenn.)
1992 Leroy Forlines (Tenn.)	1994 L. C. Johnson (Tenn.)
	1995 Daryl Ellis (Ill.)

## HISTORICAL COMMISSION

Chairman: David Joslin, P.O. Box 1404, Conway, AR 72032

1991 David Joslin (Ark.)	1993 Mary Wisehart (Tenn.)
1992 Jack Williams (Tenn.)	1994 Robert Picirilli (Tenn.)
	1995 Steve Hasty (Ala.)

## RADIO-TELEVISION COMMISSION

Chairman: Sandy Goodfellow, P.O. Box 50117, Nashville, TN 37205

1991 Sandy Goodfellow (Tenn.)	1993 Terry Boyd (Tenn.)
1992 Bill Gardner (Tenn.)	1994 James Vallance (Tenn.)
	1995 Bob Shockey (Tenn.)

## MUSIC COMMISSION

Chairman: Bill Gardner, 2518 Una-Antioch Pike, Antioch, TN 37013

1991 Rodney Whaley (Tenn.)	1993 Bill Gardner (Tenn.)
1992 Douglas Little (Ark.)	1994 Blaine Hughes (N.C.)
	1995 Vernon Whaley (Okla.)



## Proceedings

The 54th annual session of the National Association of Free Will Baptists met July 15-19, 1990, in the Phoenix Civic Plaza, Phoenix, Arizona. The theme of the convention was "Growing for God's Glory." Blaine Hughes served as music coordinator. The organist was Todd Parrish and the pianist was Jerry Carraway.

### Sunday School/Morning Worship — July 15, 1990

Mike Lewis led the congregation in singing choruses to open the Adult Sunday School time. J. L. Gore, who presided at both Sunday School and morning worship, made opening remarks and led in prayer. *Sounds of Joy*, a vocal ensemble from California Christian College, sang, "Til the Storm Passes By."

Malcolm Fry, editor-in-chief of the Sunday School and Church Training Department, taught the Adult Sunday School. The lesson was based on Genesis 5, the life of Enoch. The session ended at 10:45. *Sounds of Joy* presented special music to open the morning worship service at 11:00 a.m. J. L. Gore led in prayer.

Mike Lewis led the congregation in singing, "All Hail the Power." *Sounds of Joy* sang, "Redeemed." After prayer by Pastor Gore, the morning offering was received.

The congregation sang, "Great is Thy Faithfulness."

Ken Walker, pastor of the Second FWB Church, Ashland, Kentucky, was introduced to bring the morning message. Just before the message Malcolm Fry sang a Jesus medley beginning with "No One Ever Cared for Me Like Jesus."

Pastor Walker read Matthew 5:43-48, and brought the message on "Christians Can Out-Do the World." After announcements, "Thank You Lord" was sung as a benediction.

### Sunday Evening Worship Service — July 15, 1990

The Sunday evening service was called to order at 7:00 p.m. The call to worship was a trumpet solo by Brad Williams who played "Stand up for Jesus."

David Reece, who presided at the service, led in prayer.

The *Truth and Peace* youth group presented special music.

The *Youth Evangelistic Team* sang, "Take It to All the World." Danny Thomas led the congregation in singing one verse each of "Victory in Jesus," "Brethren, We have Met to Worship," "It Is No Secret" and

"Wonderful Grace of Jesus."

The *McAllister Trio* from California presented special music. "His Name is Wonderful" was sung by the congregation.

The men's quartet from Southeastern Free Will Baptist College sang, "The Old Time Way of Praising the Lord" and "Then Came the Morning" as the offering was received.

J. B. Varney, pastor of the Kirby FWB Church, Taylor, Michigan, was introduced to bring the message. Just before the message Lisa Wallace presented special music.

Pastor Varney preached on "Total Care of God's Family." After announcements, the congregation sang, "The Family of God" as the benediction.

### Monday Evening Worship Service — July 16, 1990

Blaine Hughes led the congregation in singing, "What a Savior" to begin the Monday evening service. Paul Thompson, presiding officer, made introductory remarks and called on Arizona moderator Charles Marshall to lead in prayer.

Clerk Waldo Young called the 54th convention into official session. He also introduced Moderator Ralph Hampton, dean of the Graduate School at Free Will Baptist Bible College.

The moderator announced the appointment of the following committees:

Credentials Committee—Jeff Crabtree, Joe Cagle, Thurmon Murphy, Lester Horton and John Edwards. Resolutions Committee—Daryl Ellis, John Reed, Billy Sharpston, Mance Cason and Ernest Harrison. Nominating Committee—David Shores, Randy Scott, Frank Wiley, Jerry Rackley and Leroy Cutler.

Pastor Thompson welcomed the delegates and visitors to Phoenix, the convention city. *Sounds of Joy*, an ensemble from California Christian College, sang a medley of hymns. The ensemble also sang, "Sweet Beulah Land."

The congregation sang, "A New Name in Glory."

The *Mass Choir* under the direction of Douglas Little sang, "How Majestic is Your Name" and "Praises We Sing."

Herman Hersey played, "Onward Christian Soldiers" and "Stand Up, Stand Up for Jesus" as a piano solo while the convention offering was received. "Old Time Power" was sung by the congregation.

David Joslin, promotional director for Arkansas State Association, was introduced as the speaker. Just before the message, Cinda Thompson sang, "We Are Standing on Holy Ground."

The speaker read I Kings 19:19, Mark 10:29-30, Acts 1:4-8 and brought the message on "The Spirit-Filled Disciple." "Breathe on Me" was sung as an invitation hymn at the close of the message. After announcements were made, "Amazing Grace" was sung as the benediction.



## **Tuesday Evening Worship Service — July 17, 1990**

Vernon Whaley led the congregation in singing, "Brethren, We Have Met to Worship" to open the Tuesday evening service. Clarence Burton was introduced to preside. He led in prayer.

The Men's Chorale sang, "Great Is the Lord."

The congregation sang, "I Will Praise Him." Daryl Ellis led in prayer.

The congregation sang, "Fairest Lord Jesus," "He Is Lord," "Jesus, Lord to Me" and "In My Life, Be Glorified," as members of the congregation joined hands.

The music ensembles and quartets from Free Will Baptist Bible College, Hillsdale Free Will Baptist College, California Christian College and Southeastern Free Will Baptist College joined together in singing, "We Are Standing on Holy Ground" and "Holy, Holy, Holy."

The convention offering was received. Clarence Burton led in prayer, and *New Life Singers* from Hillsdale FWB College sang a medley of songs.

Jim Shepherd, president of Hillsdale FWB College, Moore, Oklahoma, was introduced as the speaker. He read Colossians 3:1-4 and brought the message on "Alive in Christ." After announcements were made, "To Be Like Jesus" was sung as the benediction.

## **Wednesday Morning Business Session — July 18, 1990**

Moderator Ralph Hampton called the business session to order at 9:00 a.m. He read Titus 2:11-15, brought devotional thoughts and led in prayer.

The clerk read the report of the Credentials Committee. A motion carried that the Credentials Committee report be adopted and the delegates be seated.

The clerk read Item #2 of the General Board report. A motion carried to adopt Item #2.

The clerk read Item #1 of the General Board report. A motion carried to adopt Item #1.

Executive Secretary Melvin Worthington gave the report of the Executive Office. A motion carried to receive the report and adopt the budgets within the work of this office.

Director Herman Hersey gave the report of the Board of Retirement. He recognized Robert Picirilli for 11 years of service on the Board of Retirement. A motion carried to receive the report and adopt the budget.

The moderator recognized former moderator Ralph Staten, a minister who was a part of the first National Association in 1935, present for this 54th session.

The clerk read a partial report of the Nominating Committee.

Bobby Floars (N.C.) was elected to fill the 1993 term on the Board of Retirement, replacing the late Billy Samms.

Director Roy Thomas gave the report of the Home Missions Depart-

ment. He presented checks to home missionaries in the Phoenix area designated for the purchase of property. A motion carried to receive the report and adopt the budget of the Home Missions Department. Lynn Wood (Okla.) was elected to fill the 1993 term on the Home Missions Board, replacing Richard Adams who resigned.

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

Director Roger Reeds gave the report of the Sunday School and Church Training Department. A motion carried to receive the report and adopt the budget. David Sutton (Texas), James McAllister (Calif.) and Larry Hughes (Ark.) were elected to six-year terms on the Sunday School and Church Training Board.

Director R. Eugene Waddell gave the report of the Foreign Missions Department. A motion carried to receive the report and adopt the budget. Alton Loveless (Ohio), Archie Mayhew (Calif.) and Galen Dunbar (Ga.) were elected to six-year terms on the Foreign Missions Board.

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

Herman Hersey also gave the report of the Benevolence Committee. A motion carried to receive the report, including the financial report.

Chairman Leroy Forlines gave the report of the Commission for Theological Integrity. A motion carried to receive the report and adopt the budget. Daryl Ellis (Ill.) was elected to a five-year term on the Commission for Theological Integrity.

Bill Gardner gave the report of the Music Commission. A motion carried to receive the report and adopt the budget. Vernon Whaley (Okla.) was elected to a five-year term on the Music Commission.

David Joslin gave the report of the Historical Commission. A motion carried to receive the report and adopt the budget. Steve Hasty (Ala.) was elected to a five-year term on the Historical Commission.

Larry Hampton gave the report of the Radio-TV Commission. A motion carried to receive the report and adopt the budget. Bob Shockey (Tenn.) was elected to a five-year term on the Radio-TV Commission.

Melvin Worthington introduced C. H. Overman, general secretary of the North Carolina State Convention of Original Free Will Baptists. He brought greetings to the National Association from the organization he represents.

A motion carried to recess until 1:35 p.m.

## **Wednesday Afternoon Business Session — July 18, 1990**

Assistant Moderator Carl Cheshier read Psalm 121 and led in prayer to begin the afternoon session.

Former president Charles Thigpen gave the report of Free Will Baptist Bible College. Newly-elected president Tom Malone addressed the



National Association. A motion carried to receive the report and adopt the budget of Free Will Baptist Bible College. Sam Truett (N.C.), Larry Montgomery (Fla.) and J. M. Creech (Miss.) were elected to six-year terms on the Bible College Board of Trustees.

The clerk read Item #3 of the General Board report. A motion carried to adopt Item #3.

Items #4 and #5 of the General Board report were also adopted.

The clerk read Item #6 of the General Board report. A motion was made and seconded to adopt Item #6. A motion was made and seconded to amend Item #6, by substitution as follows:

That we authorize the sale of the present property on Murfreesboro Road, and that the indebtedness on purchasing or building is not to exceed \$400,000.

The motion to amend lost.

The motion to adopt Item #6 carried.

Steve Hendrix (Kan.) and Steve Trail (La.) were elected to one-year terms on the General Board.

The clerk read nominations for the General Board from the Nominating Committee report. The following were elected to the General Board for two-year terms from their respective states. Earl Jenkins (N.Mex.), Tom Lilly (N.C.), Jim Nason (Northeast Assoc.), Mike Criswell (Northwest Assoc.), Delmar Sparks (Ohio), Jack Richey (Okla.), Joe Cagle (S.C.), Raymond Riggs (Tenn.), Thurmon Murphy (Texas), Jeff Crabtree (Va.) and Carl Vallance (W.Va.).

Those elected to the Executive Committee for two-year terms were Tom Lilly, Jack Richey and Carl Vallance.

The clerk read the report of the Resolutions Committee. Resolutions 1, 2, 3 and 4 were adopted.

Melvin Worthington gave the report of the Budget Committee. A motion carried to adopt the report. A motion carried that the Budget Committee study and bring back in 1991 a plan to enlist better cooperation from all areas of the denomination in supporting the Executive Office.

### **Wednesday Evening Worship Service — July 18, 1990**

Larry Clyatt led the congregation in singing, "Send the Light" to open the Wednesday evening service. Connie Cariker presided.

The Mass Choir under the direction of Douglas Little sang, "We Shall Rise." Douglas Little led the congregation in singing, "Have Thine Own Way." Connie Cariker led in prayer.

The Mexican Quartet presented special music and each quartet member gave a testimony.

Director Eugene Waddell introduced the foreign missionaries who were present. Director Roy Thomas introduced the home missionaries who were present. In the case of those present from the target city of Phoenix,

Arizona, whole congregations were introduced along with their pastors. "We've a Story to Tell" was sung by the congregation. A convert from Spain who came on his own to the convention, sang, "Thank You." Connie Cariker led in prayer. Rejoice, an ensemble from Free Will Baptist Bible College, presented special music as the missions offering was received. The missions offering was a record \$24,189.22

Bobby Lee Thomas sang, "There Is a Savior."

Larry Powell, pastor of Cofer's Chapel FWB Church in Nashville, Tennessee, was introduced to bring the message. He read Matthew 5:13 and brought the message on "The Salty Tang." "I Surrender All" was sung as an invitation hymn. Several people responded to the invitation. After announcements the congregation sang, "Blest Be the Tie" as the benediction.

### **Thursday Morning Business Session — July 19, 1990**

Assistant Clerk Keith Burden opened the morning session at 9:00 a.m. by reading John 17:1-11. He also led in prayer.

Jim Lauthern gave the report of the National Youth Conference. A motion carried to receive the report.

Mary R. Wisehart gave the report of the Woman's National Auxiliary Convention. A motion carried to receive the report.

The clerk read the report of the Registration Committee. The report was received as information.

A motion was made and seconded that the Executive Committee study procedures for disciplining a minister, to outline procedures, seek legal opinion on how it would stand up in court if challenged, and to report back to next year's convention for consideration by the body. The motion carried.

A motion was made and seconded that "Whereas this body has previously passed a resolution against abortion, and whereas the Louisiana legislature has presently passed the strongest anti-abortion bill of any state, and whereas if this bill becomes law it has potential influence in the overturning of Roe versus Wade ruling, Be it resolved that this body send a letter to Governor Buddy E. Roemer encouraging him to sign this bill into law." The motion carried.

The clerk read the final report of the Nominating Committee regarding their nominations for officers.

Ralph Hampton (Tenn.) was elected moderator.

Carl Cheshier (Ark.) was elected assistant moderator.

Waldo Young, (Okla.) was elected clerk.

Keith Burden (Okla.) was elected assistant clerk.

A motion carried to adjourn. After several requests were heard, a time of prayer was observed.



## 1990 THE EXECUTIVE SECRETARY'S REPORT

The Executive Secretary attended 19 state associations during 1989. Reports during these meetings indicate a renewed interest and involvement in the work of Free Will Baptists. Harmony, honesty, humility and happiness characterized these associations. The Target 90 Campaign concluded its fourth year. Statistics for 1986-1989 reflect steady growth.

	1986	1987	1988	1989	Total
Baptisms	8,517	8,407	7,910	8,678	33,512
Members Added	12,052	12,132	12,436	12,726	49,346
Members Lost	7,314	6,581	6,454	7,511	27,860

The Campaign's four-year net membership goal was 35,000. Actual gains were 21,486—13,514 short of the projected goal. From 1986-1988 Free Will Baptists planted 103 new churches. Churches planted in 1989 will be included in 1990 statistics.

Executive Church Bonds was brought into existence for the purpose of helping Free Will Baptists churches with building programs. This included church buildings, parsonages, and various activity buildings. Executive Church Bonds has continued to serve churches that needed assistance with details on existing programs. All first mortgage programs that we are aware of have been released. Therefore, we feel it is proper to conclude the operation of Executive Church Bonds and release the remaining funds to the Executive Office Special Projects Fund. These funds will be held two years in the event a need arises. We commend the work of Harold Critcher who faithfully served as trustee of Executive Church Bonds.

The 1990 Denominational Digest provides an overview of the operation and outreach of the National Association of Free Will Baptists. Copies are provided for each state meeting. The 1990 Free Will Baptist Yearbook provides minutes from the 1989 annual convention, 1988 audits, 1990 projected budgets, listings of pastors and churches, and other materials pertaining to Free Will Baptists.

The National Ministries Sunday offering for 1989 totaled \$28,514.65. September 30, 1990 has been designated National Ministries Sunday. We encourage every Free Will Baptist to participate in this offering. Based on the 1990 gift income budgets of National Ministries, each Free Will Baptist needs to give \$34.81. We challenge you to give a gift of \$34.81 above your systematic and other special gifts. This Stewardship Emphasis in September can be a blessing to every Free Will Baptist ambassador, assembly, association and agency.

*Rejoice: The Free Will Baptist Hymn Book* is available from Randall House Publications at a cost of \$9.98 per copy. More than 66,000 hymnals have been sold. Only 36,640 remain.

The biennial Leadership Conference, sponsored by the national departments met December 4-5, 1989 in Nashville, Tennessee for two days of workshops on denominational accountability. Leaders from 23 states at-

tended the conference. The biennial All-Boards Conference will meet December 3-4, 1990 in Nashville.

Contact continues to print information and inspirational material for the denomination. Complimentary copies are provided for students at Free Will Baptist Bible College, Hillsdale FWB College, Southeastern FWB College and California Christian College. We urgently need to increase the number of subscribers in order to underwrite publication costs for the magazine. Join with us in promoting the denomination's official voice.

California (2000) and Michigan (2001) voted to host the national convention. Site inspection visits were conducted in Long Beach, Anaheim and Fresno. As time permits site inspections will be made to sites in Michigan. States wishing to host conventions beginning in 2002 need to contact the Executive Office.

The Executive Office and Foreign Missions Department continue working on the possibility of organizing an International Association of Free Will Baptists. The Management Committee continues to move toward relocating the National Offices.

My doctoral program (Ed.D.) in religious education at Vanderbilt University is on schedule. All course requirements have been completed. Written comprehensives and oral exams are scheduled to be completed in 1990. My graduation goal is the spring of 1992.

The Executive Secretary continues to represent the National Association of Free Will Baptists by participating in the Religious Conference Management Association (President), Evangelical Press Association, American Family Association (Advisory Board), Christian Stewardship Association, Citizens For Responsible Television (National Board), Association of Statisticians of American Religious Bodies, Christian Ministries Management Association, United States Church Leaders, and Religious Alliance Against Pornography.

Cooperative Channel gifts for 1989 totaled \$1,329,171.70. Of this amount \$319,483.14 was Coop (undesignated) and \$1,009,688.56 designated. We commend you for your generous support of National Ministries through the Cooperative Channel.

### Charting Contributions Through The Cooperative Channel

	DESIGNATED	COOP	TOTAL
1979			
\$ 134,692.98		\$105,071.32	\$ 239,764.30
56%		44%	
1980			
189,065.28 (+40.37%)		123,740.30 (+17.77%)	312,805.58 (+30.46%)
60%		40%	



1981	279,830.55 (+48.01%) 59%	191,661.52 (+54.89%) 41%	471,492.07 (+50.73%)
1982	495,612.97 (+77.11%) 65%	263,766.24 (+37.62%) 35%	759,379.21 (+61.06%)
1983	487,876.30 (-1.56%) 61%	314,162.76 (+19.11%) 39%	802,039.06 (+5.62%)
1984	560,490.44 (+14.88%) 60%	380,000.33 (+20.96%) 40%	940,490.77 (+17.26%)
1985	563,474.05 (+0.53%) 60%	374,804.51 (-1.37%) 40%	938,278.56 (-0.24%)
1986	780,988.61 (+38.60%) 68%	368,470.06 (-1.69%)	1,149,458.67 (+22.51%) 32%
1987	876,378.54 (+12.21%) 75%	289,547.31 (-21.42%) 25%	1,165,925.85 (+1.43%)
1988	944,949.06 (+7.82%) 75%	323,295.09 (+11.66%) 25%	1,268,244.15 (+8.78%)
1989	1,009,688.56 (+6.85%) 76%	319,483.14 (-1.18%) 4%	1,329,171.70 (+4.80%)

Cooperative Channel Contributions Increase from 1979-1989

Designated 649.62% COOP 204.06%

#### EXECUTIVE OFFICE

	<u>DESIGNATED</u>	<u>COOP</u>	<u>TOTAL</u>
1979	\$ 21,658.41	\$ 59,977.69	\$ 81,636.10
1980	30,802.50	53,719.01	84,521.51
1981	22,030.85	87,375.54	109,406.39
1982	16,619.41	109,447.70	126,067.11
1983	7,945.88	130,700.41	138,646.29
1984	1,770.14	154,384.33	156,154.47
1985	2,257.83	166,172.19	168,430.02
1986	9,528.25	167,852.99	177,381.24

1987	23,900.46	188,013.53	211,913.99
1988	24,646.15	193,102.83	217,748.98
1989	25,129.16	200,319.16	225,448.32

#### FOREIGN MISSIONS

	<u>DESIGNATED</u>	<u>COOP</u>	<u>TOTAL</u>
1979	\$ 44,414.83	\$ 13,257.51	\$ 57,672.34
1980	61,804.75	20,148.48	81,953.23
1981	164,680.31	26,592.81	191,273.12
1982	325,948.34	39,351.22	365,299.56
1983	344,625.52	42,196.29	386,821.81
1984	394,245.60	51,900.33	446,145.93
1985	404,689.59	47,985.31	452,674.90
1986	537,641.06	46,141.70	583,782.76
1987	592,450.15	23,352.50	615,802.65
1988	661,447.78	29,944.15	691,391.93
1989	701,975.57	27,407.66	729,383.23

#### FREE WILL BAPTIST BIBLE COLLEGE

	<u>DESIGNATED</u>	<u>COOP</u>	<u>TOTAL</u>
1979	\$ 25,457.15	\$ 12,184.22	\$ 37,641.37
1980	28,986.94	20,148.48	49,135.42
1981	33,071.94	26,592.81	59,664.75
1982	47,803.36	39,351.22	87,154.58
1983	31,836.48	42,196.29	74,032.77
1984	23,947.63	51,900.33	75,847.96
1985	25,166.41	47,985.31	73,151.72
1986	27,947.85	46,141.70	74,089.55
1987	51,479.96	23,352.50	74,832.46
1988	57,775.58	29,944.15	87,719.73
1989	61,876.60	27,407.66	89,284.26

#### HOME MISSIONS

	<u>DESIGNATED</u>	<u>COOP</u>	<u>TOTAL</u>
1979	\$ 25,416.61	\$ 6,123.71	\$ 31,540.32
1980	43,906.92	14,686.19	58,593.11
1981	47,108.20	19,814.37	66,922.57
1982	96,256.71	29,320.54	125,577.25
1983	96,231.01	33,023.18	129,254.19
1984	123,410.33	40,580.05	163,990.38
1985	111,277.57	37,553.90	148,831.47



1986	180,869.97	36,111.27	216,981.24
1987	172,901.51	18,276.22	191,177.73
1988	160,944.26	23,434.61	184,378.87
1989	176,544.28	21,449.50	197,993.78

#### RETIREMENT & INSURANCE

	<u>DESIGNATED</u>	<u>COOP</u>	<u>TOTAL</u>
1979	\$ 11,094.89	\$ 8,793.21	\$ 19,888.10
1980	14,608.09	9,844.04	24,452.13
1981	8,517.88	19,292.79	27,810.67
1982	5,852.79	28,548.94	34,401.73
1983	3,882.39	27,519.44	31,401.83
1984	2,895.35	33,848.23	36,743.58
1985	1,509.93	29,205.96	30,715.89
1986	2,542.21	28,086.77	30,628.98
1987	2,349.53	14,215.04	16,564.57
1988	2,322.02	18,226.89	20,548.91
1989	2,186.00	16,682.98	18,868.98

#### MASTER'S MEN

	<u>DESIGNATED</u>	<u>COOP</u>	<u>TOTAL</u>
1979	\$ 5,041.22	\$ 4,509.39	\$ 9,550.61
1980	7,429.10	4,489.07	11,918.17
1981	3,374.71	10,428.77	13,803.48
1982	1,111.94	15,431.87	16,543.81
1983	511.85	23,850.21	24,362.06
1984	2,041.91	29,334.90	31,376.81
1985	753.60	27,122.71	27,876.31
1986	585.38	26,080.81	26,666.19
1987	3,617.10	13,199.87	16,816.97
1988	4,859.96	16,924.93	21,784.89
1989	4,414.04	16,682.98	21,097.02

#### FREE WILL BAPTIST FOUNDATION

	<u>DESIGNATED</u>	<u>COOP</u>	<u>TOTAL</u>
1979	\$ 0.00	\$ 0.00	\$ 0.00
1980	0.00	0.00	0.00
1981	0.00	0.00	0.00
1982	0.00	0.00	0.00
1983	1,192.06	11,007.72	12,199.78

1984	976.00	13,539.32	14,515.32
1985	935.86	12,518.03	13,453.89
1986	1,217.65	12,037.33	13,254.98
1987	840.23	6,092.41	6,932.64
1988	3,878.10	7,811.61	11,689.71
1989	5,754.97	7,149.83	12,904.80

#### HISTORICAL COMMISSION

	<u>DESIGNATED</u>	<u>COOP</u>	<u>TOTAL</u>
1979	\$ 0.00	\$ 0.00	\$ 0.00
1980	0.00	0.00	0.00
1981	0.00	0.00	0.00
1982	0.00	0.00	0.00
1983	137.71	1,834.61	1,972.32
1984	102.60	2,256.42	2,359.02
1985	208.88	2,086.06	2,294.94
1986	278.48	2,005.83	2,284.31
1987	688.28	1,015.06	1,703.34
1988	676.30	1,301.90	1,978.20
1989	757.28	0.00	757.28

#### COMMISSION FOR THEOLOGICAL INTEGRITY

	<u>DESIGNATED</u>	<u>COOP</u>	<u>TOTAL</u>
1979	\$ 1,431.52	\$ 225.59	\$ 1,657.11
1980	1,526.98	705.03	2,232.01
1981	1,046.66	1,564.43	2,611.09
1982	734.71	2,314.75	3,049.46
1983	342.00	1,834.61	2,176.61
1984	100.31	2,256.42	2,356.73
1985	236.71	2,086.06	2,322.77
1986	265.32	2,005.83	2,271.15
1987	705.84	1,015.06	1,720.90
1988	719.71	1,301.90	2,021.61
1989	786.88	1,191.60	1,978.48

#### RADIO & TV COMMISSION

	<u>DESIGNATED</u>	<u>COOP</u>	<u>TOTAL</u>
1985	382.29	2,088.98	2,471.27
1986	714.33	2,005.83	2,720.16
1987	1,585.32	1,015.06	2,600.38
1988	1,188.13	1,162.12	2,350.25
1989	901.78	1,191.60	2,093.38



We encourage churches to support every local, district, state and national ministry. Systematic, special and sacrificial giving will provide adequate funds for all ministries. The Cooperative Plan, when properly understood and prayerfully implemented can fairly and fully support all denominational ministries. Brochures explaining the Cooperative Plan may be obtained from the Executive Office.

Contributions to national ministries in 1989 totaled \$6,489,782.33. We appreciate your faithful support. Comparative figures since 1980 are:

1980	\$3,520,691.10	1985	\$5,634,007.92
1981	4,506,067.27	1986	5,826,768.00
1982	4,233,825.98	1987	5,797,896.42
1983	4,627,217.56	1988	6,428,621.22
1984	5,055,269.03	1989	6,489,782.33

We commend the Executive Office staff: Bookkeeper Melody Hood, Editorial Assistant Marilyn Pritchard, Contact Circulation Manager and Receptionist Geneva Trotter, Executive Assistant and Contact Editor Jack Williams, part-time workers Anne Worthington (Church Directory/Secretary) and Sue Larson (secretary). We praise the Lord for competent, consistent and cooperative staff serving with us. Maintenance Superintendent Jack Trotter injured his foot in September. He plans to return to work this spring and retire in August 1990.

Melvin Worthington, Th.D., CMP  
Executive Secretary

EXECUTIVE OFFICE OF THE NATIONAL ASSOCIATION OF FREE WILL BAPTISTS, INC.			
BALANCE SHEET		YEAR ENDED DECEMBER 31	
OPERATING FUND		1989	1988
ASSETS			
CURRENT ASSETS			
Cash - General	\$ 20,396.23	\$ 27,679.20	
- Contact Magazine	705.40	678.02	
- Special Projects	5,429.21	5,716.06	
Accounts receivables - Contact Magazine	466.20	391.74	
- Special Projects	115.50	71.16	
- Executive	3.50	11,678.46	
- Hymnals	25,407.83		
Notes receivable - Plant Fund	23,600.00	500.00	
- Contact	17,000.00		
Inventory (Note 3)	330,015.40		
Prepaid insurance	2,392.96	2,317.59	
	425,532.23	49,032.23	

FIXED ASSETS - (Note 1)		1989	1988
Auto		15,985.25	15,985.25
Office equipment		77,497.13	62,466.18
		93,482.38	78,451.43
Less - accumulated depreciation		55,269.17	42,685.06
		38,213.21	35,766.37
		\$463,745.44	\$ 84,798.60
LIABILITIES AND FUND BALANCE			
CURRENT LIABILITIES			
Accounts payable - General		\$ 151.47	\$ 623.86
- Contact Magazine		450.00	
Loans payable - Executive (Note 2)		8,990.00	10,400.00
- Special Projects		384,158.91	472,693.10
- Contact		21,000.00	
Payroll taxes		1,206.42	1,702.65
		415,956.80	485,419.61
		47,788.64	( 400,621.01)
		\$463,745.44	\$ 84,798.60

#### STATEMENT OF REVENUES, EXPENSES, AND FUND BALANCE

OPERATING FUND		YEAR ENDED DECEMBER 31	
		1989	1988
GENERAL INCOME			
Cooperative Plan		\$200,319.15	\$193,102.83
Gifts		25,129.16	24,646.15
Leadership Conference		10,753.70	3,415.54
National Ministries Offering		28,514.65	
Target 90			2,191.20
Travel, lodging, meals, etc.		2,601.81	
Other income		1,592.28	3,320.56
Total income		268,910.75	226,676.28
GENERAL EXPENSES			
Accounting and legal		650.00	2,500.00
Bad debts			407.24
Executive Committee - travel		4,048.65	4,272.02
Gifts		350.00	
Insurance - general		3,203.51	4,292.44
Insurance and retirement - employees		20,582.84	16,499.24
Office space rental		16,267.80	15,411.60
Office supplies and printing		8,376.74	9,320.42
Books, dues, and registrations		1,315.66	
Payroll taxes		4,090.92	3,608.47
Postage		1,567.79	996.05
Promotion			607.71
Leadership Conference		10,879.66	2,718.95
National Ministries Offering expense		28,514.65	
Salaries		98,173.17	91,667.36
Housing allowances		23,883.24	23,000.04

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



Telephone	3,161.49	3,446.81
Travel	10,863.43	12,295.27
Target 90 expenses	1,360.71	1,837.01
Repairs and maintenance	2,347.19	4,094.19
Depreciation expense	12,584.11	11,988.57
Other expenses	1,060.48	1,247.53
Total expenses	253,282.04	210,210.92
Net income (loss)	\$ 15,628.71	\$ 16,465.36

#### CONTACT MAGAZINE INCOME

Sales	\$ 60,235.34	\$ 54,686.29
Less cost of sales	71,066.92	64,507.63
Less bad debts	116.58	61.10
Net income (loss)	(\$ 10,948.16)	(\$ 9,882.44)

#### SPECIAL PROJECTS INCOME

Sales	\$163,004.21	\$227,788.62
Less cost of sales	49,290.51	738,330.84
Net income (loss)	\$113,713.70	(\$510,542.22)

Total net gain (loss)	\$118,394.25	(\$503,959.30)
Fund balance, beginning	( 400,621.01)	103,338.29
Prior period adjustment (Note 3)	330,015.40	
Fund balance, ending	\$ 47,788.64	(\$400,621.01)

#### BALANCE SHEET

##### PLANT FUND

YEAR ENDED  
DECEMBER 31

ASSETS	1989	1988
<b>CURRENT ASSETS</b>		
Cash - general	\$ 4,176.54	\$ 1,367.10
Accounts receivable	22.08	142.62
Prepaid insurance	7,187.51	6,287.31
Total current assets	11,386.13	7,797.03
<b>PROPERTY, PLANT, AND EQUIPMENT (Note 1)</b>		
Land, building, and accessory equipment	298,853.35	298,853.35
Telephone equipment	37,829.40	37,829.40
Vehicle	5,091.73	5,091.73
Lawn equipment	4,016.86	4,016.86
Paving parking lot	8,147.00	8,147.00
Mailing machine	7,735.00	
Total capital assets	361,673.34	353,938.34
Less-accumulated depreciation	206,820.61	189,612.21
Total property, plant & equipment	154,852.73	164,326.13
<b>OTHER ASSETS</b>		
UPS Deposit	176.62	176.62
Total assets	\$166,415.48	\$172,299.78

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

#### LIABILITIES AND FUND BALANCE

##### CURRENT LIABILITIES

Accounts payable	\$ 231.69	\$ 710.09
Property taxes	3,620.97	3,620.97
Payroll taxes	507.55	1,212.76
Board of Retirement and Insurance (Note 2)	16,958.42	27,222.68
Note payable - telephone system		5,624.41
Note payable - Executive	23,600.00	500.00
Total current liabilities	44,918.63	38,890.91

##### FUND BALANCE

	121,496.85	133,408.87
Total liabilities and fund balance	\$166,415.48	\$172,299.78

#### STATEMENT OF REVENUE, EXPENSES, AND FUND BALANCE

##### PLANT FUND

YEAR ENDED  
DECEMBER 31

1989 1988

##### GENERAL INCOME

Rent	\$ 78,379.32	\$ 85,265.28
Telephone	24,068.07	24,994.34
Hospitalization, dental, and life insurance	94,510.15	79,630.35
Postage meter	42,785.31	35,654.08
Other income	1,416.35	3,258.20
Total income	241,159.20	228,802.25

##### GENERAL EXPENSES

Yearbook ads	600.00	
Audit	850.00	
Hospitalization, dental, and life insurance	96,280.80	82,137.65
General supplies	746.81	975.53
Insurance - general	8,178.80	8,747.76
Interest	2,821.88	4,705.41
Janitor service and supplies	3,646.29	3,555.69
Property taxes	3,620.97	3,620.97
Retirement expense	1,025.44	867.12
Mail truck expense	795.69	800.55
Mail room expense	2,756.54	3,044.62
Maintenance - general	3,012.46	5,797.13
Payroll taxes	2,370.34	2,463.78
Salaries	31,562.34	32,854.70
Telephone	18,418.36	16,430.11
Utilities	13,763.83	12,365.89
Postage	42,863.81	34,994.13
Depreciation	17,208.40	19,543.24
Other expenses	2,548.46	3,214.08
Total expenses	253,071.22	236,118.36

Net income (loss)	( 11,912.02)	( 7,316.11)
Fund balance, beginning	133,408.87	140,724.98
Fund balance, ending	\$121,496.85	\$133,408.87

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



## BALANCE SHEET

## CONVENTION FUND

YEAR ENDED  
DECEMBER 31

1989 1988

## ASSETS

Cash	\$24,366.78	\$35,469.57
Accounts receivable	311.56	509.24
Loans receivable - Contact (Note 2)	4,000.00	
- Executive (Note 2)	8,990.00	
Total assets	<u>\$37,668.34</u>	<u>\$35,978.81</u>

## FUND BALANCE

Fund balance	<u>\$37,668.34</u>	<u>\$35,978.81</u>
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## STATEMENT OF REVENUE, EXPENSES, AND FUND BALANCE

## CONVENTION FUND

YEAR ENDED  
DECEMBER 31

1989 1988

## GENERAL INCOME

Banquet tickets	\$ 7,637.02	\$ 6,710.00
Offerings	5,216.34	6,408.15
Church fees	1,350.00	20.00
State fees	25,160.00	25,200.00
Booth fees	10,400.00	7,175.00
Host state gift	10,000.00	6,371.00
Interest	2,178.22	3,057.33
Travel	815.75	
Other income		4,397.07
Total income	<u>62,757.33</u>	<u>59,338.55</u>

## GENERAL EXPENSES

Audit	650.00	
Printing and promotions	13,929.86	12,269.58
Auditorium rent and signs	15,114.02	18,743.07
Booth installations	4,535.08	
Convention office	1,954.36	7,840.09
Insurance	200.00	175.00
Honorariums	600.00	700.00
Telephone	686.55	613.21
Truck expenses	112.12	988.71
Postage	478.44	537.62
Travel expenses	14,295.67	12,914.53
Banquet tickets	7,637.02	8,372.54
Music	204.00	
Other expenses	670.68	1,180.27
Total expenses	<u>61,067.80</u>	<u>64,334.62</u>

Net income ( Loss)	1,689.53	( 4,996.07)
Fund balance, beginning	<u>35,978.81</u>	<u>40,974.88</u>
Fund balance, ending	<u>\$37,668.34</u>	<u>\$35,978.81</u>

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

## STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS

## CONTRIBUTIONS THROUGH THE COOPERATIVE CHANNEL

YEAR ENDED  
DECEMBER 31

1989 1988

## RECEIPTS

Alabama	\$ 7,145.95	\$ 7,110.80
Arizona	1,398.20	1,638.17
Arkansas	58,086.06	54,876.72
California	17,556.43	18,219.32
Canada	525.31	545.98
Colorado	-0-	-0-
Delaware	-0-	3,348.36
Florida	22,061.90	24,664.89
Georgia	118,631.84	101,150.25
Hawaii	-0-	-0-
Idaho	618.73	760.97
Illinois	114,952.91	96,761.98
Indiana	6,309.77	7,344.72
Iowa	-0-	-0-
Kansas	694.74	946.25
Kentucky	5,457.89	1,436.86
Maryland	2,793.90	5,806.57
Mexico	-0-	-0-
Michigan	52,103.60	72,067.18
Mississippi	5,513.02	6,965.97
Missouri	102,215.28	84,956.28
New Jersey	-0-	-0-
New Mexico	138.58	257.30
North Carolina	20,074.46	22,998.68
Northwest Association	728.67	233.45
Ohio	34,058.33	51,656.75
Oklahoma	477,100.39	428,152.09
Oregon	-0-	-0-
South Carolina	123,232.76	124,422.01
Tennessee	27,265.85	27,532.12
Texas	93,326.10	93,347.36
Virginia	5,235.83	4,906.36
Washington	-0-	-0-
West Virginia	31,944.93	26,136.29
Other	.27	.47

Total receipts	<u>\$1,329,171.70</u>	<u>\$1,268,244.15</u>
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	DESIGNATED	COOP	TOTAL 1989	TOTAL 1988
DISBURSEMENTS				
Executive Office	\$ 25,129.16	\$200,319.15	\$ 225,448.31	\$ 217,748.98
Foreign Missions	701,975.57	27,407.66	729,383.23	691,391.93
FWBBC	61,876.60	27,407.66	89,284.26	87,719.73
Home Missions	176,544.28	21,449.50	197,993.78	184,378.87
Retirement and Insurance	2,186.00	16,682.98	18,868.98	20,548.91
Master's Men	4,414.04	16,682.98	21,097.02	21,784.89
FWB Foundation	5,754.97	7,149.83	12,904.80	11,689.71
Historical Commission	757.28		757.28	1,978.20



Commission for Theological Integrity	786.88	1,191.60	1,978.48	2,021.61
Hillsdale FWB College	24,935.77		24,935.77	22,220.83
Radio and TV Commission	901.78	1,191.60	2,093.38	2,350.25
Other	4,426.23	.18	4,426.41	4,410.24
Total Disbursements	<u>\$1,009,688.56</u>	<u>\$319,483.14</u>	<u>\$1,329,171.70</u>	<u>\$1,268,244.15</u>

#### SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

DECEMBER 31, 1989

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

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, 1989

Note 1 - Property, plant, and equipment as of December 31, 1989, was held as follows:

	OPERATING FUND	PLANT FUND
Land, building, and accessory equipment	\$	\$298,853.35
Telephone equipment		37,829.40
Vehicles	15,985.25	5,091.73
Office equipment	77,497.13	
Lawn equipment		4,016.86
Paving parking lot		8,147.00
Mailing machine		7,735.00
	<u>93,482.38</u>	<u>361,673.34</u>
Less - accumulated depreciation	<u>55,269.17</u>	<u>206,820.61</u>
	<u>\$ 38,213.21</u>	<u>\$154,852.73</u>

Note 2 - Obligations of the Operating Fund on notes were as follows at December 31, 1989:

Contact	\$ 21,000.00
Executive	8,990.00
Special Projects	384,158.91
	<u>\$414,148.91</u>

Obligations of the Plant Fund on notes were as follows at December 31, 1989:

Executive	\$ 23,600.00
Board of Retirement and Insurance	16,958.42
	<u>\$ 40,558.42</u>

Note 3 - The Executive Office has made an agreement with the Sunday School and Church Training Board and Randall House Publications to warehouse and distribute the hymnals for Special Projects. They will invoice the customer, collect funds, and remit such collections, net of commissions of \$.795 per hymnal sold, to the Executive Office. As of December 31, 1989, the inventory of the hymnals was \$330,015.40. This was not included until this year; therefore, the Fund Balance was credited with the closing expense.



# CONSOLIDATED BALANCE SHEET

DECEMBER 31, 1989

	OPERATING FUND		
	GENERAL	CONTACT MAGAZINE	SPECIAL PROJECTS
<b>ASSETS</b>			
Cash			
Accounts receivable	\$ 20,396.23	\$ 705.40	\$ 5,429.21
Notes receivable	3.50	466.20	25,523.33
Inventory (Note 3)	40,600.00		
Prepaid insurance			330,015.40
Deposits	2,392.96		
Land			
Buildings & accessory equipment (net)			
Telephone equipment (net)			
Office furniture (net)	29,154.90		
Auto (net)	9,058.31		
	<u>\$101,605.90</u>	<u>\$ 1,171.60</u>	<u>\$360,967.94</u>
<b>LIABILITIES</b>			
Accounts payable - trade	\$ 151.47	\$ 450.00	
Property taxes payable			
Note payable - Ret. & Ins. Dept.			384,158.91
- Convention	8,990.00	4,000.00	
- Executive		17,000.00	
Payroll taxes	1,161.17		45.25
Fund Balance	91,303.26	( 20,278.40)	( 23,236.22)
	<u>\$101,605.90</u>	<u>\$ 1,171.60</u>	<u>\$360,967.94</u>

Loans receivable and payable of \$53,590.00 in 1989 and \$10,900.00 in 1988, have been eliminated in department totals.

EZRA JONES

Certified Public Accountant

1161 MURFREESBORO ROAD  
NASHVILLE, TENNESSEE 37217

February 22, 1990

To the Executive Committee of  
The National Association of Free Will Baptists, Inc.  
Nashville, Tennessee

I have examined the balance sheets of the Operating Fund and Plant Fund of the Executive Office of the National Association of Free Will Baptists, Inc., as of December 31, 1989 and 1988, and related statements of revenues, expenses, and fund balances for the years then ended. I have also examined the balance sheets of the Convention Fund as of December 31, 1989 and 1988, and the related statements of revenues, expenses,

TOTAL	PLANT FUND	CONVENTION	EXECUTIVE OFFICE TOTALS	EXECUTIVE OFFICE TOTALS
			1989	1988
\$ 26,510.84	\$ 4,176.54	\$24,366.78	\$ 55,074.16	\$ 70,909.95
25,993.03	22.08	311.56	26,326.67	2,393.22
40,600.00		12,990.00		
330,015.40			330,015.40	
2,392.96	7,187.51		9,580.47	8,604.90
	176.62		176.62	176.62
	62,044.59		62,044.59	62,044.59
	89,122.60		89,122.60	89,545.78
	630.49		630.49	7,565.88
29,154.90			29,154.90	23,511.01
9,058.31	3,055.05		12,113.36	17,425.24
<u>\$463,745.44</u>	<u>\$166,415.48</u>	<u>\$37,668.34</u>	<u>\$614,239.26</u>	<u>\$282,177.19</u>
\$ 601.47	\$ 231.69	\$	\$ 833.16	\$ 1,333.95
	3,620.97		3,620.97	3,620.97
384,158.91	16,958.42		401,117.33	499,915.78
12,990.00				5,624.41
17,000.00	23,600.00			
1,206.42	507.55		1,713.97	2,915.41
47,788.64	121,496.85	37,668.34	206,953.83	( 231,233.33)
<u>\$463,745.44</u>	<u>\$166,415.48</u>	<u>\$37,668.34</u>	<u>\$614,239.26</u>	<u>\$282,177.19</u>

and fund balance for the years then ended. I also examined the Cash Receipts and Disbursements of the Cooperative Plan of Support for the years then ended. My examinations were made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as I considered necessary in the circumstances.

In my opinion, the financial statements identified above present fairly the financial position of each of the aforementioned organizations at December 31, 1989 and 1988, and the results of their operations and the changes in the fund balances for the years then ended, in conformity with generally accepted accounting principles applied on a consistent basis.

Ezra Jones



**1990  
Executive Office Budget**

Administrative	\$259,455.40
Convention (1990)	62,549.00
CONTACT	82,531.40
<b>Total</b>	<b>\$404,535.80</b>

**1991  
Administrative Budget**

**PROJECTED EXPENSES**

Salaries	\$113,813.16
Housing	25,000.00
Social Security	15,793.09
Retirement	4,849.47
Employees Insurance	23,150.88
(Dental, Hospital, Life, Travel)	
Office Rental	20,548.80
Office Supplies	5,000.00
Equipment Maintenance	5,000.00
Telephone	4,000.00
Postage	2,300.00
General Insurance	4,000.00
Travel	15,000.00
Executive Committee	7,000.00
Auditing	2,000.00
Promotion/Printing	4,500.00
Biennial Leadership Conference	2,000.00
Equipment Purchase/Computer	5,500.00
<b>Total</b>	<b>\$259,455.40 *</b>

**PROJECTED INCOME**

Cooperative Plan	\$219,000.00
Designated Gifts	40,455.40
<b>Total</b>	<b>\$259,455.40</b>

\*7.21% increase

**Convention Budget**

National Association of Free Will Baptists, Inc.  
July 15-19, 1990  
Phoenix, Arizona

**PROJECTED EXPENDITURES**

Auditorium	\$ 10,150.00
Printing and Promotion	17,552.00
Convention Office	5,499.00
Convention Personnel	8,532.60
Meals	2,088.00
Travel	3,307.62
Lodging	3,136.98
Convention Officials	6,683.84
Honorariums	700.00
Decorator Services	4,411.98
Meal Functions	1,819.58
Executive Committee	1,200.00
Meal and Motel Expenses	
Pre-Convention Expenses	6,000.00
<b>Total</b>	<b>\$ 62,549.00</b>

**PROJECTED RECEIPTS**

Booth Fees	\$ 8,325.00
State Association Fees	25,170.00
Church Delegate Fees	1,000.00
Host State (Arizona)	0.00
Offerings	28,054.00
<b>Total</b>	<b>\$62,549.00</b>

**1991  
Contact Budget**

**PROJECTED EXPENSES**

Printing	\$52,088.40
Postage	13,000.00
Art	1,000.00
Writer's Fees and Photos	4,000.00
Promotion	1,000.00
Computer	2,500.00
Mail Services	6,000.00
Telephone	200.00
Office Supplies	300.00



Travel	1,300.00
Bound Copies	400.00
Other	50.00
Books, Dues, Registrations	693.00
<b>Total Expenses</b>	<b>\$82,531.40</b>

#### PROJECTED INCOME

*Convention coverage	\$ 8,681.40
**Subscriptions	73,850.00
<b>Total Income</b>	<b>\$82,531.40</b>

\*Two issues

\*\*Based on 8,035 subscriptions

(4,000 @ \$ 8.50 = \$34,000.00 Church Family Plan)

( 500 @ \$ 9.00 = \$ 4,500.00 Bundle Plan)

(3,535 @ \$10.00 = \$35,350.00 Individual Plan)

#### EXECUTIVE CHURCH BONDS, INC.

##### GENERAL FUND

#### STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCE

##### ARISING FROM CASH TRANSACTIONS

	DECEMBER 31	
	1989	1988
<b>ASSETS</b>		
Cash	\$ 963.16	\$3,219.98
Office equipment	2,063.70	2,063.70
<b>Total assets</b>	<b>\$3,026.86</b>	<b>\$5,283.68</b>
<b>FUND BALANCE</b>		
Fund balance	\$3,026.86	\$5,283.68

#### STATEMENT OF REVENUES COLLECTED AND EXPENSES PAID

	DECEMBER 31	
	1989	1988
<b>REVENUES COLLECTED</b>		
Interest on savings	\$ 102.01	\$ 152.40
Transferred from Service & Trust Fund		1,362.75
<b>Total to be accounted for</b>	<b>102.01</b>	<b>1,515.15</b>
<b>EXPENSES PAID</b>		
Advertising	33.35	374.00
Leadership & National Conference	452.73	250.00
Accounting and auditing	253.75	91.80
Digest expenses	89.74	125.00
Payroll taxes	125.00	2.78
Postage		1,104.71
Salaries, commissions & trustee fees	1,100.00	310.85
Telephone	169.18	
Repairs	134.63	
Miscellaneous	.45	
<b>Total disbursements</b>	<b>2,358.83</b>	<b>2,259.14</b>
<b>Excess of revenues over (expenses)</b>	<b>( 2,256.82)</b>	<b>( 743.99)</b>
<b>Cash beginning</b>	<b>3,219.98</b>	<b>3,963.97</b>
<b>Cash, ending</b>	<b>\$ 963.16</b>	<b>\$3,219.98</b>

##### SERVICE AND TRUST FUND

#### STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCE

##### RESULTING FROM CASH TRANSACTIONS

	DECEMBER 31	
	1989	1988
<b>ASSETS</b>		
Cash	\$19,107.37	\$18,039.76
<b>FUND BALANCE</b>		
Fund balance	\$19,107.37	\$18,039.76



# SERVICE AND TRUST FUND

## STATEMENT OF REVENUE COLLECTED AND EXPENSES PAID

DECEMBER 31

1989

1988

### REVENUES COLLECTED

Interest on savings	\$ 1,067.61	\$ 1,007.95
Transfer to Regular Fund		( 1,362.75)
Cash beginning	18,039.76	18,394.56
Cash ending	\$19,107.37	\$18,039.76

EZRA JONES

Certified Public Accountant

1161 MURFREESBORO ROAD  
NASHVILLE, TENNESSEE 37217

April 20, 1990

Executive Church Bonds, Inc.  
Nashville, Tennessee

I have examined the statements of assets and liabilities and fund balances arising from cash transactions of Executive Church Bonds, Inc., and Services and Trust Fund, as of December 31, 1989 and 1988, and the related statements of revenue collected and expenses paid for the years then ended. My examination was made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as I considered necessary in the circumstances.

The corporations's policy is to prepare its financial statements on the basis of cash receipts and disbursements; consequently, certain revenues and the related assets are recognized when paid rather than when the obligation is incurred. Accordingly, the financial statements are not intended to present financial position and results of operations in conforomity with generally accepted accounting principles.

In my opinion, the financial statements referred to above present fairly the assets and liabilities arising from cash transactions of Executive Church Bonds, Inc., as of December 31, 1989 and 1988, and the revenues collected and expenses paid during the years then ended, on the basis indicated in the preceding paragraph, which is consistent with that used in the preceding year.

Ezra Jones

## 1989 Gift Goals for National Ministries

1989 Budgets	Membership	Executive	FM	FWBCC	HM	R & I	MM	Foundation	Radio/TV	Totals	%
States		\$225,488.36	\$3,429,414.00	\$725,000.00	\$1,900,000.00	\$219,060.00	\$77,400.00	\$28,500.00	\$11,780.00	\$6,616,602.36	100%
Alabama	19,318	\$ 21,309.17	\$ 324,145.08	\$ 68,526.34	\$ 179,586.26	\$ 20,705.35	\$ 7,315.78	\$ 2,693.79	\$ 1,113.43	\$ 625,395.20	9.45%
Arizona	283	312.17	4,748.58	1,003.88	2,630.86	303.32	107.17	39.46	16.31	9,161.75	0.14%
Arkansas	20,772	22,913.04	348,542.37	73,684.08	193,103.11	22,263.77	7,866.41	2,896.55	1,197.24	672,466.57	10.16%
California	4,556	5,025.60	76,447.10	16,161.40	42,354.02	4,883.20	1,725.37	635.31	262.59	147,494.59	2.23%
Canada	300	330.92	5,033.83	1,064.18	2,788.90	321.54	113.61	41.83	17.29	9,712.10	0.15%
Colorado	225	248.19	3,775.37	798.14	2,091.67	241.16	85.21	31.38	12.97	7,284.09	0.11%
Florida	5,697	6,284.21	95,592.43	20,208.85	52,961.12	6,106.14	2,157.47	794.42	328.36	184,433.00	2.79%
Georgia	9,477	10,453.83	159,018.68	33,617.56	88,101.20	10,157.60	3,588.96	1,321.52	546.23	306,805.58	4.63%
Hawaii	31	34.20	520.16	109.97	288.19	33.23	11.74	4.32	1.79	1,003.60	0.02%
Idaho	90	99.28	1,510.15	319.26	836.67	96.46	34.08	12.55	5.19	2,913.64	0.04%
Illinois	3,960	4,368.17	66,446.55	14,047.23	36,813.42	4,244.39	1,499.66	552.20	228.24	128,199.86	1.94%
Indiana	1,909	2,105.77	32,031.94	6,771.76	17,746.67	2,046.10	722.94	266.20	110.03	61,801.41	0.93%
Iowa	74	81.63	1,241.68	262.50	687.93	79.31	28.02	10.32	4.27	2,395.66	0.04%
Kansas	426	469.91	7,148.04	1,511.14	3,960.23	456.59	161.33	59.40	24.55	13,791.19	0.21%
Kentucky	11,160	12,310.30	187,258.47	39,587.63	103,746.91	11,961.47	4,226.32	1,556.20	643.23	361,290.53	5.46%
Louisiana	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Maryland	1,752	1,932.58	29,397.57	6,214.83	16,287.15	1,877.82	663.49	244.31	100.98	56,718.73	0.86%
Mexico	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Michigan	3,880	4,279.93	65,104.20	13,763.44	36,069.71	4,158.65	1,469.37	541.05	223.63	125,609.98	1.90%
Mississippi	2,675	2,950.72	44,884.98	9,488.97	24,867.65	2,867.11	1,013.03	373.01	154.18	86,599.65	1.31%
Missouri	17,385	19,176.93	291,710.44	61,669.45	161,616.48	18,633.53	6,583.75	2,424.25	1,002.03	562,816.86	8.51%
Montana	39	43.02	654.40	138.34	362.56	41.80	14.77	5.45	2.25	1,262.59	0.02%
Nebraska	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
New Jersey	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
New Mexico	196	216.20	3,288.77	695.27	1,822.08	210.08	74.23	27.33	11.30	6,345.26	0.09%
North Carolina	15,633	17,244.35	262,312.87	55,454.61	145,329.33	16,755.71	5,920.26	2,179.94	901.04	506,098.11	7.65%
Northwest Assoc.	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Ohio	460	507.41	7,718.54	1,631.75	4,276.31	493.05	174.20	64.14	26.51	14,891.91	0.22%
Oklahoma	9,782	10,790.26	164,136.41	34,699.48	90,936.58	10,484.51	3,704.47	1,364.05	563.81	316,679.57	4.79%
Pennsylvania	23,414	25,827.36	392,873.64	83,055.99	217,663.97	25,095.51	8,866.94	3,264.96	1,349.52	757,997.89	11.46%
Puerto Rico	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
South Carolina	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Tennessee	9,762	10,768.20	163,800.82	34,628.54	90,750.65	10,463.07	3,696.90	1,361.26	562.65	316,032.09	4.78%
Texas	19,915	21,967.71	334,162.40	70,644.06	185,136.17	21,345.23	7,541.86	2,777.04	1,147.84	644,722.31	9.74%
Virginia	3,162	3,487.92	53,056.57	11,216.51	29,394.96	3,389.08	1,197.46	440.92	182.25	102,365.67	1.55%
Virgin Islands	7,028	7,752.40	117,925.83	24,930.28	65,334.52	7,532.73	2,661.52	980.02	405.07	227,522.37	3.44%
West Virginia	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
Wyoming	11,021	12,156.98	184,926.13	39,094.56	102,454.72	11,812.49	4,173.68	1,536.82	635.22	356,790.60	5.39%
Totals	204,382	\$225,488.36	\$3,429,414.00	\$725,000.00	\$1,900,000.00	\$219,060.00	\$77,400.00	\$28,500.00	\$11,780.00	\$6,616,602.36	100.00%
Gift Goals Per Person		1.10	16.78	3.55	9.29	1.07	0.38	0.14	0.06	32.37	



# 1989 Contributions to National Ministries

States	Executive	Foreign Missions	FWBBC	Home Missions	R&I	Master's Men	Theo. Comm. for	WNAC	FWB	Historical Commission	Radio & TV Commission	Totals
Alabama	\$ 4,573.93	\$ 163,734.13	\$ 47,343.94	\$ 146,544.16	\$ 1,682.46	\$ 2,108.81	\$ 19.05	\$ 2,219.98	\$ 182.30	\$ 0.00	\$ 19.05	\$ 368,427.81
Alaska	0.00	0.00	200.00	360.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	560.00
Arizona	731.92	5,197.20	1,672.32	13,351.90	203.06	263.06	4.58	188.00	65.58	0.00	4.58	21,682.20
Arkansas	36,387.30	193,027.91	23,484.90	112,597.13	3,183.48	8,690.01	216.98	6,106.50	1,355.77	0.00	216.98	385,666.96
California	11,150.53	75,240.26	5,729.65	97,114.22	1,031.20	1,076.04	64.06	3,126.59	429.08	0.00	64.06	195,025.69
Canada	496.01	0.00	98.50	1,548.11	8.62	8.61	0.29	0.00	1.93	0.00	0.29	2,162.36
Colorado	0.00	4,506.10	0.00	23,284.84	0.00	0.00	0.00	162.00	0.00	0.00	0.00	27,952.94
Connecticut	0.00	0.00	6,650.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6,650.00
Delaware	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Florida	13,233.49	72,917.06	16,702.37	109,840.11	1,850.25	1,878.25	82.71	1,071.56	679.39	0.00	82.71	218,337.90
Georgia	7,570.10	167,983.43	56,073.81	65,704.70	1,212.32	3,873.31	44.87	4,934.44	491.70	0.00	44.87	307,933.55
Hawaii	0.00	3,617.73	375.53	605.00	68.59	18.59	0.00	62.74	7.97	0.00	0.00	4,756.15
Idaho	517.64	975.51	326.30	2,874.76	28.30	14.15	1.01	0.00	6.06	0.00	1.01	4,744.74
Illinois	11,893.75	112,186.80	21,127.21	47,852.27	1,341.86	3,005.86	75.71	1,158.85	549.37	0.00	75.71	199,267.39
Indiana	1,052.76	32,498.46	6,615.97	21,206.76	235.70	510.89	126.57	749.54	133.27	125.24	1.33	63,256.49
Iowa	0.00	1,528.50	135.00	785.75	0.00	422.00	0.00	35.00	0.00	0.00	0.00	2,906.25
Kansas	428.55	15,224.50	613.56	7,996.52	37.27	122.49	2.66	275.66	15.99	0.00	2.66	24,719.86
Kentucky	2,813.74	84,588.18	13,887.93	37,048.07	294.00	732.00	19.79	1,288.14	120.86	0.00	19.79	140,814.50
Louisiana	0.00	55.00	0.00	4,421.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4,476.00
Maine	0.00	0.00	0.00	1,235.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,235.00
Maryland	1,768.64	19,613.05	2,342.61	16,258.68	143.53	143.53	10.25	435.30	61.52	0.00	10.25	40,787.36
Michigan	9,861.09	131,701.40	23,375.82	54,506.55	1,525.64	5,547.64	56.37	1,059.50	456.27	0.00	56.37	228,371.65
Minnesota	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Mississippi	3,613.62	56,445.03	15,785.35	48,177.06	396.04	1,571.58	17.53	1,016.50	144.02	0.00	17.53	127,184.26
Missouri	14,612.94	262,992.74	34,181.53	145,223.14	634.80	4,995.43	512.00	3,918.47	46.81	521.54	17.53	468,166.54
Montana	0.00	702.75	0.00	180.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	882.75
Nebraska	0.00	1,109.41	145.00	998.05	0.00	0.00	0.00	46.50	0.00	0.00	0.00	2,298.96
Nevada	0.00	0.00	295.00	16,967.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	17,262.00
New Hampshire	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
New Jersey	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
New Mexico	20.36	775.53	72.06	707.60	37.96	37.96	0.07	93.90	16.27	0.00	0.07	1,761.78
New York	0.00	0.00	0.00	1,035.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,035.00
North Carolina	8,613.34	467,739.80	117,244.94	137,798.98	2,214.39	1,470.56	48.66	5,608.26	342.94	0.00	48.66	741,130.53
Ohio	17,367.10	125,785.97	16,505.22	88,201.57	1,511.26	1,741.26	98.26	1,581.05	647.65	0.00	98.26	253,537.60
Oklahoma	57,905.75	390,738.95	18,058.77	151,489.87	5,257.07	3,689.22	343.20	4,533.47	2,201.61	0.00	343.20	634,561.11
Oregon	0.00	0.00	0.00	3,482.39	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,482.39
Pennsylvania	0.00	2,511.09	120.00	993.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,624.09
Rhode Island	0.00	0.00	0.00	84,902.76	902.41	368.83	0.00	2,654.75	70.66	0.00	0.00	315,493.90
South Carolina	0.00	0.00	0.00	4,962.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4,962.00
South Dakota	0.00	0.00	0.00	245,046.79	2,526.29	9,227.16	105.72	6,499.95	923.56	5.00	85.72	927,393.66
Tennessee	11,960.56	506,596.96	144,415.95	17,588.06	388.39	1,893.37	27.07	1,400.35	166.46	0.00	27.07	150,616.47
Texas	4,661.69	114,927.97	9,541.04	17,588.06	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10.00
Vermont	0.00	0.00	10.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10.00
Virginia	1,730.02	124,653.71	19,590.20	63,604.20	234.75	361.75	11.56	1,259.78	70.60	0.00	11.56	211,528.13
Washington	0.00	0.00	1,451.82	2,513.34	14.65	0.00	0.00	0.00	6.28	0.00	0.00	4,000.74
West Virginia	714.90	76,870.69	5,185.92	12,759.76	473.76	936.52	108.48	690.44	47.15	105.50	108.48	98,001.60
Wisconsin	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Wyoming	0.00	0.00	0.00	1,532.11	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,532.11
Mexico	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Northeast Assoc.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Northwest Assoc.	216.75	7,175.94	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4,125.44
Puerto Rico	0.00	0.00	0.00	1,750.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,750.00
Virgin Islands	0.00	2,846.00	850.00	25,823.00	0.00	99.25	0.00	21.00	0.00	0.00	0.00	29,639.25
WNAC	0.00	0.00	5,105.85	0.00	475.50	0.00	0.00	0.00	0.00	0.00	0.00	5,581.35
Other	0.00	110,937.19	72,186.72	34,060.39	425.00	0.00	0.00	0.00	5,415.00	0.00	0.00	223,024.30
TOTALS	\$ 225,448.31	\$ 3,516,590.49	\$ 737,485.35	\$ 1,855,326.60	\$ 28,338.55	\$ 54,822.78	\$ 1,998.48	\$ 52,265.04	\$ 14,656.07	\$ 757.28	\$ 2,093.38	\$ 6,489,782.33

\*FM—Other includes interest, book sales, national offerings, miscellaneous sources and states.

\*FWBBC—Other includes gifts from College Family, Matching Gifts, Foreign Missionaries and Alumni Project.

\*HM—Other includes interest, miscellaneous sources and states.

\*R&I—Other includes Benevolent gifts.

\*Master's Men—Total includes dues.

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

\*Foundation—Other includes Endowment gifts through the Cooperative Channel.

## 1989 National Ministries Offering Distribution

National Ministries - Operating Expenses										
STATES	TOTALS	FM 23%	FWBBC 23%	HM 18%	R&I 14%	MM 14%	FOUNDATION 6%	THEO. INT. 1%	RADIO & TV 1%	TOTALS 100%
Alabama	\$ 1,103.37	\$ 253.78	\$ 253.78	\$ 198.61	\$ 154.47	\$ 154.47	\$ 66.20	\$ 11.03	\$ 11.03	\$ 1,103.37
Arizona	635.95	146.27	146.27	114.47	89.03	89.03	38.16	6.36	6.36	635.95
Arkansas	897.39	206.41	206.41	161.53	125.63	125.63	53.84	8.97	8.97	897.39
California	745.40	171.44	171.44	134.18	104.36	104.36	44.72	7.45	7.45	745.40
Canada	32.23	7.41	7.41	5.80	4.52	4.52	1.93	0.32	0.32	32.23
Colorado	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Florida	3,052.17	702.00	702.00	549.39	427.30	427.30	183.14	30.52	30.52	3,052.17
Georgia	3,710.33	853.38	853.38	667.86	519.45	519.45	222.61	37.10	37.10	3,710.33
Hawaii	132.75	30.53	30.53	23.90	18.59	18.59	7.97	1.32	1.32	132.75
Idaho	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Illinois	1,584.93	364.53	364.53	285.29	221.89	221.89	95.10	15.85	15.85	1,584.93
Indiana	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Iowa	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Kansas	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Kentucky	34.18	7.86	7.86	6.15	4.79	4.79	2.05	0.34	0.34	34.18
Louisiana	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Maryland	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Mexico	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Michigan	1,967.56	452.54	452.54	354.16	275.46	275.46	118.04	19.68	19.68	1,967.56
Mississippi	648.48	149.15	149.15	116.73	90.79	90.79	38.91	6.48	6.48	648.48
Missouri	761.90	175.24	175.24	137.14	106.66	106.67	45.71	7.62	7.62	761.90
Montana	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Nebraska	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
New Jersey	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
New Mexico	262.57	60.39	60.39	47.26	36.76	36.76	15.75	2.63	2.63	262.57
North Carolina	848.41	195.13	195.13	152.71	118.78	118.80	50.90	8.48	8.48	848.41
Northwest Assoc.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Ohio	968.68	222.80	222.80	174.36	135.62	135.60	58.12	9.69	9.69	968.68
Oklahoma	2,374.49	546.13	546.13	427.41	332.43	332.43	142.48	23.74	23.74	2,374.49
Pennsylvania	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Puerto Rico	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
South Carolina	1,177.78	270.89	270.89	211.99	164.89	164.89	70.67	11.78	11.78	1,177.78
South Dakota	2,673.89	614.99	614.99	481.30	374.35	374.35	160.43	26.74	26.74	2,673.89
Tennessee	66.54	15.30	15.30	11.98	9.32	9.32	3.98	0.67	0.67	66.54
Texas	22.12	5.09	5.09	3.98	3.10	3.10	1.32	0.22	0.22	22.12
Virginia	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Virgin Islands	487.46	112.12	112.12	87.75	68.24	68.24	29.25	4.87	4.87	487.46
West Virginia	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Wyoming	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTALS	\$24,188.58	\$5,563.38	\$5,563.38	\$4,353.95	\$3,386.43	\$3,386.44	\$1,451.28	\$241.86	\$241.86	\$24,188.58



# 1990 Gift Goals For National Ministries

MEMBERSHIP	EXECUTIVE	FM	FWBCC	HM	R & I	MM	FOUNDATION	THEO. INT.	HISTORICAL	MUSIC	RADIO/TV	TOTALS
19,460	37,590.20	334,706.40	88,026.74	180,811.68	23,725.92	7,661.28	2,854.92	256.94	190.33	142.75	1,432.22	677,399.38
282	544.73	4,850.32	1,275.62	2,620.19	343.82	111.02	41.37	3.72	2.76	2.07	20.75	9,816.37
21,226	41,001.52	365,081.10	96,015.19	197,220.39	25,879.05	8,356.94	3,114.01	280.26	207.60	155.70	1,562.19	738,873.55
4,478	8,650.00	77,020.31	20,256.10	41,607.13	5,459.64	1,762.96	656.95	59.13	43.80	32.85	329.57	155,878.44
471	909.81	8,101.06	2,130.55	4,376.27	574.25	185.43	69.10	6.22	4.61	3.45	34.66	16,395.41
301	581.43	5,177.11	1,361.56	2,796.73	366.98	118.50	44.16	3.97	2.94	2.21	22.15	10,477.74
5,445	10,517.92	93,652.43	24,630.30	50,591.96	6,638.62	2,143.66	798.82	71.89	53.25	39.94	400.74	189,539.53
10,307	19,909.67	177,277.44	46,623.41	95,767.01	12,566.45	4,057.80	1,512.11	136.09	100.81	75.61	758.58	358,784.98
33	63.74	567.59	149.27	306.62	40.23	12.99	4.84	0.44	0.32	0.24	2.43	1,148.71
0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3,942	7,614.62	67,801.27	17,831.52	36,626.91	4,806.14	1,551.94	578.32	52.05	38.55	28.92	290.12	137,220.36
1,851	3,575.51	31,836.67	8,372.94	17,198.48	2,256.77	728.73	271.55	24.44	18.10	13.58	136.23	64,433.00
60	115.90	1,031.98	271.41	557.49	73.15	23.62	8.80	0.79	0.59	0.44	4.42	2,088.59
452	873.11	7,774.27	2,044.61	4,199.74	551.09	177.95	66.31	5.97	4.42	3.32	33.27	15,734.06
10,350	19,992.73	178,017.02	46,817.92	96,166.54	12,618.87	4,074.73	1,518.42	136.66	101.23	75.92	761.74	360,281.78
0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1,691	3,266.45	29,084.71	7,649.19	15,711.85	2,061.69	665.74	248.08	22.33	16.54	12.40	124.45	58,863.43
0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4,135	7,987.44	71,120.81	18,704.55	38,420.16	5,041.45	1,627.92	606.63	54.60	40.44	30.33	304.33	143,938.66
4,525	8,740.78	77,828.70	20,468.70	42,043.83	5,516.95	1,781.46	663.85	59.75	44.26	33.19	333.03	157,514.50
17,707	34,203.99	304,555.31	80,097.10	164,523.76	21,588.64	6,971.13	2,597.74	233.80	173.18	129.89	1,303.20	616,377.74
8	137.60	1,358.78	357.35	734.02	96.32	31.10	11.59	1.04	0.77	0.58	5.81	2,749.96
79	152.60	1,358.78	357.35	734.02	96.32	31.10	11.59	1.04	0.77	0.58	5.81	2,749.96
0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
162	312.93	2,786.35	732.80	1,505.22	197.51	63.78	23.77	2.14	1.58	1.19	11.92	5,639.19
14,188	27,406.46	244,029.52	64,179.00	131,827.14	17,298.22	5,585.72	2,081.48	187.33	138.77	104.07	1,044.21	493,881.92
90	173.85	1,547.97	407.11	836.23	109.73	35.43	13.20	1.19	0.88	0.66	6.63	3,132.88
198	382.47	3,405.54	895.65	1,839.71	241.40	77.95	29.05	2.61	1.93	1.45	14.57	6,892.33
10,406	20,100.91	178,980.21	47,071.24	96,686.86	12,687.15	4,096.78	1,526.63	137.38	101.78	76.33	765.86	362,231.13
25,710	49,663.11	442,204.61	116,298.43	238,883.27	31,346.01	10,121.86	3,771.87	339.47	251.46	188.59	1,892.21	894,960.89
0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5,385	10,402.02	92,620.45	24,358.89	50,034.48	6,565.47	2,120.05	790.02	71.10	52.67	39.50	396.33	187,450.98
20,997	40,559.17	361,142.36	94,979.31	195,092.65	25,599.86	8,266.38	3,080.41	277.24	205.36	154.02	1,545.34	730,902.10
2,885	5,572.85	49,621.17	13,050.21	26,805.83	3,517.43	1,135.81	423.25	38.09	28.22	21.16	212.33	100,426.35
7,048	13,614.38	121,223.57	31,881.46	65,486.16	8,593.03	2,774.75	1,033.99	93.06	68.93	51.70	518.72	245,339.75
171	330.31	2,941.17	773.51	1,588.84	208.49	67.32	25.09	2.26	1.67	1.25	12.59	5,952.50
10,446	20,178.20	179,668.20	47,252.17	97,058.52	12,735.92	4,112.52	1,532.50	137.93	102.17	76.63	768.81	363,623.57
0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTALS	\$395,004.26	\$3,517,152.00	\$925,000.00	\$1,900,000.00	\$249,316.00	\$80,506.00	\$30,000.00	\$2,700.00	\$2,000.00	\$1,500.00	\$15,050.00	\$7,118,228.26
Gift Goals	1.93	17.20	4.52	9.29	1.22	0.39	0.15	0.02	0.01	0.01	0.07	34.81
Per Person												

## NATIONAL MINISTRIES OFFERING

CIRCLE SEPTEMBER 30, 1990, ON YOUR CALENDAR. September is Stewardship Month and the last Sunday, September 30, is National Ministries Sunday. During the month every church is asked to emphasize stewardship, and on September 30, every Free Will Baptist is asked to give \$34.81 in a National Ministries Offering for the support of all our national ministries.

The offering will be divided according to the cooperative plan percentages adopted at the 1989 Tampa session of the National Association. Percentages are based on departmental needs. Every \$100.00 received will be divided as follows:

Foreign Missions .....	\$ 23.00
Bible College.....	23.00
Home Missions .....	18.00
Master's Men .....	14.00
Board of Retirement .....	14.00
FWB Foundation .....	6.00
Radio-TV Commission .....	.50
Commission on Theological Integrity.....	.50
Music Commission .....	.50
Historical Commission .....	.50
	<u>\$100.00</u>

The National Ministries Offering is not a substitute for cooperative plan giving, designated giving or faith promise giving. It is instead a sacrificial offering—each member's fair share toward our outreach ministries.

I know you are pleased with the 1989 offering—over \$28,000. I am. But, we can do better. However, it will require advance planning. Start now. Make special plans for the month. Announce the National Ministries Offering early to allow enough time for families to plan ahead to give \$34.81 for each member.

If September 30 is not a suitable date for your church, choose another Sunday. For special offering envelopes, banks and coin holders, write National Ministries Sunday, P.O. Box 1088, Nashville, TN 37202.

May the Lord bless you and your church as together you grow in stewardship.

Herman L. Hersey  
Stewardship Month Coordinator



## HOME MISSIONS BOARD REPORT

God blessed the Home Missions Department during 1989. Sixty four (64) families of missionaries and associate missionaries served in the United States, Canada, Mexico, Puerto Rico, and the Virgin Islands. Twenty (20) national workers in Mexico served, eighteen (18) of these in starting new churches, and two (2) as instructors at the Bible Institute near Tampico. Ten (10) "tentmakers" served as church planters.

Eight (8) Free Will Baptist chaplains ministered to the men and women in the military. These were Chaplain James Bishop, U. S. Army; Chaplain Bill Conlon, U. S. Army; Chaplain Robert Cooper, U. S. Navy; Chaplain Larry Langford, U. S. Army; Chaplain Gerald Mangham, U. S. Army; Chaplain Kerry Steedley, U. S. Army; Chaplain Tim Sturgill, U. S. Army; and Chaplain Terry Austin who was inducted into the Army Chaplaincy in 1989.

The Home Missions Traveling Team conducted twenty three (23) evangelism conferences throughout the year and also an Old Time Camp Meeting at the National Association.

Missionary Builder Howard Gwartney assisted four (4) missionaries with new buildings. A crew of twenty (20) lay people accompanied him to the Virgin Islands to repair damage done by Hurricane Hugo to the Free Will Baptist Church and School in St. Croix.

Five (5) sets of blueprints were drawn by Mr. B. H. Price for use by missionaries in constructing first unit buildings.

The Church Extension Loan Fund grew to \$1,699,317. A total of thirty (30) loans have been made to home mission churches, with some completely repaid.

Five (5) missionaries led their churches to become self supporting in 1989. Our thanks go to Tim Trimble, Alabaster, Alabama; Norris Hawkins, Anderson, South Carolina; Ron Parker, Tyler, Texas; Ralph Hester, Gulfport, Mississippi; and Sam Hensley, Fairfield, California.

New missionaries sent out in 1989 were David McGowan, Hamilton, Ohio; Mark Thomas, Greeley, Colorado; John Turner, Portland, Oregon; Richard Atwood, Dover, Delaware; Jim Taylor, Phoenix, Arizona; and J. L. Gore, Southaven, Mississippi.

The fifth couple, George and Linda Harvey, were approved for the Target City Project, Phoenix, Arizona.

Roll Call Sunday, 1989 saw a record attendance of 269,425 with 569 saved.

Thousands of pieces of literature were mailed to assist churches and pastors. The use of Home Missions Follow Up Lessons was instrumental in establishing new churches on the island of St. Lucia in the Caribbean.

Income for the year grew to \$1,859,133. I thank God for the consistent support from Free Will Baptist churches and individuals who faithfully prayed and gave. I am thankful for the dedicated missionaries, chaplains, board and staff who served. Please pray for the National Home Missions

Department as we seek to send "Missionaries To Every State For Churches 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, 1989

(with comparative totals for 1988)

	1989		1988	
	Operating	Plant Fund	Total All Funds	Total All Funds
<b>Assets</b>				
Cash and cash equivalents	\$ 22,408	-	22,408	36,348
Marketable securities, at cost (market value of \$290,194) (note 2)	342,564	-	342,564	314,580
Inventory	7,127	-	7,127	8,042
Equipment at cost, less accumulated depreciation of \$108,402 (note 3)	-	32,590	32,590	45,404
Accounts receivable	3,629	-	3,629	-
Accrued interest receivable	-	-	-	286
Note receivable (note 6)	14,205	-	14,205	15,576
Real property held for sale, at cost	11,909	-	11,909	11,909
<b>Total assets</b>	<b>\$ 401,842</b>	<b>32,590</b>	<b>434,432</b>	<b>432,145</b>
<b>Liabilities and Fund Balances</b>				
Accounts payable	\$ 4,046	-	4,046	3,344
Restricted deferred revenue - missionary accounts (note 4)	325,488	-	325,488	306,905
Deferred compensation (note 5)	114,305	-	114,305	121,619
Notes payable (note 7 and 8)	22,908	-	22,908	25,778
<b>Total liabilities</b>	<b>466,747</b>	<b>-</b>	<b>466,747</b>	<b>457,646</b>
<b>Fund balances:</b>				
Undesignated	(64,905)	-	(64,905)	(70,905)
Net investment in plant	-	32,590	32,590	45,404
<b>Total fund balances</b>	<b>(64,905)</b>	<b>32,590</b>	<b>(32,315)</b>	<b>(25,501)</b>
<b>Total liabilities and fund balances</b>	<b>\$ 401,842</b>	<b>32,590</b>	<b>434,432</b>	<b>432,145</b>

Commitments (note 9)

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, 1989

(with comparative totals for 1988)

	1989			1988	
	Operating	Plant	Total	Total	Total
	Unrestricted	Restricted	Fund	All Funds	All Funds
<b>Support and revenue:</b>					
Contributions	\$ 312,135	1,494,861	-	1,806,996	1,711,622
Printing services	-	-	-	-	10,197
Investment income	29,498	-	-	29,498	29,462
Rental income	2,400	-	-	2,400	-
<b>Total support and revenue</b>	<b>344,033</b>	<b>1,494,861</b>	<b>-</b>	<b>1,838,894</b>	<b>1,751,281</b>
<b>Expenses:</b>					
Administrative expenditures	353,996	-	-	353,996	389,329
Missionary maintenance	-	1,478,588	-	1,478,588	1,409,891
Depreciation	-	-	13,124	13,124	15,176
Loss on sale of assets	-	-	-	-	5,659
<b>Total expenses</b>	<b>353,996</b>	<b>1,478,588</b>	<b>13,124</b>	<b>1,845,708</b>	<b>1,820,055</b>
<b>Excess (deficiency) of support and revenue over expenses</b>	<b>(9,963)</b>	<b>16,273</b>	<b>(13,124)</b>	<b>(6,814)</b>	<b>(68,774)</b>
Fund balances, beginning of year	(70,905)	-	45,404	(25,501)	43,273
Transfer to plant for acquisitions	(310)	-	310	-	-
Allocation of printing service costs	16,273	(16,273)	-	-	-
<b>Fund balances, end of year</b>	<b>\$ (64,905)</b>	<b>-</b>	<b>32,590</b>	<b>(32,315)</b>	<b>(25,501)</b>

See accompanying notes to financial statements.

**Notes to Financial Statements**

December 31, 1989

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 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.

**Cash and Cash Equivalents**

For purposes of the statement of cash flows, cash and cash equivalents are considered to be demand deposits and interest bearing with financial institutions, as well as debt instruments purchased with a maturity of three months or less.

**(2) Investments**

Investments are presented in the financial statements at cost, and are comprised of mutual funds. The following summarizes the relationship between the carrying value and market value of investment assets.

	Carrying Value	Market Value	Excess of Cost Over Market
Balance at end of year	\$ 342,564	290,194	(52,370)
Balance at beginning of year	\$ 314,580	275,588	(38,992)
Unrealized decrease in market value for year			\$ (13,378)

**(3) Plant Funds**

A summary of plant fund assets is as follows:

Furniture and Equipment	\$ 120,245
Automobiles	20,747
	140,992
Less accumulated depreciation	108,402
<b>Net invested in plant</b>	<b>\$ 32,590</b>

Depreciation expense amounted to \$13,124 during 1989.

**(4) Restricted Deferred Revenue**

Changes in restricted deferred revenue is as follows:

Contributions	\$ 1,513,444
<b>Costs:</b>	
Expenses	1,478,588
Allocation of printing service costs	16,273
	1,494,861
<b>Net increase</b>	<b>18,583</b>
Balance, beginning of year	306,905
<b>Balance, end of year</b>	<b>\$ 325,488</b>



(5) Deferred Compensation

The Board of Home Missions 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 when employment is terminated.

A summary of the liability at December 31, 1989 is as follows:

Balance, beginning of year	\$ 121,619
Contributions for benefit of:	
Missionaries	20,577
Administrative employees	8,299
	150,495
Terminations	36,190
Balance, end of year	\$ 114,305

(6) Note Receivable

The note receivable amounting to \$14,205 relates to property sold in Wisconsin. Such note bears 11% interest and is repayable at \$251 per month including interest. A lump sum final payment is required in January, 1990. The note is secured by the real property.

(7) Notes Payable

Notes payable consists of the following:

Note payable secured by real property in Amory, Mississippi	\$ 6,892
11% note payable to related party (see note 8)	16,016
	\$ 22,908

(8) Related Party Transactions

The Church Extension Loan Fund, Inc., an affiliated organization, shares the office facilities and administrative staff of the Board of Home Missions at no cost. Also, the Board has an 11% note payable in the amount of \$16,016 to this related organization to be repaid monthly in installments of \$274 with final payment in 1996.

(9) Commitments

The Board has contingent liabilities in the amount of approximately \$43,000 for the guarantee of debt relating to certain churches.

Schedule of Unrestricted Fund and Restricted Fund Expenses  
as Compared to Budget

Year ended December 31, 1989

	Budget	Actual Expenses	Actual (Over) Under Budget
Unrestricted fund expenses:			
Administrative:			
Salaries	\$ 150,000	155,909	(5,909)
Housing allowance	30,000	29,101	899
Payroll taxes	9,000	8,943	57
Employee savings	7,000	8,299	(1,299)
Insurance	20,000	24,311	(4,311)
Utilities	5,000	4,453	547
Printing and postage	71,000	27,596	43,404
Telephone	12,000	8,688	3,312
Board member expense	10,000	12,390	(2,390)
Computer service	3,000	-	3,000
Legal and audit	3,000	3,900	(900)
Miscellaneous	7,000	5,041	1,959
Automobile and travel	25,000	23,696	1,304

Schedule 2

Promotion	8,000	736	7,264
Literature	10,000	1,700	8,300
Personal revivals	6,000	6,000	-
Roll call Sunday	6,000	-	6,000
Rent	18,000	19,300	(1,300)
Office supplies and equipment	15,000	11,427	3,573
Interest expense	-	2,506	(2,506)
Total unrestricted fund expense	\$ 415,000	353,996	61,004

Restricted fund expenses:

Missionary maintenance:	\$ 1,265,000	1,225,151	39,849
Salaries	65,000	57,411	7,589
Travel and promotion	25,000	20,577	4,423
Employee savings expense	30,000	77,718	(47,718)
Postage and printing	20,000	21,678	(1,678)
Miscellaneous	60,000	45,789	14,211
Land and building	-	4,366	(4,366)
Aim for target - Phoenix, Arizona	-	25,898	(25,898)
Caribbean hurricane relief	-	-	-
Total restricted fund expense	\$ 1,465,000	1,478,588	(13,588)

Plant fund:	\$ 20,000	13,124	6,876
Depreciation	-	-	-

CHURCH EXTENSION LOAN FUND, INC.

Balance Sheet

December 31, 1989

(with comparative totals for 1988)

	1989	1988
	Plant	Total
	Fund	All
	Operating	Funds
Assets		
Cash and cash equivalents	\$ 183,499	183,499
Marketable securities, at cost (market value \$803,320) (note 2)	866,981	866,981
Notes receivable (note 3)	629,036	629,036
Accrued interest	8,397	8,397
Equipment at cost, less accumulated depreciation of \$1,267 (note 4)	-	11,404
Total assets	\$ 1,687,913	1,699,317
Liabilities and Fund Balances		
Liabilities:		
Accrued interest	\$ 20,044	20,044
Revocable trust (note 5)	75,000	75,000
Deferred compensation (note 6)	43,680	43,680
Notes payable (note 7)	1,295,954	1,295,954
Total liabilities	1,434,678	1,434,678
Fund balances:		
Undesignated	108,923	108,923
Designated (note 8)	144,312	144,312
Net investment in plant	-	11,404
Total fund balances	253,235	264,639
Total liabilities and fund balances	\$ 1,687,913	1,699,317

See accompanying notes to financial statements.



## Notes to Financial Statements

December 31, 1989

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).

#### Fund Accounting

In order to ensure observance of limitations and restrictions placed on the use of resources available to the Loan Fund, the accounts of the Fund 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 and 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 undesignated funds available for support of Loan Fund operations and designated funds for acquisition of new church facilities (see note 8). Funds are reported as revenue in the year they are received or accrued.
- Plant funds - such funds represent plant assets acquired net of depreciation.

#### Cash and Cash Equivalents

For purposes of the statement of cash flows, cash and cash equivalents are considered to be demand deposits and interest bearing deposits with financial institutions, as well as, debt instruments with a maturity of three months or less.

#### 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) Investments

Investments are presented in the financial statements at cost, and are comprised of the following:

	Cost	Market
Mutual funds	\$ 673,676	608,172
U.S. government obligations	193,305	195,148
	<u>\$ 866,981</u>	<u>803,320</u>

The following tabulation summarizes the relationship between the carrying values and market values of investment assets.

	Carrying Value	Market Value	Excess of Cost Over Market
Balance at end of year	\$ 866,981	803,320	(63,661)
Balance at beginning of year	\$ 966,806	941,500	(25,306)
Unrealized decrease in market value			(38,355)
Realized net loss for year			(49,317)
Total net loss for year, on a market value basis			<u>\$ (87,672)</u>

### (3) Notes Receivable

10% to 12% notes receivable are as follows (as compared to 1988 balances):

	1989	1988
Secured by first mortgage on the real estate:		
First Free Will Baptist Church - Salem, Oregon	\$ 24,422	28,797
Grace Free Will Baptist Church - Memphis, Tennessee	-	27,014
First Free Will Baptist Church - Fort Collins, Colorado	46,100	47,694
Thompson Memorial Free Will Baptist Church - Vineland, New Jersey	86,196	54,146
The Harvest Free Will Baptist Church - Colorado Springs, Colorado	31,147	33,499
Heritage Free Will Baptist Church - Elkhart, Indiana	74,793	76,249
Tri-Cities Free Will Baptist Church - Kennewick, Washington	21,920	23,600
Maranatha Free Will Baptist Church - Omaha, Nebraska	150,000	99,270
Heartland Free Will Baptist Church - Elizabethtown, Kentucky	8,055	44,448
Maryland State Mission Board	77,575	80,000
First Free Will Baptist Church - Baton Rouge, Louisiana	9,752	-
Polk Bayou Association of Free Will Baptist - Cheyenne, Wyoming	17,223	-
Heritage Free Will Baptist Church - Fredericksburg, Virginia guaranteed by the Maryland State Home Missions Board	15,011	17,387
Unsecured notes payable:		
Heritage Free Will Baptist Church - Gilbert, Arizona	47,528	49,133
Alabama State Mission Board	3,294	3,948
Board of Home Missions (note 9)	16,020	17,462
	<u>\$ 629,036</u>	<u>602,647</u>

### (4) Equipment

Equipment consist of the following:

Automobile	\$ 11,821
Office equipment	850
	<u>12,671</u>
Less: accumulated depreciation	1,267
	<u>\$ 11,404</u>

### (5) Revocable Trust

The Loan Fund is recipient of a revocable trust in the amount of \$75,000. The Loan Fund is required to make payments to the beneficiary of 75% of interest earned on the trust funds within certain limitations.

### (6) Deferred Compensation

The Board of Home Missions, a related party (see note 9), provides for each full-time employee deferred compensation based on a formula combining a percent of salary and years of service. The Director and Assistant Director of the Board of Home Missions of the National Association of Free Will Baptists have elected to transfer the balance of their deferred compensation accounts to be invested in the work of the Church Extension Loan Fund, Inc.

A summary of the liability is as follows:

Balance at beginning of year	\$ 31,943
Transfers from the Board of Home Missions	5,525
Interest added to principal	3,512
Other additions	2,700
	<u>\$ 43,680</u>
Balance at end of year	



(7) Notes Payable

Notes payable, amounting to \$1,295,954, consist of 5% to 9% demand notes to individuals and churches. Such funds are available to be loaned to qualifying churches to finance building projects.

(8) Designated Fund Balance

The Loan Fund received as a contribution, proceeds 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 until such time that new facilities are acquired.

(9) Related Party Transactions

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

As indicated in note (4), the Loan Fund has an 11% note receivable from the Board of Home Missions to be repaid monthly in installments of \$274 with final payment in 1996. The balance amounts to \$16,020.

As indicated in note (6), The Board of Home Missions transferred \$5,525 to fund deferred compensation arrangements.



Hill, Neal & Allen, P.C.  
Certified Public Accountants

Independent Auditors' Report

Board of Directors

Board of Home Missions of The National Association of Free Will Baptists:

Brentwood Executive Center  
761 Old Hickory Boulevard  
Suite 103  
Brentwood, TN 37027  
TEL: 615/377-3485  
FAX: 615/377-3488

We have audited the balance sheet of the Board of Home Missions of The National Association of Free Will Baptists as of December 31, 1989, and the related statements of support and revenue, expenses, capital additions, transfers among funds and changes in fund balances and cash flows for the year then ended. These financial statements are the responsibility of the Board's management. Our responsibility is to express an opinion on these financial statements based on our audit. Information for the year ended December 31, 1988 is presented for comparative purposes only and was extracted from the financial statements presented by fund for that year, on which we expressed an unqualified opinion dated February 10, 1989.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Board of Home Missions of The National Association of Free Will Baptists as of December 31, 1989, and the support and revenue, expenses, capital additions, transfers among funds and changes in fund balances and cash flows for the year then ended in conformity with generally accepted accounting principles.

February 12, 1990

*Hill, Neal & Allen, P.C.*

**Proposed Faith Budget for 1991**

Missionary Maintenance

	1991 Budget
Salaries	\$1,312,000.00
Travel & Promotion	65,000.00
Employee Savings	25,000.00
Postage & Printing	30,000.00
Miscellaneous	20,000.00
Land & Building Fund	50,000.00
Total	\$1,502,000.00

Missionary Assistance

Printing & Postage	\$ 60,000.00
Telephone	10,000.00
Board Member Expense	12,000.00
Computer Service	3,000.00
Auditing	4,500.00
Literature	5,000.00
Miscellaneous	5,500.00
Total	\$ 100,000.00

Administrative

Salaries	\$ 195,000.00
Housing	42,000.00
Social Security	15,000.00
Pay Roll Taxes	10,000.00
Employee Savings	10,000.00
Insurance	30,000.00
Utilities	6,000.00
Total	\$ 308,000.00

Evangelism

Auto & Travel	\$ 25,000.00
Promotion	8,000.00
Revivals	6,000.00
Roll Call Sunday	6,000.00
Total	\$ 45,000.00

Plant

Office Space	\$ 22,000.00
Equipment & Supplies	11,000.00
Depreciation	12,000.00
Total	\$ 45,000.00

Build My Church Campaign:	\$ 100,000.00
Total Faith Budget:	\$2,100,000.00



## Proposed State Quotas for 1991

State	1991 Quotas	State	1991 Quotas
Alabama .....	\$150,000	New Hampshire .....	\$ 17,000
Alaska .....	500	New Mexico .....	2,000
Arizona .....	15,000	New York .....	1,000
Arkansas .....	115,000	North Carolina .....	160,000
California .....	95,000	Ohio .....	90,000
Canada .....	2,000	Oklahoma .....	180,000
Colorado .....	20,000	Oregon .....	4,000
Florida .....	100,000	Pennsylvania .....	1,000
Georgia .....	70,000	Puerto Rico .....	2,500
Hawaii .....	500	Rhode Island .....	2,000
Idaho .....	2,500	South Carolina .....	90,000
Illinois .....	60,000	South Dakota .....	5,000
Indiana .....	25,000	Tennessee .....	250,000
Iowa .....	500	Texas .....	20,000
Kansas .....	10,000	Vermont .....	500
Kentucky .....	60,000	Virginia .....	70,000
Louisiana .....	5,000	Virgin Islands .....	26,000
Maine .....	2,500	Washington .....	3,000
Maryland .....	20,000	West Virginia .....	20,000
Mexico .....	500	Wyoming .....	2,000
Michigan .....	60,000	Other States .....	5,000
Minnesota .....	500	Other Income .....	74,000
Mississippi .....	50,000	Church Extension	
Missouri .....	155,000	Loan Fund .....	50,000
Montana .....	500	Total 1991 Quotas	\$2,100,000
Nebraska .....	5,000		

## MASTER'S MEN DEPARTMENT REPORT

### Information ...

The lay ministry of Master's Men Department shows a steady rate of growth in effectiveness and service to the Free Will Baptist denomination. Proposed in 1955, voted into being in 1956, and beginning to serve in January, 1957...this work has matured into a vital, dedicated and exciting part of the denominational ministry. This convention in Phoenix marks the 34th year of continuing emphasis on service through mission and ministry of the laity. Men show forth His image as they work "All Together To Advance Christ's Kingdom".

The stated task of Master's Men Department is to encourage every man to be more like the Master. The programs and activities seek to develop Christlike men.

In a real sense the laity are the denomination. Their portion of the ministry of Free Will Baptists is much greater than just the Master's Men Department. One pastor noted, "Without the laity, we would have just a bunch of preachers with no pastorates, no congregations, no church facilities, no finances and very little accomplished. We need the laity!" His statement shows awareness of the contribution lay people make in the Lord's work.

Just as the overall picture shows the commitment of the laity, the work of Master's Men shows increased awareness and involvement.

### In Service ...

\* ATTACK magazine is again in print, providing a visible boost to the morale of the Department. Men appreciate the magazine...it's new format, size and upgrade of artwork and layout. ATTACK proclaims the involvement of our laymen in ministry and mission.

\* MASTER'S HANDS PROJECTS provide opportunities for men to involve themselves in physical ministry. By 1989 year's end men participated in 28 known projects. Each church represents one project. At some locations, the men have had several organized work times over a span of months. They've included head, heart and hands in saving over \$500,000 in building costs. The concept is spreading. Now, men are planning vacations around building projects, and even calling the office for places they can serve. At least four projects are planned in the 1990 calendar year.

\* MISSIONS PROJECTS in 1989 included donations totaling \$1,000 channeled to Spanish-speaking brothers to purchase builder's tools. Now these tools are providing the means to repair existing facilities and build new centers for worship.

\* DECADE OF DISCIPLESHIP studies continue in this sixth year. "Disciples In Deed!" is the theme for the year. The lessons are in-depth word portraits of the 12 men who walked with Jesus. Men are learning they can be "change agents" in society and make the world a better place to live.

\* ABOVE ALL...TAKE THE SHIELD enlistment campaign produced some needed growth in 1989, and continues into 1990. First year results



showed 26 new chapters with 280 new members. The campaign encourages men to add the shield to their spiritual armor. While it may be heavy to carry, it does provide great protection when in battle against the Foe.

The Department desires to add a hundred chapters and grow to over 3,000 active members. The cooperation and interest of pastors is a priority. Men need to show initiative by joining in the activities and membership.

According to denominational statistics, there are already that many men involved in the work. However, in our records, only about 2,000 men have paid dues and participate. Obviously, a lot of churches use the name or the concept, but avoid overall involvement. It's sad that they miss a lot of the potential help the Department offers.

The interest and involvement of pastors is one of the keys to the successful mission of Master's Men. The lives of laymen provide open doors to ministry. Master's Men needs both to provide an effective combination in mission and ministry through Free Will Baptists. Is it possible for us to work "All Together To Advance Christ's Kingdom?"

\* LIFEMEMBERSHIP soared with the addition of 101 new members during the calendar year, bringing the total to 374. 12 women were added to the LifeFriend list, and Riverview Free Will Baptist Church in Iowa became the first LifeFriend Church on the list. Deposits to the Endowment Trust Fund totaled over \$37,000 by year's end. The Fund is held in trust by Free Will Baptist Foundation. Their management of the Trust provides interest income to the General Fund.

\* ENDOWMENT BUILDERS is a name given to a precious group of our membership who have promised over \$350,000 in future income. Several persons have life insurance policies with the Department named as owner and beneficiary. At least three families have placed Master's Men in their Wills for settlements. One family has included Master's Men in a Living Trust for a percentage of the remainder. All funds received will be placed in the Endowment Trust Fund. This type of giving will eventually be a great blessing to this ministry. More men need to consider ways to give an abundant gift at the end of their lives as testimony of their love for the Master's work. All Departments could benefit from similar programs or by promoting the Cooperative Trust Fund.

\*FINANCES in 1989 improved over the previous year, but shortages left the budget in a deficit of \$8,000. Spendable income was nearly \$15,000 below the needed level for ministry. When the budget is divided into daily needs, we were short of operating funds nearly 60 days. The budget for 1990 projects daily needs of \$225.00.

Cooperative gift receipts totaled over \$20,000. These funds are a real blessing. More support is necessary for the Department to be able to function to the desired capacity.

The National Ministries Sunday offering produced over \$3,000 income for Master's Men. The NMS offering this year needs the participation of every church member. Pastors need to promote this method of support. The potential of this offering is tremendous, giving hope for meeting the budget needs of every Department.

## In Honor ...

Each year the Master's Men Board selects two laymen to receive honor for their contributions in life to the work of the Master. Pastors nominate a man from their congregations to be considered for the award of LAYMAN OF THE YEAR and RUNNER-UP LAYMAN OF THE YEAR.

The Board voted and the recipients for 1988 year of service were: Layman of the Year 1988, Elbert S. Farley, member of Wooddale FWB Church, Knoxville, Tennessee. Runner-up Layman of the Year 1988, Phil Ledgerwood, member of Harmony FWB Church, Kansas City, Missouri.

These honors are not just for these two men, but are intended to call attention to the life contributions of all our laity. Our denomination is honored by the men who serve.

Two veteran Board Members were honored as they completed 12 years of service. Raymond Lee, outgoing Board Chairman, from North Carolina and Paul Kennedy, from California, served two full terms and were not eligible for re-election.

Both Lee and Kennedy were presented with plaques recognizing their contributions and service. These men provided stability and leadership during an important time in the work of Master's Men Department.

## In Summary ...

Master's Men Department exists to serve...the Master, the denomination, the local churches, the laity. In order to serve well, the Department needs the participation of men, the support of the denomination. The Director and the Board depend on the Master to help plan and lead. The Director and the Board expect and need the life-giving support of the denomination, the churches and the laity.

I believe we can produce greater effort and see exciting accomplishments together for the Master as His men.

Respectfully submitted,

James E. Vallance  
General Director

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

### BALANCE SHEET December 31,

	1989	1988
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash	\$ 2,705	\$ 793
Trust account - Lifetime membership	35,901	27,595
Interest receivable	--	1,056
Prepaid expenses and deposits	686	129



Inventories	1,100	1,093
Cash value of endowment insurance	217	--
Total current assets	\$ 40,609	\$ 30,666
PROPERTY AND EQUIPMENT, net (note 2)	3,832	4,174
TOTAL assets	\$ 44,441	\$ 34,840
LIABILITIES AND FUND BALANCE		
CURRENT LIABILITIES		
Accounts payable	\$ 6,529	\$ 2,796
Deferred revenue (note 3)	382	89
Accrued expenses	616	539
Notes payable (note 4)	--	1,418
Total current liabilities	\$ 7,527	\$ 4,842
LONG-TERM DEBT (Note 4)	--	--
Total liabilities	7,527	4,842
FUND BALANCE (DEFICIT) (note 5)		
Unrestricted	( 7,997)	( 2,130)
Restricted	44,911	32,128
Total fund balance (deficit)	\$ 36,914	\$ 29,998
Total liabilities and fund balance	\$ 44,441	\$ 34,840

STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE  
Years ended December 31,

	1989			1988
	Unrestricted	Restricted	TOTAL	Total
REVENUE				
Dues from members	\$ 8,241	--	\$ 8,241	\$ 8,902
Cooperative program	23,114	--	23,114	20,229
Merchandise sales	1,336	--	1,336	591
Gifts/other income	33,101	14,213	47,314	45,512
	\$ 65,792	\$ 14,213	\$ 80,005	\$ 75,234
EXPENDITURES				
Salaries and wages	\$ 26,022	--	\$ 26,022	\$ 25,949
Payroll taxes and employee benefits	5,706	--	5,706	5,216
Cost of printing and sales	4,228	--	4,228	1,705
Travel expense	9,740	630	10,370	9,322
Conferences/conventions	12,013	--	12,013	7,577
Office expense	6,165	--	6,165	5,116
Postage	2,157	--	2,157	1,173
Promotion expense	577	--	577	1,225
Professional fees	550	--	550	500
Bookkeeping expense	900	--	900	900
Depreciation	2,386	--	2,386	2,248

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

Interest expense	124	--	124	123
Insurance expense	944	300	1,244	701
Dues/subscriptions	147	--	147	--
Missions projects	--	500	500	6,689
	\$ 71,659	\$ 1,430	\$ 73,089	\$ 68,444
REVENUES OVER (UNDER) EXPENDITURES	\$ ( 5,867)	\$ 12,783	\$ 6,916	\$ 6,790
FUND BALANCE (DEFICIT) AT JANUARY 1, 1989	( 2,130)	32,128	29,998	23,208
FUND BALANCE (DEFICIT) AT DECEMBER 31, 1989	\$ ( 7,997)	\$ 44,911	\$ 36,914	\$ 29,998

STATEMENT OF CHANGES IN FINANCIAL POSITION  
Years ended December 31,

	1989	1988
WORKING CAPITAL PROVIDED (APPLIED)		
Revenue over (under) expenditures	\$ 6,916	\$ 6,790
Items not affecting working capital		
Depreciation	2,386	2,248
Working capital provided by (used for) operations	9,302	\$ 9,038
Additions to property and equipment	( 2,044)	( \$ 655)
INCREASE (DECREASE) IN WORKING CAPITAL	\$ 7,258	\$ 8,383

ANALYSIS OF CHANGES IN WORKING CAPITAL

Increase (decrease) in current assets		
Cash	\$ 1,912	( \$ 1,492)
Trust account - Lifetime membership	8,306	7,531
Interest receivable	( 1,056)	243
Cash value of endowment insurance	217	--
Inventories	7	( 231)
Prepaid expenses and deposits	557	129
Decrease (increase) in current liabilities		
Accounts payable	( 3,733)	( 164)
Deferred revenue	( 293)	31
Accrued expenses	( 77)	( 59)
Notes payable	1,418	2,395
	\$ 7,258	\$ 8,383

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



NOTES TO FINANCIAL STATEMENTS  
December 31, 1989

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 - The inventories are valued at the lower of cost or market, with cost being determined by using 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,:

	1989	1988
Equipment and Furniture	\$ 16,251	\$ 14,207
Less accumulated depreciation	12,419	10,033
Property and equipment, net	<u>\$ 3,832</u>	<u>\$ 4,174</u>

NOTE 3 - DEFERRED REVENUE

Deferred revenue consists of dues received for future years as of December 31, 1989 and 1988.

NOTE 4 - NOTES PAYABLE

The Department had notes payable summarized as follows as of December 31,:

	1989	1988
Note payable to First American Bank, Nashville, TN; interest at 9.75%; dated 12/19/87 payable at \$210 monthly thru 5/19/89; unsecured	--	\$ 1,418
Less current portion	--	1,418
Long-term debt	<u>--</u>	<u>\$ --</u>

NOTE 5 - RESTRICTED FUND BALANCE

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

	1989	1988
Missions projects	\$ 1,135	\$ 942
Lifetime Membership	43,776	31,186
	<u>\$ 44,911</u>	<u>\$ 32,128</u>

MICHAEL JOHNSTON  
Certified Public Accountant

106 N. Fifth, P.O. Box 1403  
Effingham, IL 62401

Phone: (217) 342-9632

INDEPENDENT AUDITOR'S OPINION

The Board of Directors  
The Master's Men, a Department of the  
National Association of Free Will Baptists  
Nashville, Tennessee

I have audited the balance sheets of The Master's Men, a Department of the National Association of Free Will Baptists, as of December 31, 1989 and 1988, and the related statements of revenue, expenditures and changes in fund balance and changes in financial position for the years then ended. These financial statements are the responsibility of the Board of Directors. My responsibility is to express an opinion on these financial statements based on my audit.

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

In my opinion, the aforementioned financial statements present fairly the financial position of the Master's Men, a Department of the National Association of Free Will Baptists, at December 31, 1989 and 1988 and the results of its operations and the changes in its financial position for the years then ended, in conformity with generally accepted accounting principles applied on a consistent basis.

Michael Johnston  
Certified Public Accountant

Effingham, Illinois  
April 23, 1990

Member, American Institute of Certified Public Accountants  
S Illinois Society of Certified Public Accountants



## Proposed 1991 Budget

### Income

Gifts .....	\$ 25,000.00
Dues .....	20,000.00
Master's Men Day .....	4,500.00
National Ministries Sunday .....	7,500.00
Sales .....	1,500.00
ATTACK Ad Sales .....	6,000.00
Co-operative Giving .....	26,000.00
Travel .....	2,000.00
Master's Men Conference .....	9,750.00
Interest Income .....	
Other .....	250.00
Endowment Trust .....	6,000.00
Master's Men Dinner .....	3,125.00
	<b>\$111,625.00</b>

### Expenses

Audit .....	\$ 600.00
Bookkeeping Fee .....	900.00
Booth .....	200.00
Conference .....	7,500.00
Cost of Sales .....	1,000.00
Dinner .....	3,250.00
Equipment Maintenance .....	500.00
Insurance, Office Contents .....	300.00
Leadership Conference .....	500.00
Office Equipment .....	1,500.00
Payroll Taxes .....	3,060.00
Postage .....	3,000.00
Printing .....	11,500.00
Promotion .....	2,000.00
Rent & Utilities .....	12,000.00
Salaries .....	40,000.00
Insurance .....	6,031.00
Retirement .....	1,283.10
Telephone .....	2,000.00
Travel .....	
Director .....	9,000.00
Board .....	3,000.00
Miscellaneous .....	500.00
	<b>\$111,625.00</b>

Endowment Trust Deposits are approximately \$10,000 per year.  
Designated disbursements to Missions Projects are approximately \$1,000 per year.

## 1990

### BOARD OF RETIREMENT AND INSURANCE

We closed the second decade of our ministry with nearly 1,000 members; over \$8.1 million in assets, and; more than \$4.8 million invested in church loans. Over the past five years, the pension fund has experienced an average increase of 17.5%. We have come a long way. We praise the Lord for what He has done through this department. Thank you for your faithful support.

This year a much needed staff member has been added. Our Trustees are pleased to announce the appointment of William W. Evans as Administrative Assistant. He joins us this month, July 1990.

Brother Evans, better known as Bill, is well known among us. A native of Springfield, Missouri and graduate of Free Will Baptist Bible College, he served as pastor for 21 years in New Hampshire, Missouri, Georgia and Kentucky. Brother Evans comes well qualified for this new position in our department. For 12 years he served as member of the Board, 10 years as chairman.

One of the many duties our trustees carry out is the investment of our ministry's fast growing \$8.1 million dollar fund. They continue to invest in loans to both established churches and mission churches. Currently 38% of the church loans (\$1.8 million) are to 26 mission churches in 14 states.

Present mission church loan balances are as follows:

Alabama.....	\$164,660	North Carolina .....	108,062
Arizona .....	22,186	Ohio.....	180,600
Arkansas .....	68,818	Oklahoma.....	188,918
California .....	510,048	South Carolina .....	227,079
Colorado .....	126,236	Texas.....	94,645
Indiana.....	9,343	Virginia.....	95,693
Michigan .....	10,531	Wyoming .....	30,033
			<b>\$1,836,852</b>

Applications for mission church loans are submitted by mission boards or by associations. Applications for established church loans are submitted by the individual churches.

As we enter our third decade there is much yet to be done. Among those areas of need are:

- (1) a disability plan,
- (2) an emergency assistance fund to help retired ministers and their wives or their widows in times of extraordinary need,
- (3) housing facilities for older adults.

Yes, we need your continued prayers and support to continue the national ministry. But, you ought to do something on a person-to-person basis. I challenge you to:



- (1) Minister to our retired pastors and their wives or pastors' widows who live near you. Some have serious health problems. Others face an uncertain financial future. Learn what their needs are. Help them. Invite them into your home for a meal.
- (2) Pray for our aging pastors who are still ministering, some in their seventies. Pray that they may have continued strength and good health. We have so many churches that need them.
- (3) Pray that doors of opportunity will open for our retired ministers who are unable to pastor full time but want to continue to serve in some way.
- (4) Pray that churches will open doors of service to our retired laypeople who want to continue serving.
- (5) Challenge your quarterly meeting, district and state association to begin or expand its ministry to the aging and elderly.

And, don't forget your pastor and church staff. Enroll them in the pension plan or review what you are giving toward their retirement and make sure it is fair and adequate.

Again, thank you for caring. May God grant us the best decade ever as we strive to obey Him in providing for those who preach and further the cause of Christ at home and on foreign fields.

Herman L. Hersey  
General Director

# BOARD OF RETIREMENT AND INSURANCE OF THE NATIONAL ASSOCIATION OF FREE WILL BAPTISTS

## Balance Sheet

December 31, 1989

	1989			
	Unrestricted Operations	Retirement Fund	Plant Fund	Total All Funds
<b>Assets</b>				
Cash and cash equivalents	\$ 9,040	1,334,027	-	1,343,067
Investments, fair value (note 2)	-	1,981,938	-	1,981,938
Funds invested with retirement fund	63,629	-	-	63,629
Accrued interest receivable	-	29,437	-	29,437
Notes receivable from participants of the retirement fund and churches and denominational agencies of the National Association of Free Will Baptists (note 3)	-	4,844,270	-	4,844,270
Office furniture, equipment, and automobiles, at cost, less accumulated depreciation of \$54,125 (note 4)	-	-	26,859	26,859
<b>Total assets</b>	<b>\$ 72,669</b>	<b>8,189,672</b>	<b>26,859</b>	<b>8,289,200</b>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities:</b>				
Notes payable	\$ -	1,000	-	1,000
Accounts payable and accrued expenses	7,061	8,546	-	15,607
Unearned loan origination fees (note 5)	-	81,560	-	81,560
Interest bearing revocable trusts (including \$63,629 invested from Unrestricted Operations)	-	1,272,475	-	1,272,475
<b>Total liabilities</b>	<b>7,061</b>	<b>1,363,581</b>	<b>-</b>	<b>1,370,642</b>

Fund balances (note 5):	65,608	-	-	65,608
Operations	-	6,752,780	-	6,752,780
Retirement fund	-	73,311	-	73,311
Designated as reserve funds	-	-	26,859	26,859
Net invested in plant	65,608	6,826,091	26,859	6,918,558
<b>Total fund balances</b>	<b>\$ 72,669</b>	<b>8,189,672</b>	<b>26,859</b>	<b>8,289,200</b>
<b>Total liabilities and fund balances</b>				

## Statement of Fund Transactions and Changes in Fund Balances

Year ended December 31, 1989

	Unrestricted Operations	Retirement Fund	Plant Fund	Total All Funds
<b>Additions:</b>				
\$ -	606,369	-	-	606,369
Contributions from participants	27,917	-	-	27,917
Gifts	-	507,033	-	507,033
Interest income - notes receivable	4,810	212,687	-	217,497
Investment income	-	138,989	-	138,989
Net realized and unrealized gains of investment portfolio	-	6,078	-	6,078
Forfeitures and late charges	-	15,578	-	15,578
Amortization of loan origination fees (note 5)	175	307	-	482
Miscellaneous	32,902	1,487,041	-	1,519,943
<b>Total additions</b>	<b>68,625</b>	<b>1,854,045</b>	<b>-</b>	<b>1,922,670</b>
<b>Deductions:</b>				
Salaries	26,662	-	-	26,662
Fringe benefits	24,225	-	-	24,225
Travel and promotional	15,797	-	-	15,797
Office supplies	24,000	-	-	24,000
Housing	54	-	-	54
Ministry to senior adults	11,060	-	-	11,060
Occupancy	13,025	-	-	13,025
Board members expense	4,887	-	-	4,887
Legal and auditing	1,807	-	-	1,807
Miscellaneous	-	-	13,554	13,554
Depreciation	-	118,358	-	118,358
Interest expense	-	264,224	-	264,224
Withdrawal of funds	1,311	-	-	1,311
Insurance	191,453	382,582	13,554	587,589
<b>Total expenses</b>	<b>(158,551)</b>	<b>1,104,459</b>	<b>(13,554)</b>	<b>932,354</b>
<b>Net increase (decrease) in funds for the year</b>	<b>55,118</b>	<b>5,896,305</b>	<b>34,781</b>	<b>5,986,204</b>
<b>Fund balances, beginning of year, as restated (note 5)</b>	<b>(5,632)</b>	<b>-</b>	<b>5,632</b>	<b>-</b>
<b>Transfers among funds and other changes:</b>				
To plant fund for asset acquisition	174,673	(174,673)	-	-
Enrollment and administrative fees	\$ 65,608	6,826,091	26,859	6,918,558
<b>Fund balance, end of year</b>				

## Statement of Cash Flows

Year ended December 31, 1989

	Unrestricted Operations	Retirement Fund	Plant Fund	Total All Funds
<b>Operating cash flows:</b>				
Cash received from:	\$ -	606,369	-	606,369
Contributions from participants	27,917	-	-	27,917
Gifts	-	507,033	-	507,033
Interest income - notes receivable	4,810	217,295	-	222,105
Investment income	-	6,078	-	6,078
Forfeitures and late charges	175	307	-	482
Miscellaneous	-	-	-	-

See accompanying notes to financial statements.



Cash paid for:				
Suppliers and employees	(196,246)	-	-	(196,246)
Interest	-	(118,358)	-	(118,358)
Withdrawal of funds by participants	-	(266,678)	-	(266,678)
Net operating cash flows	(163,344)	952,046	-	788,702
Financing cash flows:				
Net increase in revocable trusts	-	153,684	-	153,684
Net financing cash flows	-	153,684	-	153,684
Investing cash flows:				
Purchases of office furniture and equipment	(5,632)	-	-	(5,632)
Investments:				
Increase in funds invested with the retirement fund	(10,572)	-	-	(10,572)
Purchases	-	(1,941,018)	-	(1,941,018)
Proceeds	-	1,411,738	-	1,411,738
Notes receivable:				
New loans made	-	(1,104,416)	-	(1,104,416)
Collection of notes receivable	-	302,054	-	302,054
Net investing cash flows	(16,204)	(1,331,642)	-	(1,347,846)
Net decrease in cash and cash equivalents for the year	(179,548)	(225,912)	-	(405,460)
Transfers for enrollment and administrative fees	174,673	(174,673)	-	-
Cash and cash equivalents:				
Beginning of year	13,915	1,734,612	-	1,748,527
End of year	\$ 9,040	1,334,027	-	1,343,067

See accompanying notes to financial statements.

## Notes to Financial Statements

December 31, 1989

Board of Retirement and Insurance is operated under the auspices of The National Association of Free Will Baptists. The purpose of the Board is to maintain contributory retirement accounts for licensed or ordained ministers and lay employees of churches, schools and denominational agencies 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 Retirement and Insurance of The National Association of Free Will Baptists are presented below to assist the reader in evaluating the financial statements.

#### 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 accompanying financial statements are presented on the accrual method of accounting.

#### 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 is exempt from income taxes; accordingly, no provision for income taxes has been made in accompanying financial statements.

#### Cash and cash equivalents

For the purpose of the statement of cash flows, the Board considers all cash on hand, demand deposit accounts and highly liquid debt instruments with a maturity of three months or less to be cash and cash equivalents.

### (2) Investments

Investments consist of the following:

	Market Value	Cost
Church bonds (at stated value)	\$ 61,500	61,500
Mutual funds	549,153	544,281
Common stocks	1,092,684	899,459
U.S. Treasury notes	278,601	254,631
	<u>\$ 1,981,938</u>	<u>1,759,871</u>

### (3) Notes Receivable from Participants of the Retirement Fund and Churches and Denominational Agencies of the National Association of Free Will Baptists

Following is a summary of notes receivable:

Participant notes	\$ 41,005
Churches and agency notes	4,803,265
	<u>\$ 4,844,270</u>

Participant notes are secured by retirement account balances. Church and agency notes are secured by first mortgage or similar perfected security interest in the related property.

### (4) Office Furniture, Equipment, and Automobiles

A summary of office furniture, equipment and automobiles is as follows:

Office furniture and fixtures	\$ 26,760
Computer equipment	41,165
Automobiles	13,059
	<u>80,984</u>
	54,125
Accumulated depreciation	<u>\$ 26,859</u>

Depreciation expense amounted to \$13,554 in 1989.

### (5) Change in Accounting

In order to conform to the provisions of Financial Accounting Standards Board Statement # 91, "Accounting for Nonrefundable Fees and Costs Associated with Originating or Acquiring Loans and Costs Associated with Leases", the Board changed its method of recognizing loan origination fee revenues from the period in which the loan was made to recognition over the life of the related loan. Accordingly, fund balance at the beginning of 1989 has been decreased by \$59,676 to record the beginning amount of unearned loan origination fees.



Hill, Neal & Allen, P.C.  
Certified Public Accountants

### Independent Auditors' Report

Terry A. Hill  
Russell E. Neal  
Nancy S. Allen

Board of Directors  
Board of Retirement and Insurance of The  
National Association of Free Will Baptists:

Brentwood Executive Center  
761 Old Hickory Boulevard  
Suite 103  
Brentwood, TN 37027  
TEL: 615/377-3485  
FAX: 615/377-3488

We have audited the balance sheet of Board of Retirement and Insurance of The National Association of Free Will Baptists as of December 31, 1989, and the related statements of fund



transactions and changes in fund balances and cash flows for the year then ended. These financial statements are the responsibility of the Board's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Board of Retirement and Insurance of the National Association of Free Will Baptists as of December 31, 1989, and fund transactions and changes in fund balances and cash flows for the year then ended in conformity with generally accepted accounting principles.

As discussed in note 5 to the financial statements, the Board changed its method of accounting for loan origination fees to conform to the provisions of Financial Accounting Standards Board # 91, "Accounting for Nonrefundable Fees and Costs Associated with Originating or Acquiring Loans and Costs Associated with Leases."

March 13, 1990

*Reed, Neal & Allen P.C.*

### Proposed Budget 1991

SALARIES .....	\$109,045
EMPLOYEE BENEFITS .....	41,000
HOUSING .....	38,400
TRAVEL/PROMOTION .....	32,000
AUTO/TRAVEL/MAINTENANCE .....	3,500
AUTO FUND .....	6,000
PLANT FUND .....	16,000
OFFICE SUPPLIES/EXPENSE .....	15,500
EQUIPMENT/MAINTENANCE .....	5,000
PUBLICATIONS .....	6,000
DEPARTMENT'S SHARE OF INSURANCE PREMIUM .....	300
ALERT MINISTRIES .....	2,000
BOARD EXPENSE .....	8,500
INSURANCE .....	4,000
LEGAL/AUDITING .....	10,000
MISCELLANEOUS .....	1,500
<b>TOTAL .....</b>	<b>\$298,745</b>

## SUNDAY SCHOOL AND CHURCH TRAINING REPORT

Our department operates under the name of Randall House Publications. The name of Randall comes from our founding father Benjamin Randall. The word "house" has to do with our location. We occupy a 50,000 square foot building on 8 1/3 acres of land. We are thankful that it is all paid for.

The word "publications" stands for our ministry. Our main thrust is our publications. It requires a great deal of our energy. We call our curriculum "Lifeline Bible-based Curriculum." We believe it to be a curriculum for the 90's. It features brand new cycles for our teens and adults.

We do have other ministries. We promote church growth through our enlargement campaigns, attendance booster clubs, seminars, conferences, and publications. We also support a very vital youth ministry. When you buy our curriculum you are helping to support our ministries.

If there is any way that we can help you and serve you better, please let us know. May God bless you as you serve Him.

Yours in His service,

Randall House Publications  
Sunday School and Church Training Department  
Dr. Roger C. Reeds, General Director

### SUNDAY SCHOOL AND CHURCH TRAINING BOARD AND RANDALL HOUSE PUBLICATIONS Statements of Activity and Changes in Fund Balance

Years ended February 28, 1990 and 1989

	1990	1989
<b>Revenues:</b>		
Net sales:		
Curriculum	\$ 1,707,918	1,723,027
Randall House books	75,461	86,546
Merchandise	37,127	22,037
Bulletins	87,535	80,900
Vacation Bible School	7,637	10,571
Bookstore	147,696	147,930
Printing	5,146	10,436
Other sales	78,426	80,263
Net sales	2,146,946	2,161,710
Freight and handling	80,646	97,219
Other income	4,962	4,725
Commission income on hymnal sales (note 7)	13,001	41,372
Gain on disposition of assets	-	6,591
	<u>2,245,555</u>	<u>2,311,617</u>
<b>Expenses:</b>		
Cost of sales:		
Inventory at beginning of year	849,532	700,037
Merchandise purchases	258,656	265,328
Depreciation	47,503	48,612
Editorial and printing preparation	395,913	371,870



Printing production	484,664	631,622
Spanish department	64,813	75,763
	<u>2,101,081</u>	<u>2,093,232</u>
Less inventory at end of year	886,757	849,532
	<u>1,214,324</u>	<u>1,243,700</u>
Selling, general and administrative:		
Administrative	95,578	86,858
Bookstore	110,494	99,881
Bookkeeping	160,232	136,178
Building	126,924	137,064
Sales and promotion	91,430	82,997
Shipping	162,660	166,921
General	58,782	56,779
Depreciation	83,878	86,741
Interest expense, including finance charges	87,782	82,457
	<u>977,760</u>	<u>935,876</u>
Total expenses	<u>2,192,084</u>	<u>2,179,576</u>
Excess of revenues over (under) expenses before Youth Department	53,471	132,041
Youth Department (note 6)	(74,118)	(64,345)
Excess of revenues over (under) expenses	(20,647)	67,696
Fund balance, beginning of year	1,003,813	936,117
Fund balance, end of year	<u>\$ 983,166</u>	<u>1,003,813</u>

See accompanying notes to financial statements.

#### Balance Sheets

February 28, 1990 and 1989

Assets	1990	1989
Current assets:		
Cash and interest bearing deposits	\$ 41,704	76,279
Accounts receivable:		
Trade, net of allowance for doubtful accounts of \$7,000 in 1990 and \$8,000 in 1989	198,834	169,696
Employees and other	1,503	1,911
Total receivables	<u>200,337</u>	<u>171,607</u>
Inventory, at lower of cost (first-in, first-out method) or market	886,757	849,532
Deferred charges	18,365	17,613
Total current assets	<u>1,147,163</u>	<u>1,115,031</u>
Property, plant and equipment and capitalized leases (notes 2 and 3):		
Land	133,795	127,873
Building	639,250	638,195
Printing service equipment	505,513	483,139
Office and administrative equipment	300,143	273,243
Automobiles and trucks	89,599	68,401
	<u>1,668,300</u>	<u>1,590,851</u>
Less accumulated depreciation and amortization	812,374	691,100
Net property, plant and equipment and capitalized leases	<u>855,926</u>	<u>899,751</u>
	<u>\$ 2,003,089</u>	<u>2,014,782</u>
Liabilities and Fund Balance		
Current liabilities:		
Notes payable to bank	\$ 298,571	150,000
Current installments of long-term debt and capitalized lease obligations (note 3)	117,807	107,046
Accounts payable	154,403	234,673
Accrued expenses	42,174	46,717
Due to affiliated organization (note 7)	105,704	105,360

See accompanying notes to financial statements.

Total current liabilities	718,659	643,796
Long-term debt and capitalized lease obligations (note 3)	301,264	367,173
Fund balance	<u>983,166</u>	<u>1,003,813</u>
	<u>\$ 2,003,089</u>	<u>2,014,782</u>
Commitments (notes 4, 5 and 7)		

#### Statements of Cash Flows

Years ended February 28, 1990 and 1989

	1990	1989
<u>Cash Flows from Operating Activities</u>		
Excess of revenues over (under) expenses	\$ (20,647)	67,696
Adjustments to reconcile excess of revenues over (under) expenses to net cash provided by operating activities	131,381	135,353
Depreciation and amortization	-	(6,591)
Gain on disposal of equipment	-	-
(Increase) decrease in:	(28,730)	55,033
Receivables	(37,225)	(149,495)
Inventories	(752)	(335)
Deferred charges	-	-
Increase (decrease) in:	(80,270)	(82,857)
Accounts payable	(4,543)	4,364
Accrued expenses	344	105,360
Due from affiliated organization	-	(145,349)
Customer deposits	(40,442)	(16,821)
Net cash used by operating activities	<u>(87,556)</u>	<u>(60,529)</u>
<u>Cash flows from Investing Activities</u>		
Purchase of equipment	-	18,850
Proceeds from disposition of equipment	(87,556)	(41,679)
Net cash used by investing activities	<u>(87,556)</u>	<u>(41,679)</u>
<u>Cash flows from Financing Activities</u>		
Proceeds from:	148,571	-
Short-term debt	61,296	103,611
Long-term debt	-	(50,000)
Repayments of:	(116,444)	(85,712)
Short-term debt	93,423	(32,101)
Long-term debt	(34,575)	(90,601)
Net cash provided (used) by financing activities	<u>76,279</u>	<u>166,880</u>
Net decrease in cash	<u>\$ 41,704</u>	<u>76,279</u>
Cash at beginning of year		
Cash at end of year	<u>\$ 41,704</u>	<u>76,279</u>
Supplemental disclosures:	\$ 85,894	82,145
Interest, including finance charges paid		

See accompanying notes to financial statements.

#### Notes to Financial Statements

February 28, 1990 and 1989

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.



### Property, Plant and Equipment

Property, plant and equipment are stated at cost. Depreciation is provided using the straight-line method. Expenditures for maintenance and repairs, renewals, and betterments that do not significantly extend the useful lives of assets are expensed as incurred.

### Income Taxes

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

### Cash and Cash Equivalents

For purposes of the statement of cash flows, the Board considers all cash funds, cash bank accounts and highly liquid debt instruments purchased with a maturity within three months of the balance sheet date to be cash and cash equivalents.

### (2) Property, Plant and Equipment and Capitalized Leases (see note 3)

Depreciation and amortization charged to operations computed on the straight-line method was \$131,381 in 1990 and \$135,353 in 1989.

Components of capitalized leases are as follows:

	1990	1989
Printing service equipment	\$ 227,879	205,879
Office and administrative equipment	73,380	66,523
	<u>301,259</u>	<u>272,402</u>
Less accumulated amortization	92,666	56,988
	<u>\$ 208,593</u>	<u>215,414</u>

### (3) Long-term debt and Capitalized Lease Obligations

A summary of long-term debt and capitalized lease obligations is as follows:

	1990	1989
Long-term debt:		
8% to 13.5% equipment obligations, maturing through January 1995 payable monthly \$2,724 including interest, secured by related equipment.	\$ 61,908	63,043
11.5% unsecured installment note, payable monthly at \$466 including interest through January 1992.	9,577	13,799
10.75% to 13.875% installment obligations payable to the Board of Retirement and Insurance of the National Association of Free Will Baptists, payable in monthly installments of \$4,251 including interest, through February 1994.	162,115	192,109
Total long-term debt	233,600	268,951
Capitalized lease obligations:		
9.1% to 16.8% obligations under capital leases payable monthly \$6,153 - see note 2	185,471	205,268
	<u>419,071</u>	<u>474,219</u>
Less current maturities of long-term debt and capital lease obligations	117,807	107,046
	<u>\$ 301,264</u>	<u>367,173</u>

Maturities of long-term debt and capitalized leases are as follows:

Long-term debt:	
1991	\$ 62,615
1992	59,093
1993	55,342
1994	52,159
1995	4,391
	<u>\$ 233,600</u>

### Capitalized leases:

The Board leases certain equipment under capital leases (see note 2). The obligations are being amortized by that portion of annual rentals in excess of interest. Interest was imputed using rates ranging from 9.1% to 16.8% based on the lessor's implicit rate of return.

The following is a schedule, by years, of future minimum lease payments under capital leases as of February 28, 1990.

1991	\$ 73,840
1992	73,840
1993	40,829
1994	29,368
1995	6,294
	<u>224,171</u>
	38,700
Less amount representing interest	\$ 185,471
Present value of net minimum lease payments	

### (4) Operating Leases

The Board leases certain equipment under a number of operating leases. Rent expense under such operating leases amounted to \$66,944 for the year ended February 28, 1990.

Minimum annual rentals under noncancelable operating leases are as follows:

	\$ 61,061
1991	20,649
1992	6,387
1993	2,913
1994	
	<u>91,010</u>

### (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 and is matched up to a maximum of 5% of compensation. Employees with two years of service may participate. Pension expenses amounted to \$21,973 in 1990 and \$17,690 in 1989. The pension plan is a defined contribution plan. Under the plan, an account is maintained for each participant and upon retirement the participant can either receive a lump-sum distribution or purchase one of several types of annuity contracts.

### (6) Youth Department

The purpose of the Youth Department of the Free Will Baptist Sunday School Board is to provide ministries and services to youth and youth workers of the Association. The following is a summary of the Department's activities:

	1990	1989
Revenue from conferences and related services	\$ 52,704	62,433
Expenditures for conferences and related services	43,825	52,856
General and administrative expenses	82,997	73,922
Total expenses	<u>126,822</u>	<u>126,778</u>
Excess of expenses over revenue	\$ (74,118)	(64,345)

### (7) Agreement with Affiliated Organization to Distribute Hymnals

The Board has agreed to warehouse and distribute hymnals for the Executive Board of the National Association of Free Will Baptists. Further, the Board will invoice the customer, collect funds and remit such collections, net of commissions of \$.795 per hymnal sold, to the Executive Board. As of February 28, 1990 the Board was warehousing approximately 35,500 hymnals with an estimated replacement value of \$315,000. The following summarizes the transactions under this agreement as of February 28, 1990.





Hill, Neal & Allen, P.C.  
Certified Public Accountants

#### Independent Auditors' Report

Terry A. Hill  
Russell E. Neal  
Nancy S. Allen

#### Board of Directors Sunday School and Church Training Board and Randall House Publications

Brentwood Executive Center  
761 Old Hickory Boulevard  
Suite 103  
Brentwood, TN 37027  
TEL: 615/377-3485  
FAX: 615/377-3488

We have audited the balance sheets of Sunday School and Church Training Board and Randall House Publications as of February 28, 1990 and 1989, and the related statements of activity and changes in fund balances and cash flows for the years then ended. These financial statements are the responsibility of the Board's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Sunday School and Church Training Board and Randall House Publications as of February 28, 1990 and 1989, and the results of its activity and changes in fund balances and cash flows for the years then ended in conformity with generally accepted accounting principles.

*Hill, Neal & Allen, P.C.*

April 26, 1990

#### BUDGET FOR 1991

#### REVENUES

Curriculum	\$ 2,195,210.00
Sunday School	98,060.00
C.T.S.	44,000.00
Spanish	\$ 2,337,270.00
	350,000.00
Discount to Bookstores	\$ 1,987,270.00
Other Sales	\$ 80,000.00
RHP Books	80,000.00
Hymnals	140,000.00
Merchandise	25,000.00
Vacation Bible School	6,000.00
Printing	90,000.00
Bulletins	80,000.00
Miscellaneous Sales	\$ 501,000.00
Other Income	\$ 80,000.00
Postage & Freight	47,000.00
Youth Ministries	10,000.00
Miscellaneous Income	\$ 137,000.00
<b>TOTAL ALL REVENUES</b>	<b>\$ 2,625,270.00</b>

#### EXPENSES

Cost of Sales - Outside Purchases	\$ 16,000.00
Curriculum	100,000.00
Merchandise	74,000.00
Bulletins	21,000.00
Vacation Bible School	72,000.00
Hymnals	18,000.00
Randall House Books	20,000.00
Miscellaneous	\$ 321,000.00
	(40,000.00)
Inventory Increase	\$ 281,000.00
	\$ 162,212.00
Cost of Printing Preparation	597,174.00
Cost of Printing Production	194,145.00
Cost of Editorial	52,120.00
Cost of Spanish	\$ 1,286,651.00
<b>TOTAL COST OF SALES</b>	



## GENERAL EXPENSES

Youth Division	
Sales Division	\$ 132,800.00
Administrative	118,000.00
Bookkeeping	98,300.00
Shipping	181,040.00
Building	168,532.00
General	144,420.00
	495,527.00
	<u>\$ 1,338,619.00</u>

## COST OF PRINTING

Editorial	
Salaries	
Travel	\$ 103,645.00
Housing and Utilities	5,000.00
FICA	10,000.00
Supplies	4,500.00
Equipment Rental	1,000.00
Royalties	4,000.00
Writer's Fees	6,000.00
Retirement	34,000.00
Insurance	3,000.00
Postage	8,000.00
Curriculum Development	1,000.00
Telephone	8,000.00
Miscellaneous	1,000.00
	1,000.00
	<u>\$ 194,145.00</u>

Preparation	
Salaries	
Travel	\$ 97,712.00
Supplies	1,000.00
Equipment Rental	7,000.00
Art Services	12,000.00
Free Lance Layout	7,500.00
Equipment Maintenance	7,000.00
Outside Typesetting	2,000.00
Postage	5,000.00
Telephone	1,000.00
FICA	1,000.00
Retirement	9,000.00
Insurance	1,000.00
Miscellaneous	9,000.00
	2,000.00
	<u>\$ 162,212.00</u>

Production	
Salaries	
Travel	\$ 158,674.00
Equipment Rental	2,000.00
	2,000.00

Negatives	7,000.00
Plates	5,000.00
Ink	7,000.00
Stock	150,000.00
Outside Printing	175,000.00
Color Separation	12,000.00
Equipment Maintenance	18,000.00
Telephone	1,000.00
Supplies	18,000.00
Insurance	15,000.00
FICA	12,000.00
Retirement	4,500.00
Miscellaneous	10,000.00
	<u>\$ 597,174.00</u>

## COST OF OPERATIONS

Administration	
Salaries	\$ 53,600.00
Housing and Utilities	14,400.00
Travel	9,000.00
Supplies	3,000.00
Equipment Maintenance	1,200.00
Equipment Rental	800.00
Postage	500.00
Telephone	1,200.00
FICA	9,800.00
Insurance	2,800.00
Retirement	2,000.00
Miscellaneous	2,000.00
	<u>\$ 98,300.00</u>

Sales and Promotion	
Salaries	\$ 59,800.00
Travel	15,000.00
Supplies	1,000.00
Advertising	8,000.00
Promotion	9,000.00
Postage	10,000.00
Telephone	1,000.00
FICA	2,000.00
Retirement	1,200.00
Insurance	7,000.00
Miscellaneous	4,000.00
	<u>\$ 118,000.00</u>

Bookkeeping and Order	
Salaries	\$ 112,040.00
Travel	1,000.00
Supplies	5,000.00
Equipment Rental	3,000.00



Equipment Maintenance	15,000.00
Postage	5,000.00
Telephone	16,000.00
FICA	9,000.00
Retirement	2,000.00
Insurance	12,000.00
Miscellaneous	1,000.00
	<hr/>
Shipping	\$ 181,040.00
Salaries	\$ 73,032.00
Freight and Postage	60,000.00
Travel	4,000.00
Supplies	10,000.00
Equipment Rental	3,000.00
Equipment Maintenance	2,500.00
Telephone	1,000.00
FICA	6,500.00
Retirement	3,000.00
Insurance	4,500.00
Miscellaneous	1,000.00
	<hr/>
	\$ 168,532.00
YOUTH	
Salaries	\$ 58,000.00
Travel	10,000.00
Supplies	500.00
NYC '91	25,000.00
Truth and Peace '91	18,000.00
YET '91	2,500.00
Postage	1,000.00
Telephone	1,000.00
FICA	5,500.00
Retirement	1,800.00
Insurance	7,500.00
Miscellaneous	2,000.00
	<hr/>
	\$ 132,800.00
Spanish	
Salaries	\$ 27,520.00
Travel	1,000.00
Equipment Rental	2,000.00
Translation	3,000.00
Postage	1,000.00
Telephone	1,600.00
Supplies	800.00
FICA	3,000.00
Retirement	1,200.00
Insurance	4,000.00

Translation	6,000.00
Miscellaneous	1,000.00
	<hr/>
	\$ 52,120.00
Building	
Salaries	\$ 52,520.00
Travel	1,800.00
Supplies	7,000.00
Equipment Rental	1,000.00
Equipment Maintenance	3,000.00
Building Maintenance	4,000.00
Building Improvements	10,000.00
Utilities	30,000.00
Building Insurance	20,000.00
Telephone	600.00
FICA	4,000.00
Retirement	1,500.00
Insurance	7,000.00
Miscellaneous	2,000.00
	<hr/>
	\$ 144,420.00
General	
Taxes	\$ 7,000.00
Board Travel	12,000.00
Legal and Auditing	10,000.00
Interest Expense	50,000.00
Miscellaneous	10,000.00
Depreciation	140,000.00
Reduction of Capital Obligations	160,000.00
Working Capital	106,527.00
	<hr/>
	\$ 495,527.00
TOTAL ALL REVENUES	\$ 2,625,270.00
TOTAL ALL EXPENSES	\$ 2,625,270.00



## FOREIGN MISSIONS BOARD REPORT

Greetings from your Board of Foreign Missions, your foreign missionaries and the members of our home team. We are glad to labor together with God and you in sending the good news of salvation around the world.

### Good News from Abroad

Our missionaries are winning souls, establishing churches, training Christian leaders and showing Christian compassion in the nine countries where we work. Although we have faced trials and opposition, we rejoice as we recall the blessings of the Lord in the last year. More than 700 people turned to God through our ministry overseas in 1989.

In spite of the turbulent events which occurred last year in Panama our missionaries reported 236 conversions. Thirty-six students are studying in the Bible institute this year. Our Panamanian brethren are taking the initiative in planting churches in those states in the republic which have no Free Will Baptist churches.

The Brazilian Association of Free Will Baptists selected a national to serve as director of their Central Bible College in Jaboticabal. Besides this central school, local Bible institutes are operating in three other cities.

This past May the Ivory Coast Bible Institute graduated its first class of eight students. Four of these young preachers have already received calls to churches.

Also in Cote d'Ivoire our medical team is meeting great needs through the clinic and hospital at Doropo. Last year they treated 11,016 patients. Each of these received a gospel witness and a number of patients were converted resulting in new villages being reached.

The Cuban government has lifted restrictions against holding religious services in homes. As a result, our Cuban brothers have begun 15 new missions in the homes of believers. Pray that the government will revise its prohibition against building new churches.

Roll Call Sunday 1990 found more than 7,000 people worshipping in our sister churches overseas. For additional statistics see Figure 1.

Thanks to you, Advance Celebration gifts are benefiting our ministry in several ways:

17 new missionaries have been sent to the field.

7 church buildings and one chapel have been built or are under construction in seven countries.

3 Bible institutes have been assisted, including complete funding for two buildings.

9 projects for evangelistic tools and Bible institute equipment have been completed in five countries.

Our board appointed six new missionaries last year. In addition, we are grateful that the Aycocks have returned to Brazil and the Crosbys have begun language study in Spain.

This summer five young people are serving as student missionary interns.

Fig. 1

### Status of Free Will Baptist Overseas Ministries As of January 1, 1990

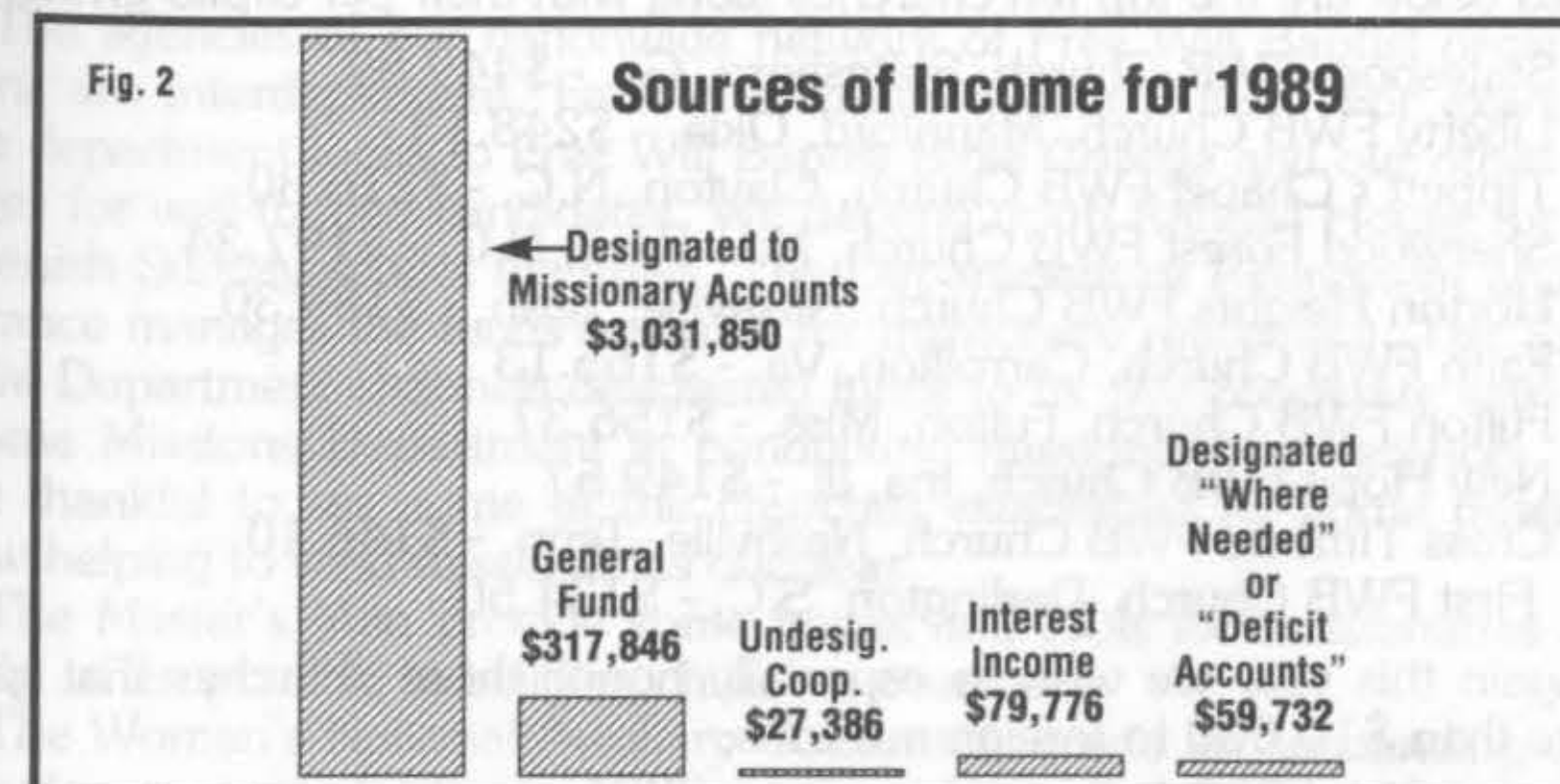
Field	Missionaries Assigned to Each Field	Ordained Pastors	Licensed and Lay Preachers	Bible Institutes	Students	Organized Churches	Mission Works	1989 Converts	1989 Baptisms	Av. Sunday Attendance
Brazil	20	3	13	4	53	9	4	70	50	579
Cuba		10	4	1	4	15	15	*	*	1,000 app.
France	15	1	2			4	9**		10**	134**
India	2	11	6		3	16	44	94	65	1,506
Côte d'Ivoire	35	2	23	1	9	11	40	217	16	1,786
Japan	14	4	6		7	8	4	12	5	193
Panama	6	3	19	1	21	5	9	236	42	545
Spain	13		7	1	16	2	1	8		94
Uruguay	7	2	9	1	6	5	4	52	14	204
<b>TOTALS</b>	<b>112</b>	<b>36</b>	<b>89</b>	<b>9</b>	<b>119</b>	<b>75</b>	<b>121</b>	<b>698</b>	<b>202</b>	<b>6,005</b>

\*Cuba—Unavailable at press time.

\*\*France—Statistics for Rennes church not available.

Fig. 2

### Sources of Income for 1989





### Good News from Home

We are most grateful to God and to you for a record-breaking income of \$3,633,252 during 1989! This enabled us to reach our budget for the first time in 12 years.

Because of your generosity and the belt-tightening efforts of our missionaries and staff we were able to begin the new decade with all missionary accounts in the black! This is the first time in 17 years we have wiped out all missionary account deficits!

To answer questions which our people often ask about our financial operation, we have inserted graphs to show how our income is received and disbursed. Figure 2 shows the sources of our income. Figure 3 gives a breakdown of our \$3,202,358 in expenditures last year.

Figure 4 shows how funds designated for a missionary's ministry are spent. Please note that every penny goes into that missionary's account.

We congratulate the 22 states or regional associations which exceeded their suggested goals for 1989:

Arkansas, Arizona, California, Colorado, Georgia, Hawaii, Idaho, Illinois, Kansas, Maryland, Missouri, Nebraska, New Mexico, Northwest Association, North Carolina, Ohio, Oklahoma, Pennsylvania, Tennessee, Texas, Virginia, and West Virginia.

Our records list 1,688 churches which sent at least one offering for foreign missions during 1989. This is an increase of 113 over 1988.

One hundred eleven churches gave over \$5,000 each last year. This makes 15 more churches on this roll of generous supporters than we had in 1988. A complete list of all these generous congregations is posted at the foreign missions booth.

This year we are listing the top ten churches in per capita giving to foreign missions. This list was compiled from the 197 churches that sent us a report of their Sunday school attendance for August, September and October of 1989. We used these figures along with our records of income. Listed below are the top ten churches along with their per capita giving:

1. Statesboro FWB Church, Statesboro, Ga. - \$449.89
2. Liberty FWB Church, Mannford, Okla. - \$248.13
3. Tippet's Chapel FWB Church, Clayton, N.C. - \$216.30
4. Sherwood Forest FWB Church, New Bern, N.C. - \$197.34
5. Horton Heights FWB Church, Nashville, Tenn. - \$189.30
6. Faith FWB Church, Carrollton, Va. - \$165.13
7. Fulton FWB Church, Fulton, Miss. - \$156.37
8. New Hope FWB Church, Ina, Ill. - \$149.57
9. Cross Timbers FWB Church, Nashville, Tenn. - \$146.10
10. First FWB Church, Darlington, S.C. - \$134.50

Again this year we wish to especially honor those churches that gave more than \$10,000 to foreign missions:

1. Central FWB Church, Royal Oak, Mich. - \$29,358
2. Cofer's Chapel FWB Church, Nashville, Tenn. - \$24,994

3. Bethel FWB Church, Kinston, N.C. - \$23,644
4. Fellowship FWB Church, Kingsport, Tenn. - \$22,950
5. Donelson FWB Church, Nashville, Tenn. - \$22,141
6. Tippet's Chapel FWB Church, Clayton, N.C. - \$20,332
7. Ina FWB Church, Ina, Ill. - \$19,369
8. First FWB Church, Norman, Okla. - \$18,427
9. Southern Oaks FWB Church, Oklahoma City, Okla. - \$17,828
10. Faith FWB Church, Windsor, Va. - \$15,688
11. First FWB Church, Raleigh, N.C. - \$15,425
12. Bethlehem FWB Church, Ashland City, Tenn. - \$14,923
13. First FWB Church, Henderson, Tex. - \$14,570
14. Good Springs FWB Church, Pleasant View, Tenn. - \$14,040
15. Sherwood Forest FWB Church, New Bern, N.C. - \$14,011
16. First FWB Church, Locust Grove, Okla. - \$13,377
17. Cross Timbers FWB Church, Nashville, Tenn. - \$13,149
18. First FWB Church, Russellville, Ark. - \$12,780
19. Statesboro FWB Church, Statesboro, Ga. - \$12,463
20. First FWB Church, Moore, Okla. - \$12,155
21. First FWB Church, Northport, Ala. - \$12,152
22. Johnston City FWB Church, Johnston City, Ill. - \$12,033
23. First FWB Church, Savannah, Ga. - \$12,021
24. Horse Branch FWB Church, Turbeville, S.C. - \$11,824
25. Gateway FWB Church, Virginia Beach, Va. - \$11,670
26. Prospect FWB Church, Erwin, N.C. - \$11,603
27. Trinity FWB Church, Greenville, N.C. - \$11,370
28. Horton Heights FWB Church, Nashville, Tenn. - \$11,358
29. Tupelo FWB Church, Tupelo, Miss. - \$11,247
30. First FWB Church, Monett, Mo. - \$11,236
31. Liberty FWB Church, Durham, N.C. - \$10,788
32. First FWB Church, Darlington, S.C. - \$10,760
33. Sherwood Forest FWB Church, El Sobrante, Calif. - \$10,329
34. Peace FWB Church, Wilson, N.C. - \$10,094

The agencies of our nationwide network of Free Will Baptist organizations are interdependent. Each one makes a contribution. For example, our department looks to Free Will Baptist Bible College and our other colleges for well-trained candidates. We depend upon Randall House for our Spanish Sunday school materials. The Department of Retirement and Insurance manages the funds set aside for missionary retirement. The Executive Department channels designated funds to us. We cooperate with our Home Missions Department in conducting missionary conferences. We are thankful to see some of the churches established by home missions now helping to send missionaries overseas.

The Master's Men provide some books and tools for missionaries and assist when possible in building churches overseas.

The Woman's National Auxiliary Convention made an outstanding contribution to our ministry in 1989 as they channelled \$223,483 into foreign missions. This spring we worked together to promote the Laura Belle



Barnard World Missions Offering for foreign missions. The women are also progressing toward their goal of \$50,000 in the Eunice Edwards fund to help in church building programs overseas. In addition, they continue to provide many household items through the provision closet.

The World Missions Offering for foreign missions, which is received the last Sunday in April each year, is a significant pillar of our support foundation. In addition, we still depend heavily upon faith promise support and gifts from church budgets.

For 1991 we submit a budget of \$4,129,859. As you know, we are not like independent and parachurch organizations which appeal to a wide range of denominations. We must trust God to move the hearts of our Free Will Baptist people to finance our outreach to the unreached.

### Some Challenges We Face

As we look toward the year 2000 and beyond we face unprecedented challenges. Thirteen missionaries will have reached their 65th birthday by the turn of the century. Recognizing this and seeing great needs on each field, our overseas staff has asked for 83 more missionaries in the next few years. In addition, we cannot ignore the 12,000 people groups which are waiting for a foreign missionary to establish the first church among them.

As the iron curtain falls it exposes millions of unreached people to the potential of evangelism. We cannot turn a deaf ear to those who are crying, "Come over and help us."

Besides these overseas opportunities, our board is responsible for enlightening our stateside constituency on the divine missionary mandate. We estimate that more than 800 of our churches gave nothing to Free Will Baptist Foreign Missions last year. We look forward to the day when these will be great commission churches.

The rapidly maturing Free Will Baptist churches abroad will soon be seeking our partnership in sending out their own "foreign missionaries." We must join hands in a united witness that the world may believe in Christ.

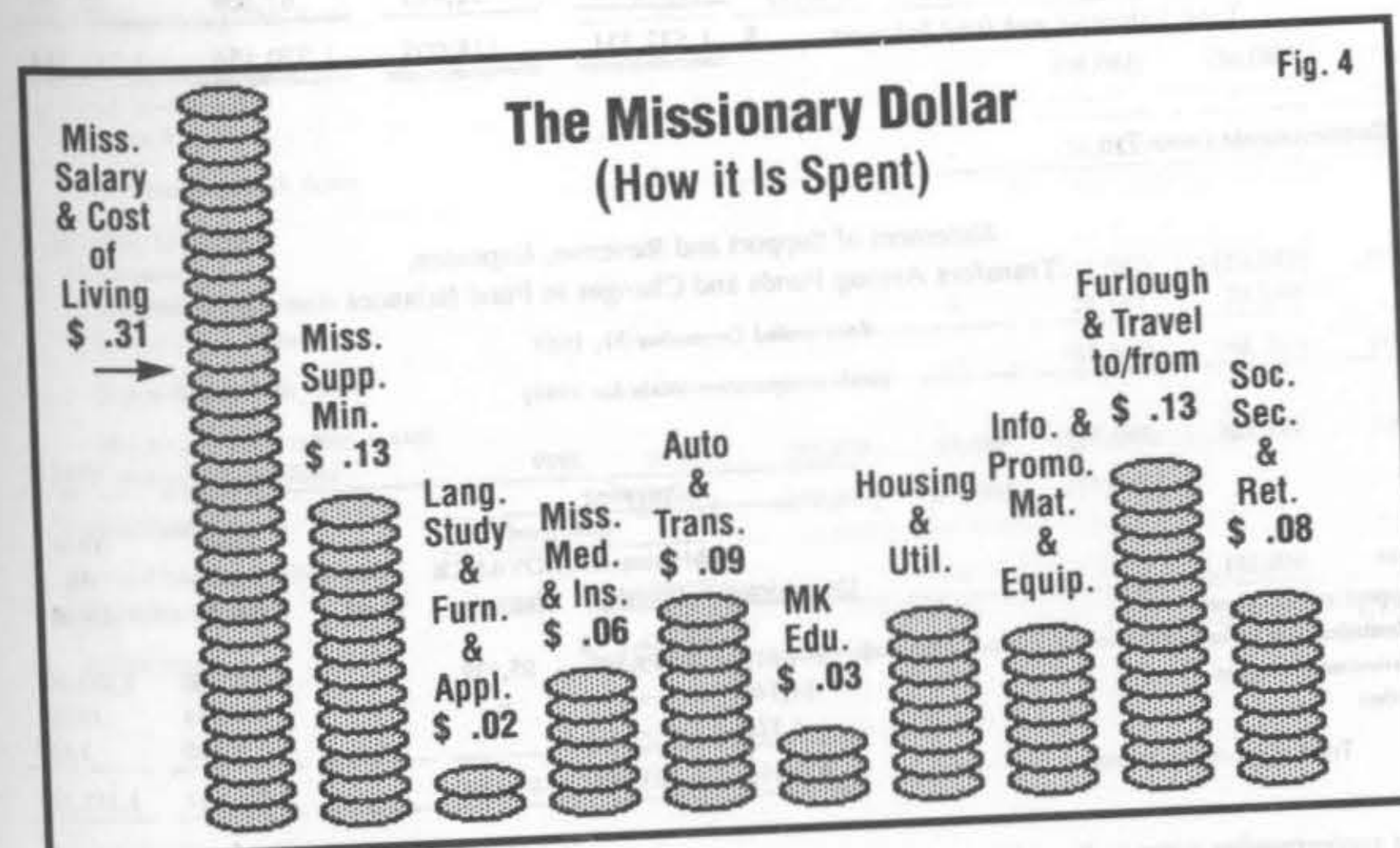
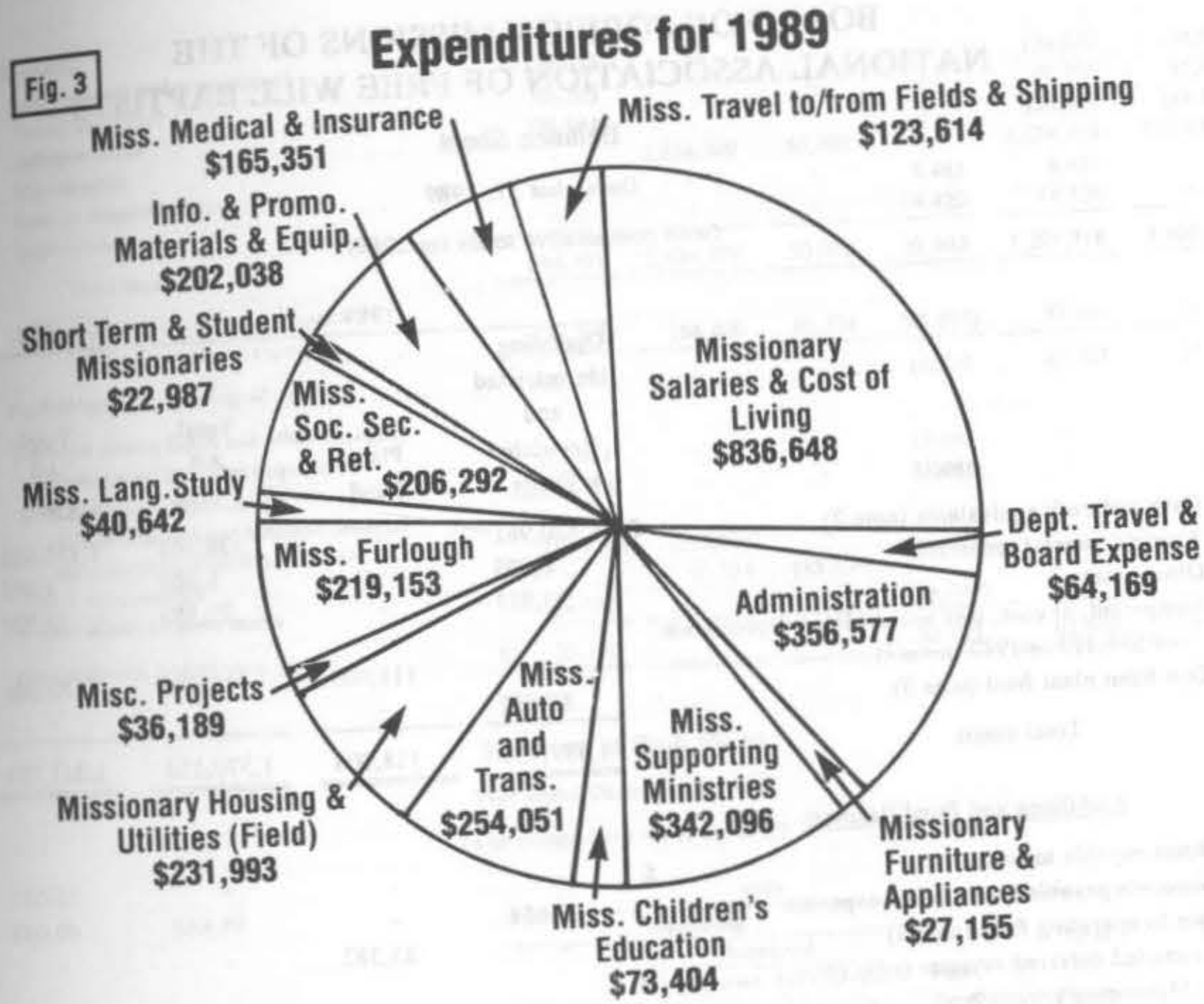
In view of these challenges we appeal to you to pray the Lord of the harvest to send laborers into His harvest.

Many people have contributed to bring the ministry of Free Will Baptist Foreign Missions to its present position. We honor the pioneers and those who laid the foundation for our present outreach.

We are depending on the Lord to build a great ministry for His glory. If any of our dedicated staff members can help you teach and promote missions in your church, please contact us.

Respectfully submitted,

R. Eugene Waddell  
General Director





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

**Balance Sheet**

December 31, 1989

(with comparative totals for 1988)

	1989			1988	
	Operating - Unrestricted and Restricted Funds	Plant Fund	Total All Funds	Total All Funds	
<b>Assets</b>					
Cash and cash equivalents (note 2)	\$ 1,420,961	-	1,420,961	1,155,020	
Accrued interest receivable	8,605	-	8,605	4,005	
Other assets	22,583	-	22,583	15,524	
Equipment, at cost, less accumulated depreciation of \$54,177 in 1989 (note 4)	-	118,005	118,005	52,605	
Due from plant fund (note 3)	85,582	-	-	-	
<b>Total assets</b>	<b>\$ 1,537,731</b>	<b>118,005</b>	<b>1,570,154</b>	<b>1,227,154</b>	
<b>Liabilities and Fund Balances</b>					
Notes payable to bank	-	-	-	36,083	
Accounts payable and accrued expenses	55,658	-	55,658	60,643	
Due to operating fund (note 3)	-	85,582	-	-	
Restricted deferred revenue (note 5):					
Missionary accounts	1,223,918	-	1,223,918	883,711	
ADVANCE campaign	222,969	-	222,969	206,414	
<b>Total liabilities</b>	<b>1,502,545</b>	<b>85,582</b>	<b>1,502,545</b>	<b>1,186,851</b>	
<b>Fund balances:</b>					
Unrestricted	35,186	-	35,186	23,781	
Net invested in plant	-	32,423	32,423	16,522	
<b>Total fund balances</b>	<b>35,186</b>	<b>32,423</b>	<b>67,609</b>	<b>40,303</b>	
<b>Total liabilities and fund balances</b>	<b>\$ 1,537,731</b>	<b>118,005</b>	<b>1,570,154</b>	<b>1,227,154</b>	

Commitments (note 7)

**Statement of Support and Revenue, Expenses,  
Transfers Among Funds and Changes in Fund Balances**

Year ended December 31, 1989

(with comparative totals for 1988)

	1989				1988	
	Operating	Restricted	Plant	Total	Total	
	Unrestricted	Missionaries Accounts	ADVANCE Campaign	Fund	All Funds	All Funds
<b>Support and revenue:</b>						
Contributions (note 1a)	\$ 344,112	2,793,509	95,139	-	3,232,760	3,079,609
Investment income	84,744	-	-	-	84,744	49,981
Other	4,120	-	-	-	4,120	3,657
<b>Total support and revenue</b>	<b>432,976</b>	<b>2,793,509</b>	<b>95,139</b>	<b>-</b>	<b>3,321,624</b>	<b>3,133,247</b>

See accompanying notes to financial statements.

<b>Expenses:</b>	179,052	-	-	-	179,052	154,977
Informational and promotional	60,705	-	-	-	60,705	45,652
Travel and board	356,944	-	-	-	356,944	348,079
Administrative	-	2,624,709	50,005	-	2,674,714	2,535,841
Missionaries	-	-	-	8,483	8,483	-
Loss on disposal of plant assets	-	-	-	14,420	14,420	24,137
Depreciation	-	-	-	-	-	-
<b>Total expenses</b>	<b>596,701</b>	<b>2,624,709</b>	<b>50,005</b>	<b>22,903</b>	<b>3,294,318</b>	<b>3,108,686</b>
Excess (deficiency) of support and revenue over expenses	(163,725)	168,800	45,134	(22,903)	27,306	24,561
Fund balances, beginning of year	23,781	-	-	16,522	40,303	15,742
<b>Transfers among funds and other changes:</b>						
To plant fund for asset acquisition	(27,461)	-	-	27,461	-	-
Repayment of debt	(36,083)	-	-	36,083	-	-
Informational and promotional material and equipment transfers (note 6)	213,934	(213,934)	-	-	-	-
New missionaries	-	45,134	(45,134)	-	-	-
Disposition of plant assets	24,740	-	-	(24,740)	-	-
<b>Fund balances, end of year</b>	<b>\$ 35,186</b>	<b>-</b>	<b>-</b>	<b>32,423</b>	<b>67,609</b>	<b>40,303</b>

**Statement of Cash Flows**

Year ended December 31, 1989

(with comparative totals for 1988)

	1989				1988	
	Operating	Restricted	Plant	Total	Total	
	Unrestricted	Missionaries Accounts	ADVANCE Campaign	Fund	All Funds	All Funds
<b>Operating cash flows:</b>						
Cash received from:						
Contributions	\$ 344,112	3,088,582	111,694	-	3,544,388	3,345,476
Investment income	80,144	-	-	-	80,144	49,614
Other	4,120	-	-	-	4,120	3,657
Cash paid to suppliers and employees	(392,149)	(2,793,509)	(50,005)	-	(3,235,663)	(3,063,948)
Interest paid	-	-	-	(2,662)	(2,662)	(2,855)
<b>Net operating cash flows</b>	<b>36,227</b>	<b>295,073</b>	<b>61,689</b>	<b>(2,662)</b>	<b>390,327</b>	<b>331,944</b>
<b>Financing cash flows:</b>						
Repayment of debt	-	-	-	(36,083)	(36,083)	(12,000)
Proceeds from debt	-	-	-	-	-	10,000
<b>Net financing cash flows</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(36,083)</b>	<b>(36,083)</b>	<b>(2,000)</b>
<b>Investing cash flows:</b>						
Equipment:						
Purchases of equipment	-	-	-	(113,043)	(113,043)	(19,793)
Proceeds from dispositions	-	-	-	24,740	24,740	-
<b>Net investing cash flows</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(88,303)</b>	<b>(88,303)</b>	<b>(19,793)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>36,227</b>	<b>295,073</b>	<b>61,689</b>	<b>(127,048)</b>	<b>265,941</b>	<b>310,151</b>
Reclassifications	229,714	(295,073)	(61,689)	127,048	-	-
<b>Cash and cash equivalents:</b>						
Beginning of year	1,155,020	-	-	-	1,155,020	844,869
<b>End of year</b>	<b>\$ 1,420,961</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,420,961</b>	<b>1,155,020</b>

See accompanying notes to financial statements.



## Notes to Financial Statements

December 31, 1989

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 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 is exempt from income taxes; accordingly, no provision for income taxes has been made in accompanying financial statements.

#### Cash and Cash Equivalents

For purposes of the statement of cash flows, the Board considers all cash on deposit, money market funds and highly liquid debt instruments with a maturity of three months or less to be cash and cash equivalents.

### (2) Cash and Cash Equivalents

Cash and cash equivalents consists of the following:

Non-interest bearing deposits with financial institutions	\$ 2,728
Interest bearing deposits with financial institutions	997,921
Interest bearing deposits on account with the Board of Retirement and Insurance of the National Association of Free Will Baptists	420,312
	<u>\$ 1,420,961</u>

### (3) Inter-fund Borrowing

The plant fund has borrowed \$85,582 from the operating fund to facilitate the purchase of new equipment.

### (4) Plant Funds

A summary of plant fund assets is as follows:

	\$ 38,929
Office furniture and equipment	38,669
Cameras and projectors	27,762
Automobiles	66,822
Computer equipment	172,182
	<u>54,177</u>
Less accumulated depreciation	\$ 118,005
Net invested in plant	

Depreciation expense, computed on the straight-line method amounted to \$14,420 in 1989.

### (5) Restricted Deferred Revenue

Changes in restricted deferred revenue is as follows:

	Missionary Accounts	ADVANCE Campaign	Total
Balance, beginning of year	\$ 883,711	206,414	1,090,125
Contributions	3,088,582	111,694	3,200,276
Transfers	45,134	(45,134)	-
Funds available	4,017,427	272,974	4,290,401
Expenses and campaign expenditures	2,793,509	50,005	2,843,514
Balance, end of year	\$ 1,223,918	222,969	1,446,887

### (6) Information and Promotional Material and Equipment Transfers

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

### (7) Commitments

#### 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 covers all full time employees and is contributory. The policy is to fund pension cost accrued. Pension expenses amounted to \$57,685.

The pension plan is a defined contribution plan. Under the plan, participant values are equal to or less than the accumulated value of assets. There is no unfunded actuarial prior service of past service benefits and no unfunded value of accrued plan benefits.





Hill, Neal & Allen, P.C.  
Certified Public Accountants

### Independent Auditors' Report on Supplementary Data

Terry A. Hill  
Russell E. Neal  
Nancy S. Allen

Board of Directors  
Board of Foreign Missions of The  
National Association of Free Will Baptists:

Brentwood Executive Center  
761 Old Hickory Boulevard  
Suite 103  
Brentwood, TN 37027  
TEL: 615/377-3485  
FAX: 615/377-3488

Our report on our audit of the basic financial statements of Board of Foreign Missions of the National Association of Free Will Baptists for 1989 appears on page 1. That audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedule to combine unrestricted fund support and revenue and additions to restricted deferred revenue, schedule of unrestricted fund expenses, and schedule of restricted fund expenses are presented for the purpose of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Hill, Neal & Allen P.C.*

March 1, 1990

### Schedule to Combine Unrestricted Fund Support and Revenue and Additions to Restricted Deferred Revenue

Year ended December 31, 1989

(With comparative figures for 1988)

	1989			1988	
	Unrestricted	Missionary Restricted Accounts	ADVANCE Campaign	Total All Funds	Total All Funds
Contributions	\$ 344,112	3,088,582	111,694	3,544,388	3,345,476
Investment income	84,744	-	-	84,744	49,981
Other	4,120	-	-	4,120	3,657
Total support and revenue	\$ 432,976	3,088,582	111,694	3,633,252	3,399,114

### Schedule of Unrestricted Fund Expenses

December 31, 1989

(with comparative figures for 1988)

Unrestricted fund expenses	1989	1988
Informational and promotional:		
Video and audio visual	\$ 1,297	3,215
Films	-	157
Heartbeat	41,259	37,517

Postage	55,876	53,187
Data processing	13,380	16,140
Publicity	47,423	27,350
Telephone	10,836	10,250
Dues	30	555
Paper supplies	3,829	3,769
Retreat	2,952	1,192
Tracts and books	2,170	1,645
	<u>179,052</u>	<u>154,977</u>

Travel and board:		
Department auto	3,863	2,411
Board members	19,601	11,519
Honorariums	560	350
Department travel	36,177	30,832
Travelers' insurance	504	540
	<u>60,705</u>	<u>45,652</u>

Administrative:	187,287	185,985
Salaries	57,420	57,420
Housing	22,071	22,523
Social security	5,860	5,740
Retirement	37,607	29,039
Hospitalization	3,200	3,800
Auditing	26,988	25,612
Office rent	175	-
Office equipment	1,100	1,167
Maintenance of office equipment	2,411	3,577
Office supplies	4,551	5,002
Miscellaneous	8,274	8,214
Employer payroll taxes		
	<u>356,944</u>	<u>348,079</u>
Total unrestricted fund expenses	\$ 596,701	548,708

### Schedule of Restricted Fund Expenses

December 31, 1989

(with comparative figures for 1988)

Restricted fund expenses	1989	1988
Missionaries - Foreign Fields	\$ 821,703	802,050
Ivory coast	371,509	363,322
France	65,920	81,607
India	360,447	324,068
Brazil	430,908	443,222
Japan	156,423	131,753
Panama	352,367	246,236
Spain	170,913	167,557
Uruguay	23,529	8,422
Summer missionaries	1,025	12,300
Short-term missionaries	38,765	20,574
Other projects	-	15,410
Special investigative committee		
	<u>2,793,509</u>	<u>2,616,521</u>



Maintenance fees transferred to unrestricted funds  
information service production

(213,934) (198,726)

Funds transferred from advance campaign for new missionaries

45,134

Net missionary expenses

2,624,709 2,417,795

#### ADVANCE campaign expenditures:

General expenses

1,218 7,266

Project expenses

93,921 110,780

95,139 118,046

Funds transferred to missionary accounts for new missionaries

(45,134)

Net ADVANCE campaign expenses

50,005 118,046

Total restricted fund expenses

\$ 2,674,714 2,535,841



Hill, Neal & Allen, P.C.  
Certified Public Accountants

#### Independent Auditors' Report

Terry A. Hill  
Russell E. Neal  
Nancy S. Allen

Board of Directors

Board of Foreign Missions of The

National Association of Free Will Baptists:

Brentwood Executive Center  
761 Old Hickory Boulevard  
Suite 103  
Brentwood, TN 37027  
TEL: 615/377-3485  
FAX: 615/377-3488

We have audited the balance sheet of Board of Foreign Missions of The National Association of Free Will Baptists as of December 31, 1989, and the related statements of support and revenue, expenses, transfers among funds and changes in fund balances and cash flows for the year then ended. These financial statements are the responsibility of the Board's management. Our responsibility is to express an opinion on these financial statements based on our audit. Information for the year ended December 31, 1988 is presented for comparative purposes only and was extracted from the financial statements presented by fund for that year, on which we expressed an unqualified opinion dated February 10, 1989.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Board of Foreign Missions of the National Association of Free Will Baptists as of December 31, 1989, and the support and revenue, expenses, transfers among funds and changes in fund balances and cash flows for the year then ended in conformity with generally accepted accounting principles.

*Hill, Neal & Allen P.C.*

March 1, 1990

#### 1991 Budget Of Expense

##### Foreign Fields\*

Africa	\$ 982,129.00
Brazil	590,385.00
France	385,129.00
India	114,561.00
Japan	536,535.00
Panama	148,003.00
Spain	520,650.00
Uruguay	150,151.00
Short-term missionaries	10,000.00
Student missionaries	20,000.00
Cassette tape ministry	2,800.00
Retired missionaries	7,704.00
Miscellaneous projects	27,200.00
Foreign Fields Total	\$ 3,495,247.00

\*Budgets for foreign expenditures are subject to change where extreme fluctuation in the value of the dollar occurs.

##### Informational and Promotional Fund

Video	12,850.00
Audiovisuals, films	8,100.00
Heartbeat magazine	39,400.00
Postage	65,000.00
Data Processing	25,000.00
Publicity Materials	58,530.00
Telephone	12,000.00
Services and Dues	160.00
Paper Supplies	4,500.00
Books and Subscriptions	2,000.00
Retreat and Debriefing Sessions	2,000.00
Information/Promotion Secretary	21,271.00
Total	250,811.00
Less Information and Promotion Transfers	(233,531.00)
Information and Promotion Total	17,280.00

##### Travel and Board

Department Auto	6,000.00
Department Travel	37,500.00
Traveler's Insurance	600.00
Board Members	15,000.00
Board Members' Overseas Travel	5,000.00
Honorariums	750.00
Travel and Board Total	64,850.00

##### Administrative

Salaries	206,759.00
Administrative Housing	57,420.00
Administrative Soc. Sec.	26,983.00
Health Insurance	50,789.00
Retirement	4,920.00
Auditing	3,500.00
Office Rent	32,000.00
Maintenance of Office Equipment	1,000.00
Office Supplies	3,000.00
Miscellaneous	5,000.00
Employer Payroll Taxes	11,111.00
Administrative Total	\$ 402,482.00

Total Regular Foreign Missions Budget  
Advance Celebration Budget  
Total Regular and Advance Budgets

3,979,859.00  
150,000.00  
\$4,129,859.00



# **1991 State Goals With 1989 Comparisons**

State	1989 Goal	1989 Actual	1991 Goal
Alabama	\$ 185,000	\$ 163,734	\$ 185,000
Arizona	4,500	5,197	6,200
Arkansas	173,000	193,028	218,000
California	55,500	75,240	85,000
Colorado	3,500	4,506	5,000
Florida	85,000	72,917	95,000
Georgia	145,000	167,983	185,000
Hawaii	2,500	3,618	4,000
Idaho	750	976	1,200
Illinois	102,000	112,187	125,000
Indiana	38,000	32,498	43,000
Iowa	1,750	1,529	2,000
Kansas	15,000	15,225	19,000
Kentucky	88,000	84,588	90,000
Louisiana	500	55	300
Maryland	15,000	19,613	23,000
Michigan	140,000	131,701	150,000
Mississippi	62,000	56,445	66,000
Missouri	240,000	262,993	308,000
Montana	1,000	703	1,000
Nebraska	1,100	1,109	1,500
New Mexico	500	776	1,000
Northeast Association	5,000	4,125	5,200
Northwest Association	5,000	7,176	7,500
North Carolina	410,000	467,740	513,000
Ohio	125,000	125,786	142,000
Oklahoma	380,000	390,739	439,000
Pennsylvania	1,750	2,511	2,900
South Carolina	195,000	175,060	214,000
Tennessee	440,000	506,597	568,000
Texas	100,000	114,928	129,000
Virginia	115,000	124,654	155,000
Virgin Islands	3,000	2,846	3,000
West Virginia	72,500	76,871	85,000
Miscellaneous	67,564	110,937	102,659
Totals	\$3,279,414	\$3,516,591	\$3,979,859

Advance Celebration Project  
Total Regular and Advance Celebration Project

150,000  
\$4,129,859

Northeast Association:  
Maine  
New Hampshire  
Rhode Island

Northwest Association:  
Alaska  
Oregon  
Washington

## **FREE WILL BAPTIST BIBLE COLLEGE REPORT**

Free Will Baptist Bible College has an illustrious history. Some of the choicest young people in our denomination have enrolled here. And, wherever they have gone, here at home or to foreign fields, they have made a dynamic impact for the Lord. Much of the progress in our churches that we have seen through the past several decades has been made by and through these faithful alumni.

Among the most loyal, faithful and sacrificial servants in the denomination are the faculty and staff members of the college. They are dedicated, hard working and well trained—both professionally and experientially—to serve here at the college.

One of the greatest assets of the denomination is the faculty and staff of the college. There has been little recognition given to these present day heroes of the faith. These loyal servants of the Lord have not sought for the praise of man. They have been content to do their duty and to wait for the Lord's "well done."

Enrollment for this year was 302. (This is down from 319 for last year.) When 14 graduate students are added in for 1989-90, the total is 316 students. We are working harder than ever to recruit students. Neil Gilliland is full-time as the Director of Recruitment. All traveling groups are for the primary purpose of student recruitment.

The enrollment management research project has been completed. There are presently 16,000+ Free Will Baptist young people in high school—with approximately 4,000 of these graduating each year. Over half of these (2,000+) go on to college. There are about 500 students in Free Will Baptist colleges at the present time.

The results of this study show that the areas of teacher education and business should be expanded here at the college and that we cultivate more sources of financial aid. A number of helpful approaches and "marketing strategies" were suggested by the project.

One thing is clear—the need for Christian workers has never been greater than it is today. Many churches have great difficulty in replacing their pastor, when the former one has resigned. It is not uncommon for a church to go for months without a pastor as they search for one.

Another striking example is our own foreign missions personnel. Our situation is similar to that of many evangelical groups. Ken Sidey, in a news feature in *Moody Monthly*, stated, "Thirty thousand missionaries will retire from service by 1994. Only about 5,000 candidates are now in line to replace them." As you perhaps know, surveys have shown that about 75% of present missionaries received some or all of their formal training in a Bible college.

Churches have a hard time finding second men, music directors, Christian education and youth directors, Christian day school teachers and on and on. The hour is late, but our daily prayer should be to the Lord of the harvest that He would send forth laborers into the whitened harvest fields.

Permit me a personal word. This completes 38 years at Free Will Bap-



tist Bible College for my wife and me. We both want to say thanks for the opportunity to serve the Lord here for these years. While I will be here in some capacity for another year, this will be my last formal report. Our lives have been invested in the hundreds of students who have been here at the college. Numbered among those students are our own four children who have been trained here.

Free Will Baptist Bible College will always continue to be a part of our lives.

Respectfully submitted,

Charles A. Thigpen  
President

### 1989-90 Registration Report

#### Enrollment Breakdowns

##### By State

Alabama	15	Kentucky	14	South Carolina	14
Arkansas	19	Louisiana	2	Tennessee	59
California	6	Michigan	10	Texas	8
Delaware	3	Mississippi	5	Virginia	9
Florida	11	Missouri	23	West Virginia	3
Georgia	20	New Mexico	1		
Illinois	24	North Carolina	19		
Indiana	9	Ohio	11		
Kansas	2	Oklahoma	3	Foreign	12

(The student body represents 23 states and 6 foreign countries.)

##### By Classification

Freshmen	89	Juniors	44
Sophomores	79	Seniors	60
Special	30		

##### Others

Male	168	Ministerial	69
Female	134	Missionary	35
Free Will Baptist	286	Single	223
Other	16	Married	79

### Enrollment Summary 1989-90

Undergraduate Enrollment .....First Semester	269
Additional Enrollment .....Second Semester	27
Total Enrollment .....First and Second Semesters	296
Summer 1989 Enrollment Not Already Counted	6
Total Undergraduate Enrollment	302
Graduate School Enrollment For 1989-90 ..... Master of Ministry (Not counted elsewhere)	14
Total Annual Enrollment (Undergraduate and Graduate)	316

### Financial Aid Report

Loans Issued	199	\$154,020.17
Student Workers	76	99,964.76
Scholarship Recipients	192	57,157.51

### Welch Library

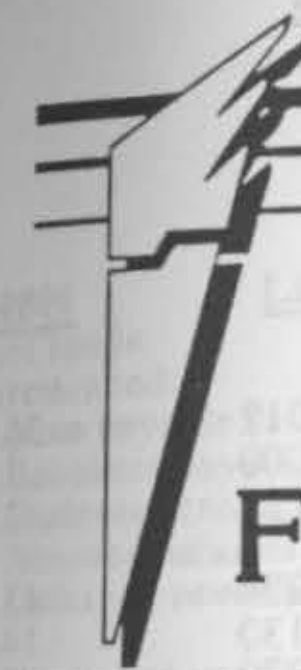
Total books, bound volumes, microforms, sound recordings, video-cassettes, instructional materials, etc	53,853
---------------------------------------------------------------------------------------------------------	--------

The May 31, 1990, 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.



**1990-91  
Gift Income Budget**

Alabama .....	\$ 55,000.00
Arizona .....	3,000.00
Arkansas .....	25,500.00
California .....	10,000.00
Colorado .....	1,000.00
Connecticut .....	7,000.00
Delaware .....	200.00
Florida .....	26,000.00
Georgia .....	50,000.00
Hawaii .....	2,000.00
Idaho .....	500.00
Illinois .....	28,000.00
Indiana .....	14,000.00
Iowa .....	300.00
Kansas .....	2,000.00
Kentucky .....	12,000.00
Louisiana .....	200.00
Maryland .....	10,000.00
Michigan .....	26,000.00
Mississippi .....	26,000.00
Missouri .....	35,000.00
Nebraska .....	1,000.00
Nevada .....	300.00
New Jersey .....	1,000.00
New Mexico .....	1,000.00
North Carolina .....	125,000.00
Ohio .....	17,000.00
Oklahoma .....	25,000.00
South Carolina .....	53,000.00
South Dakota .....	1,000.00
Tennessee .....	175,000.00
Texas .....	15,000.00
Vermont .....	1,000.00
Virginia .....	25,000.00
Washington .....	2,000.00
West Virginia .....	10,000.00
W.N.A.C. ....	12,000.00
Canada .....	1,000.00
Virgin Islands .....	1,000.00
Other .....	65,000.00
Alumni .....	10,000.00
Designated Gifts .....	30,000.00
Special Gifts .....	20,000.00
Total .....	\$925,000.00



Free Will Baptist Bible College  
**1989-90  
FINANCIAL REPORT**



Hill, Neal & Allen, P.C.  
Certified Public Accountants

Independent Auditors' Report

Terry A. Hill  
Russell E. Neal  
Nancy S. Allen

The Board of Trustees  
Free Will Baptist Bible College:

Brentwood Executive Center  
761 Old Hickory Boulevard  
Suite 103  
Brentwood, TN 37027  
TEL. 615/377-3485  
FAX. 615/377-3488

We have audited the balance sheet of the Free Will Baptist Bible College as of May 31, 1990, and the related statements of changes in fund balances and current unrestricted funds revenue, expenditures and other changes for the year then ended. These financial statements are the responsibility of the College's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Free Will Baptist Bible College as of May 31, 1990, and the changes in fund balances and current unrestricted funds revenues, expenditures and other changes for the year then ended in conformity with generally accepted accounting principles.

As discussed in Note 6 to the financial statements, in order to conform to the provisions of "Statement of Financial Accounting Standards No. 87, Employers' Accounting for Pensions" the College changed its method of accounting for pension costs in 1990.

*Hill, Neal & Allen, P.C.*

June 26, 1990



# FREE WILL BAPTIST BIBLE COLLEGE

## Balance Sheet

May 31, 1990

(with comparative figures for 1989)

	Assets	1990	1989
Current funds:			
Unrestricted:			
Cash and interest bearing deposits	\$	27,012	36,820
Investments at fair value at date of gift		3,000	3,000
Prepaid expenses		20,228	2,471
Accounts receivable:			
Students accounts		7,974	13,691
Staff and others		13,130	14,464
Due from plant funds		25,070	-
Note receivable - plant fund		353,626	396,749
Total accounts receivable		399,800	424,904
Inventories		25,394	23,768
Total unrestricted funds		475,434	490,963
Restricted:			
Due from current unrestricted funds		18,657	24,240
Total restricted funds		18,657	24,240
Total current funds	\$	494,091	515,203
Loan funds:			
Interest bearing deposits	\$	140,524	118,189
Loans to students, less allowance for doubtful loans of \$15,000 in 1990 and \$30,000 in 1989		345,343	331,781
Due from current unrestricted funds		35,937	35,120
Total loan funds	\$	521,804	485,090
Endowment funds:			
Interest bearing deposits	\$	184,808	177,027
Note receivable - plant funds		-	1,968
Total endowment funds	\$	184,808	178,995
Annuity funds:			
Interest bearing deposits	\$	55,000	55,000
Total annuity funds	\$	55,000	55,000
Plant funds:			
Interest bearing deposits held by Trustee under lease obligation	\$	136,150	101,176
Investment in plant:			
Land		373,069	373,069
Buildings and improvements		3,547,876	3,539,614
Equipment		815,604	809,178
Library books		94,586	93,324
Total investment in plant		4,831,135	4,815,185
Total plant funds	\$	4,967,285	4,916,361
Agency funds:			
Cash	\$	4,726	431
Due from current unrestricted fund		4,195	10,800
Accounts receivable		-	412
Total agency funds	\$	8,921	11,643

	Liabilities and Fund Balances	1990	1989
Current funds:			
Unrestricted:	\$	324,000	215,000
Note payable to bank		27,933	40,760
Accounts payable		24,205	29,580
Students' credit balances and deposits		56,392	68,493
Accrued salaries		9,857	10,325
Deferred revenues - summer school and other		-	-
Due to other funds:		18,657	24,240
Current restricted funds		35,937	35,120
Loan funds		4,195	10,800
Agency funds		58,789	70,160
Fund balance (deficit)		(25,742)	56,645
Total unrestricted funds		475,434	490,963
Restricted:		18,657	24,240
Fund balances - private		18,657	24,240
Total restricted funds	\$	494,091	515,203
Total current funds			
Loan funds:	\$	5,107	4,707
Accrued interest		176,507	167,880
Notes payable to individuals		340,190	312,503
Fund balances - private		-	-
Total loan funds	\$	521,804	485,090
Endowment funds:			
Fund balances:	\$	47,466	46,466
Endowment		85,867	85,867
Quasi-endowment, unrestricted		51,475	46,662
Scholarship, restricted	\$	184,808	178,995
Total endowment funds			
Annuity funds:	\$	9,820	14,400
Annuity payable		45,180	40,600
Fund balance	\$	55,000	55,000
Total annuity funds			
Plant funds:	\$	353,626	396,749
Due to other funds:		-	1,968
Note payable - current unrestricted funds		25,070	-
Note payable - endowment funds		130,000	190,000
Due to current unrestricted funds		117,534	128,774
Lease obligation		-	-
Notes payable		-	-
Fund balances:		-	-
Unexpended		4,341,055	4,198,870
Net investment in plant		4,341,055	4,198,870
Total fund balances	\$	4,967,285	4,916,361
Total plant funds			
Agency funds:	\$	8,921	11,643
Funds held in custody for others			
Total agency funds	\$	8,921	11,643



Year ended May, 31, 1990

	Current Funds		
	Unrestricted	Restricted	Loan Funds
<b>Revenues and other additions:</b>			
Unrestricted current funds revenues	\$ 1,896,911	-	-
Gifts	-	19,883	13,771
Endowment income	-	4,337	-
Investment income - restricted	-	-	8,291
Interest on student loans	-	-	29,034
Additions to plant facilities from current funds	-	-	-
Retirement of indebtedness, including \$1,968 from current funds	-	-	-
Adjustment of computed annuity liability	-	-	-
<b>Total revenues and other additions</b>	<b>1,896,911</b>	<b>24,220</b>	<b>51,101</b>
<b>Expenditures and other deductions:</b>			
Educational and general expenditures	1,471,538	21,092	-
Auxiliary enterprises expenditures	428,723	5,678	-
Provision for doubtful notes	-	-	10,704
Retirement of indebtedness	-	-	-
Expansion campaign expense and promotion	-	-	-
Interest expense	-	-	12,217
Other	-	-	400
<b>Total expenditures and other deductions</b>	<b>1,900,261</b>	<b>26,770</b>	<b>23,413</b>
<b>Transfers among funds and other changes - additions (deductions):</b>			
Mandatory transfers for debt service	(79,037)	-	-
Reclassification of gifts among funds	-	(3,033)	-
Change in funds held by trustee under lease obligations	-	-	-
<b>Total transfers and other changes</b>	<b>(79,037)</b>	<b>-</b>	<b>-</b>
<b>Net increase (decrease) for the year</b>	<b>(82,387)</b>	<b>(5,583)</b>	<b>27,687</b>
<b>Fund balance at beginning of year</b>	<b>56,645</b>	<b>24,240</b>	<b>312,503</b>
<b>Fund balance (deficit) at end of year</b>	<b>\$ (25,742)</b>	<b>18,657</b>	<b>340,190</b>

Endowment Funds	Annuity Funds	Plant Funds	
		Unexpended	Net Investment In Plant
-	-	-	-
2,780	-	156,427	-
-	-	-	-
-	-	9,394	-
-	-	-	-
-	-	-	15,950
-	-	-	116,332
-	4,580	-	-
2,780	4,580	165,821	132,282
-	-	-	-
-	-	-	-
-	-	-	-
-	-	114,364	-
-	-	59,312	-
-	-	61,279	-
-	-	-	-
-	-	234,955	-
-	-	79,037	-
3,033	-	-	-
-	-	(9,903)	9,903
-	-	69,134	9,903
5,813	4,580	-	142,185
178,995	40,600	-	4,198,870
184,808	45,180	-	4,341,055



# FREE WILL BAPTIST BIBLE COLLEGE

## Statement of Current Unrestricted Funds Revenues, Expenditures and Other Changes

Year ended May 31, 1990

(with comparative figures for 1989)

	1990	1989
<b>Revenues:</b>		
Tuition and fees	\$ 625,144	664,489
Gifts	664,502	637,579
Endowment income	13,307	11,960
Investment income	35,605	40,410
Sales and services of auxiliary enterprises	550,732	605,570
Other sources	7,621	6,819
<b>Total revenues</b>	<b>1,896,911</b>	<b>1,966,827</b>
<b>Expenditures:</b>		
<b>Educational and general:</b>		
Instruction	517,995	493,550
Academic support	117,108	104,858
Student services	168,477	181,311
Operation and maintenance of plant	211,923	204,153
Institutional support	456,035	431,808
<b>Total educational and general expenditures</b>	<b>1,471,538</b>	<b>1,415,680</b>
Mandatory transfers for debt service	3,929	22,252
<b>Total educational and general</b>	<b>1,475,467</b>	<b>1,437,932</b>
<b>Auxiliary enterprises:</b>		
Expenditures	428,723	432,063
Mandatory transfers for debt service	75,108	82,155
<b>Total auxiliary enterprises</b>	<b>503,831</b>	<b>514,218</b>
<b>Total expenditures and mandatory transfers</b>	<b>1,979,298</b>	<b>1,952,150</b>
<b>Revenues over (under) expenditures and other changes</b>	<b>\$ (82,387)</b>	<b>14,677</b>

# FREE WILL BAPTIST BIBLE COLLEGE

## Proposed Budget

1990-91

## Current Unrestricted Funds

<b>Revenues:</b>		
Tuition and fees		\$629,000
Gifts:		
Together Campaign	\$925,000	
Less Building Fund	150,000	
Net Operating Gifts	\$775,000	775,000
Endowment income		11,000
Investment income		33,000
Sales and services of auxiliary enterprises		503,500
Graduate school		7,000
Other sources		22,500
<b>Total revenues</b>		<b>1,981,000</b>
<b>Expenditures:</b>		
<b>Education and general:</b>		
Instruction		532,203
Academic support		118,995
Student services		185,312
Operation and maintenance of plant		219,050
Institutional support		454,547
<b>Total education and general expenditures</b>		<b>1,510,107</b>
<b>Auxiliary enterprises:</b>		
Expenditures		455,268
Graduate school		15,625
Contingency fund		-0-
<b>Total expenditures</b>		<b>\$1,981,000</b>

This information is not part of the auditor's report.



## "Together We Can" Gift Report

June 1, 1989-May 31, 1990

Alabama .....	\$52,392.57	Ohio .....	13,504.01
Arizona .....	1,461.54	Oklahoma .....	20,518.81
Arkansas .....	29,030.71	South Carolina .....	53,900.48
California .....	9,457.81	Tennessee .....	151,619.60
Colorado .....	60.00	Texas .....	9,154.65
Connecticut .....	7,450.00	Vermont .....	10.00
Delaware .....	25.00	Virginia .....	19,888.27
Florida .....	15,041.49	Washington .....	1,029.87
Georgia .....	60,900.51	West Virginia .....	4,570.10
Hawaii .....	255.53	Canada .....	98.50
Idaho .....	355.06	WNAC .....	5,250.24
Illinois .....	23,416.19	Virgin Islands .....	600.00
Indiana .....	3,461.95	College Family .....	23,013.48
Iowa .....	180.00	Matching Gifts .....	42,033.79
Kansas .....	694.06	Foreign Missionaries .....	2,898.87
Kentucky .....	13,555.01	Other (Misc.) .....	1,447.35
Maryland .....	2,789.62		
Michigan .....	20,238.61	TOTAL .....	\$761,109.90
Mississippi .....	15,473.38	Alumni Project .....	10,485.00
Missouri .....	35,141.78	Estates/Trusts .....	45,399.43
Nebraska .....	190.00		
Nevada .....	200.00	Grand Total .....	\$816,994.33
New Mexico .....	78.71		
North Carolina .....	119,722.35		

This information is not part of the auditor's report.

**FREE WILL BAPTIST BIBLE COLLEGE**  
3606 West End Avenue  
Nashville, Tennessee 37205  
615/383-1340

## 1990 FREE WILL BAPTIST FOUNDATION

This year your FWB Foundation celebrates its tenth anniversary. We are now ministering to our denomination from the local church to the national ministries through endowments, annuities and trusts. And, dozens of our people have made their Wills and remembered the Lord's work as a direct result of the Foundation ministry.

This department only exists for the purpose of teaching stewardship and assisting all our ministries through planned giving gifts. Yearly, the gifts channeled through endowments increase. I believe that God will use this newest department to impact the future of missions and other outreach programs beyond our greatest expectations.

The Foundation now manages 14 endowments in excess of \$139,000 and 11 trusts in excess of a quarter million dollars. Total assets exceed \$450,000.

I'm grateful for you who are becoming a part of this ministry through your gifts. I encourage you to consider giving through our endowment program. Our local, state and national ministries need continuing support to effectively carry out God's command to proclaim the gospel message, to edify believers and to equip them for service.

Refer to the FWB Foundation page which appears monthly in *Contact* magazine for current information and stewardship opportunities through planned giving.

Herman L. Hersey  
Executive Secretary-Treasurer

### FREE WILL BAPTIST FOUNDATION, INC.

#### Balance Sheets

December 31, 1989 and 1988

	Assets	1989	1988
Cash in bank		\$ 2,031	3,884
Interest bearing accounts with the Board of Retirement and Insurance of the National Association of Free Will Baptists		397,953	243,027
Land held for investment, at contributed value		4,000	4,000
Accrued interest income		16,616	7,358
Total assets		\$ 420,600	258,269
	Liabilities and Fund Balances		
Liabilities:			
Interest-bearing revocable trusts		\$ 252,349	113,349
Gift annuity payable		6,000	6,000
Accrued earnings payable		3,865	5,454
Accrued and withheld payroll taxes		229	-
Total liabilities		262,443	124,803



Fund balances:

Operations	15,153	4,768
Endowment funds	143,004	128,698
Total fund balances	158,157	133,466
Total liabilities and fund balances	\$ 420,600	258,269

Statement of Support and Revenue, Expenses  
and Changes in Fund Balances

Year ended December 31, 1989

(with comparative totals for 1988)

	1989		1988	
	Operations	Endowments	Total All Funds	Total All Funds
Support and revenue:				
Contributions	\$ 9,240	14,306	23,546	47,953
Services fees charged against trust earnings (Interest income of \$25,898 net of earnings paid to revocable trusts beneficiaries of \$13,670)	12,228	-	12,228	5,763
Endowment income	354	-	354	326
Miscellaneous income	1,232	-	1,232	-
Total support and revenue	23,054	14,306	37,360	54,042
Expenses:				
Salaries	4,422	-	4,422	5,656
Social security and retirement	684	-	684	838
Travel and promotion	3,342	-	3,342	1,271
Office expense	1,441	-	1,441	1,018
Publications	155	-	155	11
Training and education	1,612	-	1,612	556
Legal and auditing	500	-	500	400
Equipment	299	-	299	-
Miscellaneous	214	-	214	18
Other	-	-	-	7,638
Total expenses	12,669	-	12,669	17,406
Excess of support and revenues over expenses	10,385	14,306	24,691	36,636
Fund balance at beginning of year	4,768	128,698	133,466	96,830
Fund balance at end of year	\$ 15,153	143,004	158,157	133,466

See accompanying notes to financial statements.

Statement of Cash Flows

Year ended December 31, 1989

(with comparative totals for 1988)

	1989		1988	
	Operations	Endowments	Total All Funds	Total All Funds
Operating cash flows:				
Cash received from:				
Contributions	\$ 9,240	14,306	23,546	47,953
Interest income	17,085	10,289	27,374	20,371
Cash paid to suppliers and employees	(12,440)	-	(12,440)	(9,768)
Interest paid on revocable trusts	(13,670)	-	(13,670)	(9,735)
Payments made to endowment beneficiaries	-	(10,289)	(10,289)	(6,834)
Payments made to annuitants	(448)	-	(448)	(448)
Net operating cash flow	(233)	14,306	14,073	41,539
Financing cash flows:				
Proceeds from additions to revocable trusts	139,000	-	139,000	10,000
Repayment of revocable trusts	-	-	-	(157,000)
Net financing cash flow	139,000	-	139,000	(147,000)
Investing cash flows:				
Deposits made with the Board of Retirement and Insurance of the National Association of Free Will Baptists	(140,620)	(14,306)	(154,926)	(48,641)
Withdrawals from funds invested with the Board of Retirement and Insurance of the National Association of Free Will Baptists	-	-	-	157,000
Net investing cash flow	(140,620)	(14,306)	(154,926)	108,359
Net increase (decrease) in cash and cash equivalents	(1,853)	-	(1,853)	2,898
Cash and cash equivalents:				
Beginning of year	3,884	-	3,884	986
End of year	\$ 2,031	-	2,031	3,884

See accompanying notes to financial statements.

Notes to Financial Statements

December 31, 1989 and 1988

Free Will Baptist Foundation, Inc. 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 Free Will Baptist Foundation, 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).



## Fund Accounting

In order to ensure observance of limitations and restrictions placed on the use of resources available to the Foundation, the accounts 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.

## Basis of Financial Statements

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

## Income Taxes

The Foundation is exempt from income taxes; accordingly no provision for income taxes has been made in the accompanying financial statements.

## Cash and Cash Equivalents

For purposes of the statement of cash flows, the Foundation considers all cash on hand, deposits in financial institutions and highly liquid debt instruments with a maturity of three months or less to be cash and cash equivalents.

## (2) Related Party Transactions

The Board of Retirement and Insurance of the National Association of Free Will Baptists provides office space and certain administrative services to the Foundation for a cost of \$900.



Hill, Neal & Allen, P.C.  
Certified Public Accountants

## Independent Auditors' Report

Terry A. Hill  
Russell E. Neal  
Nancy S. Allen

Board of Directors  
Free Will Baptist Foundation, Inc.:

Brentwood Executive Center  
761 Old Hickory Boulevard  
Suite 103  
Brentwood, TN 37027  
TEL 615/377-3485  
FAX 615/377-3488

We have audited the balance sheets of Free Will Baptist Foundation, Inc. as of December 31, 1989 and 1988 and the related statements of support and revenue, expenses, and changes in fund balances and cash flows for the year ended December 31, 1989. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Free Will Baptist Foundation, Inc. as of December 31, 1989 and 1988, and the support and revenue, expenses and changes in fund balances and cash flows for the year ended December 31, 1989 in conformity with generally accepted accounting principles.

*Hill, Neal & Allen, P.C.*

February 27, 1990

## Proposed Budget 1991

Salary/Honorariums .....	\$12,500
Travel and Promotion .....	5,000
Publications .....	6,000
Training and Education .....	3,500
Office Expense .....	4,000
Legal and Auditing .....	1,200
Miscellaneous .....	500
<b>TOTAL .....</b>	<b>\$32,700</b>



## WOMAN'S NATIONAL AUXILIARY CONVENTION REPORT

The women of WNAC praise the Lord because He has given us many opportunities to help extend The Great Invitation around the world.

In 1989 women gave through WNAC and directly to the missions departments \$473,514.37. That figure is \$42,071.26 more to missions and related causes than in 1988. In 1990 we are already seeing an increase in giving to missions and to WNAC's general fund.

In 1989 we were able to help 14 students with \$17,136.50 in loans from the Memorial Student Loan Fund. Also we gave \$2,124.26 from the Foreign Student Scholarship to Mexican students studying at Free Will Baptist Bible College.

In March we sent out 13,929 magazines, 137 more than we did at this time in 1988.

Since July, 1989 we have received notice that 16 Auxiliaries have disbanded. We have sent out 46 packets to new or reorganizing Auxiliaries.

Because of the faithful giving of our women, we are putting our bookkeeping on computer. This equipment will make bookkeeping much more efficient and will help us greatly in making reports.

We're celebrating our tenth anniversary year of national retreats with a reunion at Ridgecrest Conference Center, September 20-22, 1990.

The Eunice Edwards Loan Fund for Churches Abroad had received \$26,638.17 as of April 27, 1990. With little more than a year left to complete our goal of \$50,000, we need \$23,361.83 by the end of 1991.

Special recognition goes to our executive committee: Mary Neal, president; June Rolen, vice president; Peggy Outland, secretary; Kay Hampton, Delois Loveless, and Marian Reece, members at large of the committee. Also, we appreciate the officers who serve at the local, district, and state levels. Encouraging words come to us from many of our women, and for these we are deeply grateful.

The office staff at WNAC works hard and faithfully, filling orders, editing, proofreading, mailing, compiling reports and doing other countless duties. I especially appreciate the work of Lorene Miley, editor; Yvonne Wolfenbarger, executive assistant; and Sue Hayes, bookkeeper.

In January we will introduce our theme for 1991, "Until He Comes." Surely His coming cannot be far away. In the meantime, let's be busy and watching so that when He comes He will be able to say, "You have been faithful. Enter into the joy of your lord."

In Christ,  
Mary R. Wisehart  
Executive Secretary-Treasurer

## WOMAN'S NATIONAL AUXILIARY CONVENTION NATIONAL ASSOCIATION OF FREE WILL BAPTISTS

### GENERAL FUND

### STATEMENT OF ASSETS AND LIABILITIES

DECEMBER 31

	1989	1988
<u>ASSETS</u>		
Cash	\$56,748.24	\$64,007.79
Accounts receivable	33,434.48	
	<u>\$90,182.72</u>	<u>\$64,007.79</u>
Total assets		
<u>LIABILITIES</u>		
Accounts payable	\$ 4,442.23	
Accrued taxes	1,277.99	
Reserve for Foreign Student Scholarship Fund	785.11	
Reserve for Equipment	<u>1,047.50</u>	
	7,552.83	
<u>FUND BALANCE</u>		
General	82,629.89	64,007.79
Total liabilities and fund balance	<u>\$90,182.72</u>	<u>\$64,007.79</u>

### INCOME AND DISBURSEMENTS

DECEMBER 31

	1989	1988
<u>INCOME</u>		
Printing & supplies for sale	\$103,906.83	\$ 75,998.88
Magazine	5,504.48	6,399.42
Literature	944.08	898.14
Postage on literature	17,862.50	14,740.00
Auxiliary dues	144.00	191.00
Delegate fees	10,369.00	8,180.00
Convention dinner tickets		770.35
Other convention income	975.50	62.18
Offering		13,552.72
Refund	14,399.08	
Co-Laborer offerings		12,317.31
Gifts for general purposes	15,867.62	3,271.70
Emphasis offering	4,135.84	3,000.00
Provision closet	4,237.22	4,682.89
Convention gift		517.00
Retreat		213.00
Promotional income	207.00	47.48
WNAC minutes	143.32	
Miscellaneous income	2,722.63	3,659.08
Interest income	158.50	91.36
Stamp money - general fund		

The accompanying notes are an integral part of this statement.



Student loan administration	300.00	
Travel refund	948.80	1,179.69
Total office income	<u>182,826.40</u>	<u>149,772.20</u>
Designated contributions:		
Foreign Missions	223,275.41	209,539.23
Home Missions	76,052.01	59,024.09
Bible Colleges	13,364.03	12,341.92
Foreign Student Scholarship Fund	2,909.37	870.00
Other gifts for various missionary objectives	15,755.59	11,033.11
Total designated contributions	<u>331,356.41</u>	<u>292,808.35</u>
Total income	<u>\$514,182.81</u>	<u>\$442,580.55</u>

#### DISBURSEMENTS

##### Operating expenses:

Printing & supplies for sale		
Printing	\$ 5,528.06	\$ 3,832.08
Literature refund		9.90
Supplies for resale	1,066.58	1,278.10
Executive committee expense	2,175.79	1,420.87
Salaries	69,650.60	66,155.97
Employee benefits	15,402.56	13,931.19
Postage	4,004.21	3,575.56
Retreat	1.25	2,840.60
Office supplies & equipment	608.28	1,271.09
Office rent	6,589.20	6,242.40
Telephone	1,906.23	2,173.49
Mailing supplies	739.83	1,321.18
Miley's love gift		2,000.00
Auditing	400.00	400.00
Convention dinner & expenses	14,884.34	13,178.53
Miscellaneous	744.13	536.68
Travel & promotion	3,972.81	4,759.57
Subscriptions & dues	40.45	100.02
Maintenance - equipment	617.98	1,164.24
Petty cash - National		140.00
Continuing education	44.25	924.35
Plant fund - carpet & paint		1,686.64
1989 convention expenses		16.64
Target 90		279.44
Postage machine purchase	207.79	
Provision closet	167.01	218.28
Royalties	51.98	
Leadership conference	929.80	
Magazine expenses:		
Magazine mailing	1,497.09	1,357.74
Magazine postage	2,013.97	1,725.15
Magazine printing	29,520.00	28,625.00
Magazine refund	352.48	349.22
Magazine mailing supplies		748.70
Magazine supplies	281.63	
Designated refund	182.04	
Bad checks	66.34	
Insurance	557.62	1,027.09
Total operating expenses	<u>164,204.30</u>	<u>163,289.72</u>

##### Designated Mission Work:

Foreign Missions	\$223,275.41	\$209,539.23
Home Missions	76,052.01	59,024.09
Bible Colleges	13,364.03	12,341.92
Foreign Student Scholarship Fund	2,909.37	1,119.00

The accompanying notes are an integral part of this statement.

Other disbursements for various missionary objectives	15,755.59	10,983.11
Total designated mission work	<u>331,356.41</u>	<u>293,007.35</u>
Total disbursements	<u>495,560.71</u>	<u>456,297.07</u>
NET INCOME (LOSS)	18,622.10	( 13,716.52)
Fund balance, beginning	64,007.79	77,724.31
Fund balance, ending	<u>\$ 82,629.89</u>	<u>\$ 64,007.79</u>

#### MEMORIAL STUDENT LOAN FUND

##### STATEMENT OF ASSETS AND LIABILITIES

DECEMBER 31

	1989	1988
ASSETS		
Cash	\$ 39,664.39	\$ 43,028.70
Loans receivable	62,577.43	55,967.98
	<u>\$102,241.82</u>	<u>\$ 98,996.68</u>
FUND BALANCE		
Fund balance	<u>\$102,241.82</u>	<u>\$ 98,996.68</u>

##### CASH RECEIPTS AND DISBURSEMENTS

DECEMBER 31

	1989	1988
Cash balance, beginning	\$43,028.70	\$48,970.86
RECEIPTS		
Contributions	3,169.53	4,694.80
Student loans repaid	6,774.05	2,596.63
Interest collected	4,272.64	2,918.41
Total receipts	<u>14,216.22</u>	<u>10,209.84</u>
Total to be accounted for	<u>57,244.92</u>	<u>59,180.70</u>
DISBURSEMENTS		
Student loans	17,136.50	15,652.00
Administrative expense	300.00	500.00
Miscellaneous	144.03	
Total disbursements	<u>17,580.53</u>	<u>16,152.00</u>
Cash balance, ending	<u>\$39,664.39</u>	<u>\$43,028.70</u>



EUNICE EDWARDS FUND

STATEMENT OF ASSETS AND LIABILITIES

	DECEMBER 31	
	1989	1988
<u>ASSETS</u>		
Cash	\$24,437.81	\$17,886.31
<u>FUND BALANCE</u>		
Fund balance	\$24,437.81	\$17,886.31
<u>CASH RECEIPTS AND DISBURSEMENTS</u>		
	DECEMBER 31	
	1989	1988
Cash balance, beginning	\$17,886.31	\$ 9,870.24
<u>RECEIPTS</u>		
Contributions	5,461.48	8,061.61
Interest income	1,090.02	471.46
Total receipts	6,551.50	8,533.07
Total to be accounted for	24,437.81	18,403.31
<u>DISBURSEMENTS</u>		
Promotions		517.00
Cash balance, ending	\$24,437.81	\$17,886.31

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 1989

Note 1

The Executive Committee of the Woman's National Auxiliary Convention agreed to change the accounting of the General Fund from Fund Accounting to the accrual form of accounting. Therefore, I have changed the reporting thereon accordingly.

EZRA JONES

Certified Public Accountant

1161 MURFREESBORO ROAD  
NASHVILLE, TENNESSEE 37217

February 8, 1990

Woman's National Auxiliary Convention  
National Association of Free Will Baptists  
Nashville, Tennessee

I have examined the statements of assets and liabilities of the General Fund, the assets and liabilities arising from cash transactions of the Memorial Student Loan Fund, and the Eunice Edwards Fund of the Woman's National Auxiliary Convention of National Association of Free Will Baptists as of December 31, 1989 and 1988, and the related statements of revenues collected and expenses paid for the periods then ended. My examinations were made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as I considered necessary in the circumstances.

In my opinion, the financial statements identified above present fairly the financial position of each of the aforementioned organizations at December 31, 1989 and 1988, and the results of their operations and the changes in the fund balances for the years then ended, in conformity with generally accepted accounting principles applied on a consistent basis.

*Ezra Jones*

Gifts to Missions/Missionary Objectives

January 1, 1989-December 31, 1989

<u>CASH GIFTS</u>		\$440,110.30
Foreign Missions		272,241.27
Sent through WNAC	\$223,275.41	
Sent direct to department	48,965.86	
Home Missions		92,049.11
Sent through WNAC	76,052.01	
Sent direct to department	15,997.10	
Bible Colleges		13,364.03
General Funds		
Loan Funds		
Memorial Student Loan Fund		3,169.53
Other Gifts		18,664.96
Foreign Student Scholarship	2,909.37	
Retirement & Insurance	543.50	
Missions Objectives	15,212.09	



Provision Closet	4,135.84
National Project: Eunice Edwards Loan Fund	5,243.36
WNAC Operating Expense	31,242.20
Co-Laborer Offering	15,374.58
Emphasis Offering	15,867.62

#### NON-CASH GIFTS

Provision Closet	33,404.07
<b>TOTAL CASH AND NON-CASH GIFTS</b>	<b>\$473,514.37</b>

#### **Top Ten Contributors to WNAC 1989**

Co-Laborer Fund	Emphasis Offering
1. Tennessee	1. North Carolina
2. North Carolina	2. Arkansas
3. Arkansas	3. Tennessee
4. Georgia	4. Missouri
5. California	5. Georgia
6. Missouri	6. Oklahoma
7. Michigan	7. California
8. Mississippi	8. Alabama
9. Indiana	9. South Carolina
10. Ohio	10. Kentucky

#### **WNAC 1991 Proposed Budget**

#### ESTIMATED INCOME

Co-Laborer Fund	\$ 18,900
Convention Expense Gift	8,000
Convention Offering	1,500
Delegate Fees	200
Dues	24,000
Interest Income	2,000
Literature	10,000
Magazine Subscriptions	75,000
Miscellaneous	500
National Minutes	818
WNAC Emphasis Offering	18,900
Travel	1,500
<b>TOTAL INCOME</b>	<b>\$161,318</b>

#### ESTIMATED EXPENSE

Salaries	\$ 72,018
Employee Benefits	16,430
Payroll Tax Expense	5,660
Employee Retirement	3,270
Health & Life Ins.	7,500
Insurance—General & Comp.	650
Audit	1,000
Convention Expense	4,000
Executive Committee Expense	3,000
Literature & Printing	3,000
CO-LABORER Magazine Expense	35,100
Mailing	1,500
Miscellaneous	200
Printing	31,000
Postage	2,400
Office Rent	12,000
Office Mailing Supplies	1,500
Office Supplies & Equipment	2,000
Phone	2,000
Postage	4,000
Promotion	1,000
Service Contracts	1,200
Subscriptions	100
Supplies for Resale	1,000
Travel	1,000
Miscellaneous	320
<b>TOTAL EXPENSE</b>	<b>\$161,318</b>



# WNAC Receipts for January-December 1989

State	Colleges	Co-Laborer Fund	Dues	Emphasis Offering	Eunice Edwards Fund	Foreign Student Scholar.	Provision Closet	Foreign Missions	Home Missions	Retirement Insurance	Missions Objectives	Student Loan	Totals
Alabama	\$ 225.00	\$ 448.50	\$ 762.00	\$ 944.48	\$ 357.86	\$ 94.00	\$ 65.00	\$ 9,540.16	\$ 7,581.42	\$ 3.00	\$ 2,283.59	\$ 274.00	\$ 22,579.01
Arizona		140.00	48.00					181.98					369.98
Arkansas	82.50	1,414.08	2,100.00	2,276.85	283.90	297.50	315.57	29,093.38	8,372.64		202.71	477.95	44,917.08
California		833.48	609.00	1,019.81	10.00	100.00	664.30	10,368.20	2,125.35	35.00			15,765.14
Colorado		10.00	102.00	20.00	10.00		30.00	50.00	83.00				305.00
Florida	15.00	303.06	292.50	476.00	19.00	91.80		3,928.84	1,656.00		178.00	172.00	7,132.20
Georgia	812.00	1,179.60	2,199.50	1,292.34	397.00	2.00	263.00	16,726.68	1,507.73	47.00	864.26	94.00	25,385.11
Hawaii		61.24	1.50					152.20					214.94
Illinois		406.41	360.00	286.42	347.00	10.00	106.02	10,165.12	9,023.70	10.00	314.14	30.00	21,058.81
Indiana	187.50	484.74	184.50	15.30	181.05		65.00	1,248.41					2,366.50
Iowa		20.00	15.00					70.00	54.50				159.50
Kansas		82.76	85.50	107.40	16.00			1,008.54	371.00				1,671.20
Kentucky	45.00	356.04	399.00	513.10	100.00	55.00	20.00	8,191.86	3,710.30		365.00	141.00	13,896.30
Maryland	205.00	242.80	172.50	20.00				1,130.55	285.00		25.00		2,080.85
Michigan		507.00	457.50	60.00		135.00	35.00	2,855.11	639.50			121.00	4,810.11
Mississippi	874.95	500.00	481.50	35.00	140.00			1,781.00	5,611.35		305.00	125.00	9,853.80
Missouri	324.17	807.33	1,231.00	1,631.45	917.56	60.00	248.69	24,289.53	3,221.70		886.26	265.02	33,882.71
Nebraska			16.50	30.00				34.91	73.55				154.96
New Mexico		28.40	37.50	28.00	27.00			272.20	217.75				610.85
N. Carolina	3,325.34	1,420.28	1,607.00	2,444.58	398.80	101.05	136.40	20,980.38	8,517.20	124.00	1,671.87	335.04	41,061.94
NW/Wash.		8.32	58.50					1,623.72	137.50			25.00	1,853.04
Ohio	331.39	460.89	585.00	312.66	291.34		222.50	13,117.04	2,014.14	25.00	474.00	98.65	17,932.61
Oklahoma	3,577.81	346.75	2,459.50	1,142.50	385.00		584.72	25,604.57	8,517.38		2,289.76		44,907.99
S. Carolina	258.50	260.39	1,006.50	634.86	414.80		753.00	9,170.30	4,259.90	83.50	4,253.75	281.00	21,376.50
Tennessee	1,971.07	2,892.65	1,460.00	1,755.66	841.00	741.82	391.64	14,382.28	3,870.59	10.00	269.50	664.37	29,250.58
Texas	908.80	363.39	475.50	476.46	88.05	1,206.20	85.00	7,027.84	1,255.13	171.00	275.25	30.50	12,363.12
Virgin Islands			21.00		18.00								39.00
Virginia		373.53	421.50	344.75		15.00	120.00	6,569.82	2,590.68	35.00	244.00	35.00	10,749.28
West Virginia	220.00	447.44	213.00				30.00	3,710.79	355.00		310.00		5,286.23
Convention Off.		975.50											975.50
1989 Totals	\$ 13,364.03	\$ 15,374.58	\$ 17,862.50	\$ 15,867.62	\$ 5,243.36	\$ 2,909.37	\$ 4,135.84	\$ 223,275.41	\$ 76,052.01	\$ 543.50	\$ 15,212.09	\$ 3,169.53	\$ 393,009.84

## MINUTES of the FIFTY-FIFTH ANNUAL SESSION of the WOMAN'S NATIONAL AUXILIARY CONVENTION of the NATIONAL ASSOCIATION OF FREE WILL BAPTISTS when convened in Phoenix, Arizona July 17, 1990



**WNAC OFFICERS  
1990-1991**

**President**

Mrs. Mary Neal  
138 North 24th Street  
New Castle, Indiana 47362

**Vice President**

Mrs. June Rolen  
2913 East Northdale  
Fresno, California 93726

**Recording Secretary**

Mrs. Peggy Outland  
Route 1, Box 500  
Sesser, Illinois 62884

**Executive Secretary-  
Treasurer**

Dr. Mary Ruth Wisehart  
P.O. Box 1088  
Nashville, Tennessee 37202

**MEMBERS-AT-LARGE:**

Mrs. Kay Hampton  
270 Tampa Drive—P6  
Nashville, Tennessee 37211

Mrs. Delois Loveless  
4970 Botsford Dr.  
Columbus, Ohio 43232

Mrs. Marian Reece  
12105 Lee Dr.  
Spotsylvania, Virginia 22553

**STATE DELEGATES**

**ALABAMA:**

Ernestine Harrison, Helen Holland, Ann Jones, Shirley Kennedy, Odessa Ledlow, Elwanda Oakes, Joyce Purser, Louise Raper, Dot Reeves, Paulette Scott, Agnes White

**ARIZONA:**

Edna Addington, Pat Atchley, Angela Friend, Dixie Guild, Susan Hardet, Wanda LeQuire, Tammy Mott, Ollie Newman, Emily Smith

**ARKANSAS:**

Kathy Addison, Alene Coffman, Cindy Ellis, Linda Harvey, Vickie Hubbard, Flora Leckbee, Joyce Little, Shirley Sawrie, Debbie Scott

**CALIFORNIA:**

Lynda Cantrell, Joan Condit, Shirley Freimanis, Sue MacGill, Nora Lee McCarty, Kathy McClelland, Lori Rolen, Donna Smith, Deloris Steven, Mae Wood, Dianna Yandell

**FLORIDA:**

Diana Bryant, Eleanor Cutler, Diane Harbeck, Patsy Helton, Sandra Jackson, Sammie Montgomery, Karen Owen, Dorothy Wood

**GEORGIA:**

Mary Griffin, Rachel Horne, Shirley Sharpston, Geraldine Waid

**ILLINOIS:**

Susan Burgess, Sarah Fletcher, Sandra Hollis, Marilyn Irvin, Suzanne Lewis

**INDIANA:**

Gail Byers, Ruth Mullen, Ann Murphy, Portia Ratliff

**KANSAS:**

Donna Brewer

**KENTUCKY:**

Loretta Branham, Jewel Lee, Patsy Lyons, Lou Walker, Joanne York, Phyllis York

**MARYLAND:**

Lottie Horton, Karen Southwell, Dortha Steele

**MICHIGAN:**

Darlene Clay, H. Collins, Wanda Glisson, Thelma Hagan, Mary Johnson, Mary Kilgore, Margaret Staffeld, Etta Varney

**MISSISSIPPI:**

Inez Armstrong, Shirley Dykes, Eva House, Hope VanWinkle

**MISSOURI:**

Reva Baker, Patsy Braddy, Vivian Burton, Ruth Courtney, Pansy Hale, Faith Howe, Shirley Jackson, Barbara Lee, Joyce Marshall, Rose Mertz, Brenda Mitchener, Clarissa Moon, Gloria Rolandi

**NORTH CAROLINA:**

Peggy Blankenship, Lola Edwards, Maurine Lee, Loretta Lilly, Flora Morgan, Joan Peterson, Ann Truett, Virginia VanKluyve

**NEW MEXICO:**

Peggy Atkisson, Clea Fair, Lorene Fowler, Brenda Jenkins

**OHIO:**

Doris Ball, Geraldine Beal, Barbara Chaffin, Betty Frisbee, Bobbie Maynard, Kathryn Rapp, Anna Sparks



### **OKLAHOMA:**

Sharon Beam, Lavenia Bingham, Mary Alice Bridgman, Debbie Burden, Mary Chamberlain, Fredda Davis, Nelda Gwartney, Ruby Hester, Marguerite Kern, Belva Mabra, Vivian Moore, Fern Real, Carolyn Redfearn, Barbara Thompson, Rita Wilson, Jo Ann Wood

### **SOUTH CAROLINA:**

Joyce Bowers, Faye Hanna, Gwen Hendrix, Fran Porter, Camille Scott, Carolyn Wilhide

### **TENNESSEE:**

Jane Bailey, Ellen Carmack, Peggy Dickerson, Arlene Farley, Fannie Harris, Debbie Mitchell, Pearl Morgan, Susan Mosley, Sara Poston, Myrtle Reeds, Winona Riggs, Maxine Wagner, Marjorie Workman, Anne Worthington

### **TEXAS:**

Denise Shaw, Judy Smith, Carla Williams

### **VIRGINIA:**

Donna Crabtree, Glenna Slemph

### **WEST VIRGINIA:**

Barbara Samms, Myrtle Samms, Helen Suttle

### **NORTHWEST DISTRICT:**

Davelle Halliburton, Lynda Hunt, Betty Plunkett

### **ROCKY MOUNTAIN DISTRICT**

Nadine Hood, Joyce Johnson, Brenda Lewis, Chi Myers, Rosa Lee Thomas

### **HAWAII (Local) Waipahu**

Patsy Taylor

### **IDAHO (Local) Rupert First**

Kay Phillips

### **NEBRASKA: (Local) Omaha**

Wanda McClary

## **REGISTERED DELEGATES FROM LOCAL AUXILIARIES**

### **ALABAMA:**

Kathryn Houston, Jean McCraney

### **ARIZONA:**

Lori Marshall, Roberta Spears

### **ARKANSAS:**

Patricia Daniel, Jackie Fowlkes, Mary K. Joslin, Eileen Moore, Sharon Smith

### **CALIFORNIA:**

Elizabeth Cox, Johna Rich, Neva Wood, Dorothy Wright, Mary Young

### **GEORGIA:**

Willie Henderson, Betty Henderson, Bobbie Thomas, Susan Waters

### **MISSOURI:**

Shelly Braisher, Sondra Brake, Dianne Naumann

### **NORTH CAROLINA:**

Janice Cason, Faye Corey, Mildred Sullivan, Julia Thomas

### **OKLAHOMA:**

Wanda McClary, Betty Adcock, Barbara Harwell, Linda Bigger, Tamme Daniels, Pat Lewis, Gracie Lowe, Virginia Miller, Lila Faye Morgan, Debbie Standley

### **TENNESSEE:**

Laura Cannon, Bobbie Counts, Linda Ellis, Alice Ellis, Vernie Hersey, Vickie Hood, Roberta Kelley, Beverly Riggs, Virginia Weber

### **TEXAS:**

Leota Barger, Margaret Richards, Tammie Rodden



**THEME:** "THE GREAT INVITATION"

**SCRIPTURE:** "And the Spirit and the bride say, Come, And let him that heareth say, Come, And let him that is athirst come, And whosoever will, let him take the water of life freely" (Revelation 22:17).

**HYMN:** "The Woman's Hymn"

**MUSIC COORDINATOR:** Lisa Wallace

**ORGANIST:** JoAnna Felts

**PIANIST:** Karrie Murfin

## **TUESDAY MORNING, July 17, 1990**

The fifty-fifth annual session of the Woman's National Auxiliary Convention convened in the Civic Plaza Exhibit Hall-B, Phoenix, Arizona at 9:00 A.M. The session was called to order by President Mary Neal. President Neal welcomed the convention and brought to our attention the theme verse, Revelation 22:17. Prayer requests were mentioned and prayer was led by Peggy Outland. Lisa Wallace led in the singing of the theme song "The Woman's Hymn" and "All Hail the Power of Jesus' Name."

Morning devotions were led by Bessie Richards, missionary to Africa. Using the theme verse of the convention she stated that we all need to receive various invitations, the greatest invitation being the one issued by our Lord. She stated there were 2.7 billion people who have never heard this great invitation. A testimony of an African was read and truly blessed and challenged each of us to help get the message of salvation to the world. Special music entitled "Our Mission" was presented by Davelle Halliburton, Kent, Washington.

Pat Atchley, Arizona president, extended a warm welcome to the very warm state of Arizona.

Lorene Miley presented the National Creative Arts Contest awards as Delois Loveless read the names of the winners. (See reports.)

The Credentials Committee report was given by June Rolan and the delegates were recognized. A motion carried to adopt the report and to seat the delegates from states, districts, and local churches named. (See report.)

The Executive Secretary-Treasurer report was given by Dr. Mary Ruth Wisheart. According to the report there are a total of 10,023 members. In 1989 Auxiliaries gave \$42,071.26 more to missions and related causes than in 1988. She reported that we needed \$23,361.83 given to The Eunice Edwards Loan Fund for Churches Abroad by the end of 1991 in order to

complete our goal of \$50,000. A budget for the coming year of \$161,318 was presented. A motion carried to accept the report of the Executive Secretary-Treasurer and to adopt the budget. (See report.)

The Resolution Committee report was read by Mary Alice Bridgman. A motion carried to receive the report and adopt item by item. (See report.)

The Appreciation Committee report was read by Gwen Hendrix. Motion carried to accept the report. (See report.) Lisa Wallace led in the singing of "Wonderful Words of Life" and prayer was led by Kay Hampton to dismiss for the morning break.

## **TUESDAY MORNING WORSHIP SERVICE**

The convention reconvened at 11:10 in the Civic Plaza Exhibit Hall-B for the WNAC missionary service. Lisa Wallace led in the singing of "I Have Decided to Follow Jesus" and "We've a Story to Tell to the Nations." The chorus "In My Life" was also sung. Delois Loveless directed the receiving of the offering and led in prayer. A sextet presented special music entitled "Our Great Savior." Singing in the sextet were Debbie Griffin, Lisa Wallace, Sarah Malone, Ruth McDonald, Davelle Halliburton and Debbie Strippling.

Mary Neal introduced the speaker Dr. Kenneth Eagleton, Jr., medical missionary to Africa. Special thanks was given to Auxiliaries by Dr. Eagleton for their faithful support through prayers, gifts and especially the provision closet. He stated the goal of the medical ministry in Africa was to minister to the spiritual needs while administering to the medical needs. Using the theme verse Revelation 22:17 and Matthew 11:28 he stated that over one half of the world's population would never receive the great invitation. Some questions about the invitation were asked: (1) Where going? (2) Who is inviting? (3) Who is the invitation for? Dr. Eagleton stated that the great invitation is for (1) All races; (2) All social positions; (3) All education levels; (4) All who are burdened and heavy laden; (5) All who are athirst for the truth. This great invitation needs an RSVP or reply. There is no neutrality; we either accept or reject.

Announcements were made and we were dismissed for lunch. Prayer was led by Dr. Mary Ruth Wisheart.

## **TUESDAY AFTERNOON, 1:30**

The afternoon session opened with the singing of "Send the Light" and "I Will Praise Him" led by Lisa Wallace.

Lorene Miley led the special missionary feature for the afternoon entitled "God's Hand Extended Around the World." Missionaries taking part were Patsy Vanhook, France; Rejane Eagleton, represented Brazil; Susan Turnbough, Spain; Deleen Cousineau, Africa; Bessie Richards,



Africa; Patsy Gwartney, Arizona; Amy Robinson, Uruguay; Judy Smith, Japan; Debbie Griffin, Japan and Ruth McDonald, Japan. This was a very challenging and informative program. Paige Powell presented a dramatic reading about missions.

The Registration Committee report was given by Pat Atchley. A motion carried to receive the report. (See report.) Closing prayer was led by Lorene Miley.

More than 500 attended the WNAC Fellowship Dinner in the Hyatt Regency Ballroom to hear Miss Rudene Kennedy. This was a blessing and challenge as she urged each of us to become "World Christians." To be a world Christian you must be willing to adjust your life style to do whatever it takes to help win the lost around the world.

### **CALLED MEETING OF THE WNAC EXECUTIVE COMMITTEE**

The WNAC Executive Committee attended the 1989 Leadership Conference at the Maxwell House Hotel in Nashville, Tennessee on December 4-5. Different speakers developed the theme "Accountability." Members present were Mary Neal, June Rolen, Peggy Outland, Dr. Mary Ruth Wisheart, Delois Loveless, Marian Reece and Kay Hampton.

The Committee met for their business on Wednesday morning, December 6, 1989, at the Maxwell House Hotel. After breakfast together we were welcomed by President Mary Neal. Marian Reece and Delois Loveless were welcomed as new members and June Rolen as a returning member. Delois Loveless gave a challenging devotion from Luke 24:1-4 noting the widow who gave all she had to the Lord when she gave her mite. We were encouraged to give our all to the Lord.

Lorene Miley gave a report on the CO-LABORER magazine. She noted a loss in subscriptions, some due to Auxiliaries disbanding. All reports regarding the size and content of the magazine were encouraging. Lorene was commended by the committee for a job well done.

Dr. Mary Ruth Wisheart gave the report of the Executive Secretary-Treasurer. Discussion concerning the printing of the national minutes as to cost, etc. Suggested that possibly the WNAC minutes could be included in the *FWB Yearbook*. Dr. Wisheart was to check on this for the committee. Policies and procedures were discussed concerning the staff and the executive committee regarding associations, retreats and board meeting.

Motion carried that no money be withdrawn from CD that would cause the balance to drop below \$10,000 without the written consent of the majority of the board members. Motion carried to accept the report.

Plans were finalized for the WNAC to be held in Phoenix, Arizona in 1990. Alton Loveless to give the invocation at the Fellowship Dinner and David Reece the benediction.

The National Retreat to be held September 20-22, 1990, at Ridgecrest,

NC, was discussed with the following recommendations: Music Coordinator—Beverly Welch; Relaxation Time—Marjorie Workman. The following speakers and topics for seminars were chosen: Ability to Handle Finances—Sandy Atwood; Personal Promises—Rudene Kennedy; Joy for Mourning—Carolyn Lane; Boldness as a Witness—Rebecca Pugh; Hope for the Future—Pam Wood; Facing the Power of Satan—Laura Thigpen. Rudene Kennedy would be asked to be the alternate speaker for the Friday general session.

The 1991 budget was presented. After discussion from the committee the budget was adjusted to \$161,318. Motion carried to accept the budget as adjusted and recommend to the body for its adoption.

Motion carried to accept and recommend the suggested themes for the next ten years.

Suggested that Anne Kiemel Anderson be contacted for our 1991 Fellowship Dinner speaker in Charleston, West Virginia.

Various suggestions for ways to increase the finances for WNAC were discussed with some ideas presented by the Executive Secretary-Treasurer.

Motion carried to recommend to the national body the following women to serve as a study committee to evaluate Woman's Auxiliary and report to the 1991 convention: June Rolen—California; Kay Hampton—Tennessee; Peggy Outland—Illinois; Marguerite Kern—Oklahoma; Dr. Mary Ruth Wisheart—Tennessee; Diane Thomas—North Carolina; Diana Bryant—Florida; Donna Forrest—Arkansas.

The meeting was closed with prayer by President Mary Neal.

### **ANNUAL MEETING OF THE EXECUTIVE COMMITTEE**

The Executive Committee met at 8:00 A.M. on Monday, July 16, 1990 for breakfast in the Hyatt Regency Borein Room-B. After breakfast the committee moved to the Board Room. The meeting began with devotions led by Marian Reece. Scripture, Revelation 2: 2, 5, 7. She stressed returning to our first love. She compared the remodeling of a house to Christian maturity in the following ways:

1. It takes longer than you plan.
2. Costs more than you figured.
3. More messy than you thought.
4. Requires greater determination.

We were reminded that only what we do for Christ will matter. Prayer by Marian Reece.

The Executive Secretary-Treasurer gave a report. There were 14,098 subscribers to CO-LABORER magazine which was 70 more than 1989 at this time. Materials had been sent to 54 new or re-organized Auxiliaries and 14 Actionettes. Also a computer had been purchased to help with the bookkeeping. The amount of \$28,010.59 was reported in the Eunice



Edwards Loan Fund for Churches Abroad. A financial report was considered. Motion carried to secure Hill, Neal and Allen as auditors for WNAC.

Motion carried to amend the minutes of a previous executive committee to read as follows: that no money be withdrawn from CD that would cause the balance to drop below \$10,000 nor money transferred from another fund without the written consent of the majority of the board members.

The committee discussed the convention plans for 1991. Motion carried that Dr. Mary Ruth Wisheart be our speaker for our Fellowship Dinner. Lonnie Rolen to pray the invocation and Billy Gene Outland the benediction.

Motion carried to close the meeting.

At 1:30 the WNAC Seminar was held in the Hyatt Regency Ballroom C and D. Over 300 ladies attended this seminar directed by Janie Aldridge. The theme "Will You Carry the Invitation?" Those taking part were Lynette Morgan, Africa; Marilyn Pritchard; Judy Smith, Japan; Wanda Powell; Anita Sparks, Spain and Odessa Ledlow.

The Presidents and Field Workers met at 3:00 in the Hyatt Regency Ballroom C and D. President Mary Neal led in prayer and presided over the meeting. The following persons spoke concerning the different offices in Auxiliary:

June Rolen—President

Debbie Mitchell—Field Worker

Anne Worthington—Secretary

Kay Hampton—Treasurer

A time of questions and answers and sharing was held after the topics were given. Over 70 attended this meeting. The meeting was closed with prayer.

Respectfully submitted,

Peggy Outland

Recording Secretary

## REPORT OF THE CREDENTIALS COMMITTEE:

We, your Credentials Committee, wish to submit the following report: The following state conventions have submitted reports and paid dues: Alabama, Arizona, Arkansas, California, Florida, Georgia, Illinois, Indiana, Kansas, Kentucky, Maryland, Michigan, Mississippi, Missouri, New Mexico, North Carolina, Ohio, Oklahoma, South Carolina, Tennessee, Texas, Virginia, West Virginia,

The following districts have submitted reports and paid dues: Northwest District, Oregon, Washington, British Columbia; Rocky Mountain District, Colorado.

Local Auxiliaries: Waipahu, Hawaii; First Rupert, Idaho; Riverview, Iowa; Marantha, Nebraska and New Durham, New Hampshire.

Reports and dues from 23 states, 2 districts and 5 locals.

June Rolen, Chairperson (California)

Lila Faye Morgan, Oklahoma

Geraldine Collins, Michigan

Ann Truett, North Carolina

Shirley Dykes, Mississippi



## REPORT OF REGISTRATION COMMITTEE

We your Registration Committee submit the following report:

### NUMBER OF PERSONS REGISTERED:

WNAC Officers .....	7
Missionaries from 7 countries .....	18
Standing Delegates (State Presidents & Field Workers) .....	21
Elected Delegates, State, District, & Local .....	150
Local Delegates paying representation fee of \$3 .....	47
Ministers and Visitors .....	434
Total Registered .....	677

### STATE, DISTRICT AND LOCAL DELEGATES

Alabama .....	13
Arizona .....	11
Arkansas .....	14
California .....	16
Florida .....	8
Georgia .....	8
Illinois .....	5
Indiana .....	4
Kansas .....	1
Kentucky .....	6
Maryland .....	3
Michigan .....	8
Mississippi .....	5
Missouri .....	16
New Mexico .....	4
North Carolina .....	12
Ohio .....	7
Oklahoma .....	26
South Carolina .....	6
Tennessee .....	23
Texas .....	6
Virginia .....	2
West Virginia .....	3
Northwest District .....	3
Rocky Mountain District .....	5
Hawaii (Waipahu—local) .....	1
Idaho (First-Rupert—local) .....	1
Nebraska (Maranatha-Omaha—local) .....	1
TOTAL VOTING DELEGATION .....	218

Pat Atchley, Dixie Guild, Co-chairmen  
Ellen Marshall

## REPORT OF THE RESOLUTIONS COMMITTEE

1. That we adopt the decade theme and the suggested themes for the next ten years. (See next page.)
2. That the women named below constitute a study committee to evaluate Woman's Auxiliary and report to the Convention in 1991:

Diana Bryant, Florida  
Kay Hampton, Tennessee  
Marguerite Kern, Oklahoma  
Peggy Outland, Illinois  
June Rolen, California  
Diane Thomas, North Carolina  
Mary Ruth Wisehart, Tennessee

Mary Alice Bridgman (Oklahoma)  
Paulette Scott (Alabama)  
Diana Bryant (Florida)  
Lynda Cantrell (California)  
Phyllis York (Kentucky)

### DECADE THEME: OUR FACES TOWARD TOMORROW Hebrews 12:1-2

**"O God, Our Help in Ages Past"**

1991—The Second Coming: Until He Comes  
Titus 2:11-13

**"Jesus Is Coming Again"**

1992—Reaching the Young Woman: Teachers of Good Things  
Titus 2:3-5  
**"Lord, Speak to Me"**

1993—Finance: The Grace of Giving  
Acts 20:35  
**"Something for Thee"**

1994—The Bible: Light on the Way  
Psalm 119:105  
**"Thy Word Have I Hid In My Heart"**



1995—Prayer: Great and Mighty Things Through Prayer  
Jeremiah 33:3  
"Call on Me"

1996—Witnessing: Hold the Light High  
Acts 13:47  
"Let My Life Be a Light"

1997—Study: Expanding Knowledge  
2 Timothy 2:15  
"Open My Eyes That I May See"

1998—Stewardship of Life: Living Sacrifices  
Romans 12:1-2  
"Take My Life and Let It Be"

1999—Leadership: Passing the Torch  
2 Timothy 2:2  
"O Master, Let Me Walk With Thee"

2000—Opportunities: A Door Ajar  
Revelation 3:8  
"Anywhere With Jesus"

#### 1990-91 WNAC NOMINATING COMMITTEE MEMBERS

Alabama	Odessa Ledlow
Arkansas	Joyce Little
California	Joan Condit
Florida	Thelma Wiggins
Georgia	Janice Wallace
Illinois	Marilyn Irvin
Indiana	Ann Murphy
Kansas	Wilma Ankrom
Kentucky	Phyllis York
Maryland	Lottie Horton
Michigan	Darlene Clay
Mississippi	Hope VanWinkle
Missouri	Reva Baker
Nebraska	Wanda McClary
New Mexico	Katie Pinson
North Carolina	Maurine Lee
Ohio	Anna Lee Sparks
Oklahoma	Jo Ann Wood

Rocky Mountain District  
South Carolina  
Tennessee  
Texas  
Virginia  
West Virginia

Barbara Myers  
Faye Hanna  
Anne Worthington  
Ruth Jennische  
Donna Crabtree  
Myrtle Samms

#### REPORT OF THE APPRECIATION COMMITTEE

We, the Appreciation Committee submit the following recommendations:

1. That we give a rising vote of thanks to President Pat Atchley and the Arizona Woman's Auxiliary Convention for arranging the WNAC registration, the Executive Luncheon, Banquet, favors and for the many things they have done to make our fifty-fifth session a blessing.
2. That we express our thanks to our missionary speakers, Dr. Ken Eagleton, Bessie Richards and also to our seminar speakers Janie Aldridge and all those who participated in the seminar.
3. That we express our appreciation to the Executive Committee for planning our convention program, securing Rudene Kennedy as our Banquet speaker, providing the seminar, "Will You Carry the Invitation?" and also for the Leadership Packets.
4. That we express our appreciation to the vocalists and musicians: Davelle Halliburton, the Sextet and also Lisa Wallace music co-ordinator.

Respectfully submitted,  
Gwen Hendrix, Chairman, SC  
Sandra Hollis, IL  
Tammy Mott, AZ  
Lottie Horton, MD  
Anna L. Sparks, OH



## CREATIVE ARTS CONTEST 1989-90

92 women from 21 states and 2 foreign countries submitted 276 entries

### ARTICLES:

1. "Have I No Rights" by Lynette Morgan, Côte d'Ivoire, Ivory Coast, Africa
2. "Mission Quest" by Viki Turner, Cartersville, MO
3. "The Write Missionary" by Barbara Jarvis, Sapulpa, OK
4. "The Field Outside" by Diane Thomas, Grifton, NC

### PLAYS/SKITS:

1. "Auxiliary Roundup" by Vicki Hubbard, Russellville, AR
2. "Late Night Visitors" by Susan Burgess, Bloomington, IL
3. "Heroes or Zeroes" by Sue Winchester, St. Louis, MO
4. "The Call to Missions" by Margaret Ashcraft, Morehead, KY

### PROGRAMS:

1. "Worship is a Lifestyle" by Sheila Scarborough, Nashville, TN
2. "Devotion Without Measure" by Odessa Ledlow, Detroit, AL
3. "Invitation to Fulfillment" by Margie Patton, Pleasant View, TN
4. "Heart Check" by Mary Holland, Liberal, MO

### POEMS:

1. "My Mission" by Fannie Ruth Henderson, Greeneville, TN
2. "God's Call" by Virginia Weber, Clarksville, TN
3. "God's Workers" by Barbara McLeary, Lawton, OK
4. "A Missionary Heart" by Linda Sligh, Smithfield, MS

Kentucky  
Maryland  
Michigan  
Massachusetts  
Missouri  
Nebraska  
New Mexico  
North Carolina  
Ohio  
Oklahoma

## WNAC ANNUAL REPORT, 1990

ORGANIZATION	DISTRICTS	LOCALS	AUXILIARY MEMBERS	ACTIONETTES	ACTIONETTE MEMBERS
ALABAMA	9	43	457	1	7
ARIZONA		4	42	1	8
ARKANSAS	12	84	1,050		
CALIFORNIA	4	33	376		
FLORIDA	5	3	187		
GEORGIA	10	57	628		
ILLINOIS	2	23	260		
INDIANA	2	8	109		
KANSAS	2	6	59		
KENTUCKY	5	19	256		
MARYLAND	2	11	139		
MICHIGAN	5	30	260		
MISSISSIPPI	4	34	297		
MISSOURI	9	79	806		
NEW MEXICO	2	4	23		
NORTH CAROLINA	7	62	1,091	2	8
OHIO	5	30	376		
OKLAHOMA	13	103	1,203	3	
SOUTH CAROLINA	4	47	672		
TENNESSEE	3	49	928		
TEXAS	5	26	317		
VIRGINIA	3	17	245		
WEST VIRGINIA	2	17	98		
DISTRICTS					
NORTHWEST (OR, WA)	1	4	42		
ROCKY MOUNTAIN (CO)	1	5	50		
LOCAL					
HAWAII (WAIPAHU)		1	15		
IDAHO (RUPERT FIRST)		1	8		
IOWA (RIVERVIEW, BETTENDORF)		1	11		
NEBRASKA (MARANATHA, OMAHA)		1	5		
NEW HAMPSHIRE (NEW DURHAM FIRST)		1	13		
TOTALS	117	803	10,023	7	23



## COMMISSION FOR THEOLOGICAL INTEGRITY

The purpose of this Commission is: 1) To alert our people of theological trends that could threaten our theological integrity as a denomination, 2) To prepare materials that will contribute to the continued preservation of the theological integrity of the denomination, and 3) As the need and opportunity arise, to conduct seminars on subjects which are pertinent to the purpose of this Commission.

In keeping with our purpose, we have prepared materials on current concerns and have made them available to our people for a modest cost. These booklets are available at our booth.

The Commission will also conduct seminars on subjects of concern. If you would like to have a seminar conducted in your area, please contact our secretary, Reverend Fred Hall, 210 South 10th Street, Nashville, Tennessee 37206.

Leroy Forlines conducted, at this year's convention, a seminar on "The Roots of Moral Decay in America." If we are to minister to people in the 1990's, it is a must that we learn how to deal with this moral decay and its influence.

Leroy Forlines, Chairman  
Dari Goodfellow, Bookkeeper

### Financial Report

Balance in Bank, January 1, 1989 .....\$1,066.38

#### INCOME:

##### Gifts:

Alabama .....	\$ 19.05
Arkansas .....	216.98
Arizona .....	4.58
California .....	64.06
Florida .....	82.72
Georgia .....	44.87
Idaho.....	1.01
Illinois .....	75.71
Indiana .....	126.57
Kansas .....	2.66
Kentucky .....	19.79
Maryland .....	10.25
Michigan .....	56.37
Mississippi .....	17.53
Missouri .....	512.00
North Carolina .....	48.66
New Mexico .....	.07

Ohio .....	98.26
Oklahoma.....	343.20
Tennessee .....	85.72
Texas .....	27.07
Virginia .....	11.56
Washington (Northwest ) .....	1.03
West Virginia .....	108.48
Canada .....	.29
Miscellaneous Gifts .....	20.00
Special Ministries Offering.....	165.74
Total Gifts .....	2,164.23
Sales of Literature .....	1,000.59
Refund on Nat'l. Assoc. Booth Expense ....	50.00
Interest on Bank Account.....	53.15
TOTAL INCOME AND BALANCE .....	3,267.97
	\$4,334.35

#### EXPENDITURES:

Office Expense .....	\$ 39.34
Shipping Literature Expense .....	52.50
Salary/Bookkeeping .....	200.00
Printing Literature .....	1,500.00
Nat'l. Assoc. Booth Expense .....	605.74
Digest of Reports .....	80.77
Annual Meeting Expense .....	651.09
Writer's Expense for Manuscript .....	215.00
Refund (overpayment) .....	6.60
Bank Service Charge .....	40.00
National Assoc. Seminar Speaker Expense.	100.00

TOTAL EXPENDITURES .....3,491.04

BALANCE IN BANK, December 31, 1989 .....\$ 843.31

### 1991 Recommended Budget

Anticipated Income	\$2,200.00
Gifts from the Cooperative Program	400.00
Sale of literature	100.00
Interest on bank deposit	
Total Anticipated Income	\$2,700.00
Anticipated Expenditures	\$ 175.00
Office expense	75.00
Shipping materials	



Bookkeeping services	200.00
National Convention Booth	500.00
Annual Meeting expense	700.00
Seminar expense	200.00
Printing costs	600.00
Writer's honoraria	250.00
<b>Total Anticipated Expenditures</b>	<b>\$2,700.00</b>

## RADIO AND TELEVISION COMMISSION REPORT

The Free Will Baptist Radio and Television Commission was established in 1983. Since that time we have sought to use the media to win the lost and strengthen the saved. We have also encouraged active involvement in Free Will Baptist churches.

The Commission produced a 15-minute radio broadcast entitled "Victorious Faith." Rev. Bob Shockey was the speaker for this weekly outreach.

The Commission pays production costs for "Victorious Faith." Local churches buy air time. Write for information about airing this program in your community.

The Radio and Television Commission has limited resources. We have no building; we have no full time employees. The only funds we have are those donated by Free Will Baptists. Since 1983 we have received less than \$40,000 to operate this ministry.

We are committed to developing a well-rounded media ministry to spread the Gospel. If we are to accomplish this goal, we must have your help.

Pastors, please consider including us in your church budget. Put "Victorious Faith" on the air in your community. Encourage your district and state associations to support this worthy cause.

Larry D. Hampton  
Chairman

### Financial Report

#### January 1 - December 31, 1989

Total Projected Income—1989	\$11,780.00
Projected Monthly Income	981.67
Actual Year-to-Date Income	2,972.09
Actual Average Monthly Income	247.67

Income:	
Co-Operative Plan of Support	\$ 2,142.92
Gifts	472.22
National Ministries Sunday	241.90
Interest Earned	115.05
<b>TOTAL INCOME</b>	<b>\$ 2,972.09</b>

Expenses:	
Promotion	\$ 20.00
Board Expense	79.50
Bookkeeping	200.00
Production Costs	300.00
Supplies	402.08
Postage	362.25
National Convention	62.82
Miscellaneous	13.47
<b>TOTAL EXPENSES</b>	<b>\$ 1,440.12</b>

Checking Account	
Balance on January 1, 1989	\$ 773.20
Deposits (Income less \$551.12 deposited to savings)	2,305.92
Expenses	(1,440.12)
<b>Ending Balance</b>	<b>\$ 1,639.00</b>

Savings Account	
Balance on January 1, 1989	\$ 2,091.38
Deposits	551.12
Interest Earned	115.05
<b>Ending Balance</b>	<b>\$ 2,757.55</b>

### Proposed 1991 Budget

Income	
Cooperative Plan of Support	\$ 2,500.00
Gifts	12,000.00
National Ministries Sunday	400.00
Interest	200.00
	<b>\$15,100.00</b>

Expenditures	
Promotion	\$ 2,250.00
Commission Travel Expense	250.00
Part-time work	400.00
Bookkeeper	\$200.00
Other	200.00
Production costs	1,800.00



Supplies .....	500.00
Postage .....	1,000.00
Equipment & Maintenance .....	500.00
Telephone .....	250.00
Printing .....	600.00
National Convention .....	550.00
Booth.....	\$200.00
Digest.....	150.00
Materials.....	200.00
Broadcast Air Time .....	7,000.00
	<u>\$15,100.00</u>

## REPORT OF MUSIC COMMISSION

The 1988 session of the Free Will Baptist National Convention established the Music Commission. Our goal is:

1. To Preserve Free Will Baptist hymnody by guiding and developing creative hymn text and tune writing, evaluating regional demands for gospel music needs; encouraging creative congregational singing in our worship and evangelistic services, and enlisting congregations to use Free Will Baptist hymnals.
2. To Promote Free Will Baptist hymnody by encouraging denominational songwriters and composers to publish and distribute their own materials.
3. To Prepare *REJOICE: The Free Will Baptist Hymn Book* 1988 for publication as an independent book.
4. To Publish and Produce choral music and related recordings for use by choirs, youth groups and music ministries.
5. To Publish music curriculum to meet the diverse demands identified with Free Will Baptist children, teens and adults.
6. To Present music workshops/seminars for the training of children, teens and adults in singing, playing of instruments, accompanying choral conducting and worship leading.

We have been given the responsibility of overseeing our new hymnbook. The sales have done quite well. This year from January to December we have sold 20,118 books. A total of 66,824 have been sold so far. It is proving to be a very good tool for our church and for the first time all across our denomination we are now using the same hymnbook. Because of the interest we are having to pay on the borrowed money the price of the hymnbook has been raised to \$9.98. We would appreciate you sending any musical or typographical errors to the commission.

This year at the National we are having a seminar on how to incorporate hymn singing into the worship service.

We plan to have a music conference this year to assist our churches in selection of music, and direction of choirs. The conference will have reading sessions, performances by children, youth and adult choirs and other performers.

We are grateful to now be included in a percentage from Coop. We would appreciate it if you would include us in your church budget this year.

Bill Gardner, chairman  
Rodney Whaley, sec., treas.  
Doug Little  
Vernon Whaley  
Blaine Hughes

Mailing Address: Music Commission  
P.O. Box 1088  
Nashville, TN 37202

## Treasurer's Report January - December, 1989

Receipts.....	\$ 31.37
Disbursements .....	39.18

## 1991 Budget

Board expense .....	\$ 200.00
Postage.....	100.00
Telephone.....	300.00
National Convention Booth .....	150.00
Materials .....	100.00
Speakers.....	150.00
Music Conference .....	500.00
Total Budget.....	<u>\$1,500.00</u>

## HISTORICAL COMMISSION REPORT

Commission member Steve Hasty spearheaded the 1990 project to publish a directory of Free Will Baptist holdings listing institutions and individuals with historical materials. We plan to have the published list available for delegates when the National Association meets in Phoenix, Arizona in July.

The Commission mailed approximately 650 copies of *Inventory of Minutes* to district clerks in March 1990 requesting their assistance in col-



lecting complete sets of minutes for every association.

The Commission continues to make available copies of the *50-Year Record* which was published in 1988. Some 350 copies are available at \$2.00 each.

### 1989 Financial Report

Balance on hand, January 1, 1989 .....\$9,302.61

#### Income

Gifts (Co-op, designated & undesignated):	846.65
Interest (Savings, First American Bank):	612.16
Royalties (Randall House):	1.00
Sales, <i>The 50-Year Record</i> :	218.00
	<u>+1,677.81</u>

#### Expenditures:

Printing (Minutes inventory list)	187.00
Executive Office, Digest Fees:	26.92
	<u>- 213.92</u>

Balance on hand, December 31, 1989 .....\$10,766.50

### 1991 Budget

#### INCOME

Gifts (Designated and Co-op Plan)	\$1,400.00
Interest (First American Bank)	700.00
Miscellaneous	200.00
Total	<u>\$2,300.00</u>

#### EXPENSES

Books and Materials for Historical Collection	\$1,500.00
Executive Office (Digest fees)	200.00
Other Historical Projects	600.00
Total	<u>\$2,300.00</u>

### TARGET 90 COMMITTEE REPORT

The Target 90 campaign, adopted during the 1985 National Convention in Nashville, Tennessee, has completed its fourth year. The five-year campaign has a two-fold thrust: planting 100 new Free Will Baptist churches and increasing net membership by 50,000 before the end of 1990.

Statistical data for 1986-1989 reflect steady though not spectacular growth.

	1986	1987	1988	1989	Total
Baptisms	8,517	8,407	7,910	8,678	33,512
Members Added	12,052	12,134	13,436	12,726	49,348
Members Lost	7,314	6,581	6,454	7,511	27,860

The campaign's four-year net membership goal was 35,000. Although actual gains fell 13,512 short of the campaign goal with a 21,488 net membership increase, I am encouraged. I praise the Lord for 33,512 converts baptized and more than 100 new churches started during the last four years.

The Target 90 Committee urges every Free Will Baptist to get involved in the Target 90 campaign by participating, praying and promoting growth for God's glory among Free Will Baptists.

Efforts to stimulate growth for 1990 include the spring and fall Sunday School Enlargement Campaigns sponsored by Randall House Publications, Roll Call Sunday March 25 sponsored by the Home Missions Department, and the fourth annual Target 90 Church Growth Seminar during the National Convention in Phoenix, Arizona, sponsored by the Target 90 Committee.

We believe the net membership goal can be reached. We rejoice that we exceeded the goal of planting 100 new churches during the first three years of the campaign. Our goal for 1990 is to gain 15,000 new members.

Join us in this growth campaign. Together we can grow for God's glory.

Melvin Worthington, Th.D., CMP  
Chairman



# BENEVOLENT FUND FINANCIAL STATEMENTS

## BENEVOLENT FUND OF THE NATIONAL ASSOCIATION OF FREE WILL BAPTISTS

### Balance Sheets

December 31, 1989 and 1988

Assets	1989	1988
Cash in bank	\$ 378	974
<b>Fund Balance</b>		
Fund balance	\$ 378	974

Commitments (note 2)

### Statements of Revenue, Expenses and Changes in Fund Balance

Years ended December 31, 1989 and 1988

	1989	1988
Revenues - contributions	\$ 4,722	22,080
Expenses:		
Claims paid	5,318	10,737
Interest expense	-	2,179
Other expenses	-	14
Total expenses	5,318	12,930
Excess of revenues over (under) expenses	(596)	9,150
Fund balance (deficit), beginning of year	974	(8,176)
Fund balance, end of year	\$ 378	974

See accompanying notes to financial statements.

## Statements of Cash Flows

Years ended December 31, 1989 and 1988

	1989	1988
<b>Operating cash flows:</b>		
Cash received from contributions	\$ 4,722	22,080
Cash paid for:		
Claims	(5,318)	(10,737)
Interest	-	(2,179)
Other	-	(14)
Net operating cash flows	(596)	9,150
<b>Financing cash flows:</b>		
Repayment of debt	(596)	620
Net increase (decrease) in cash and cash equivalents		
Cash and cash equivalents:		
Beginning of year	974	354
End of year	\$ 378	974

See accompanying notes to financial statements.

## Notes to Financial Statements

December 31, 1989 and 1988

The Benevolent Fund is operated under the auspices of the National Association of Free Will Baptists. The purpose of the Fund is to pay medical claims which were defaulted on by an insurance company which had contracted to provide coverage to participants under the Free Will Baptist Hospitalization Plan in prior periods. Claims paid are funded by voluntary contributions.

### (1) Summary of Significant Accounting Policies

The major accounting principles and practices followed by the Benevolent Fund 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 Fund, the accounts 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.

#### Income Taxes

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

#### Cash and Cash Equivalents

For purposes of the statement of cash flows, the Fund considers all cash on hand and deposits in financial institutions to be cash and cash equivalents.

### (2) Claims Unpaid

The Benevolent Fund, since its inception, has paid medical claims amounting to \$46,025. Such claims had been defaulted on by an insurance company which had contracted to provide coverage to participants under the Free Will Baptist Hospitalization Plan in prior periods. Claims are funded by voluntary contributions. As of December 31, 1989 and 1988, respectively, \$25,979 and \$32,476 remains unpaid on these medical claims. The following summarizes the activity:



## BENEVOLENT AND FINANCIAL STATEMENTS

	Claims Settled 1989	Claims Settled Cumulative
Claims paid by Benevolent Fund	\$ 5,318	46,025
Claims withdrawn by claimant	1,180	1,180
	<u>\$ 6,498</u>	<u>47,205</u>
Claims unpaid as of December 31, 1989		25,979
Amount of original claims made		<u>\$ 73,184</u>

### (3) Related Party Transactions

The Board of Retirement and Insurance of the National Association of Free Will Baptists provides office space and all administrative services to the Fund at no cost.



**Hill, Neal & Allen, P.C.**  
Certified Public Accountants

### Independent Auditors' Report

Terry A. Hill  
Russell E. Neal  
Nancy S. Allen

#### Committee of Trust Benevolent Fund of the National Association of Free Will Baptists:

Brentwood Executive Center  
761 Old Hickory Boulevard  
Suite 103  
Brentwood, TN 37027  
TEL: 615/377-3485  
FAX: 615/377-3488

We have audited the balance sheets of the Benevolent Fund of the National Association of Free Will Baptists as of December 31, 1989 and 1988, and the related statements of revenue, expenses and changes in fund balance and cash flows for the years then ended. These financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Benevolent Fund of the National Association of Free Will Baptists as of December 31, 1989 and 1988, and the revenue, expenses and changes in fund balance and cash flows for the years then ended in conformity with generally accepted accounting principles.

*Hill, Neal & Allen P.C.*

February 13, 1990

## BUDGET COMMITTEE REPORT

The National Association of Free Will Baptists, Inc. has approved in this convention the following budget for 1991:

Executive Office .....	\$ 404,535.80
Executive Church Bonds .....	.00
Free Will Baptist Bible College .....	1,981,000.00
Foreign Missions .....	4,129,859.00
(Includes \$150,000.00 Advance Budget)	
Home Missions and Church Extension .....	2,100,000.00
Master's Men .....	111,625.00
Retirement and Insurance .....	298,745.00
Free Will Baptist Foundation .....	32,700.00
Sunday School and Church Training .....	2,625,270.00
Commission for Theological Integrity .....	2,700.00
Historical Commission .....	2,300.00
Music Commission .....	1,500.00
Radio and Television Commission .....	15,100.00
<b>TOTAL</b>	<b>\$11,705,334.80</b>

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 Administrative 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 .....	14 %
Free Will Baptist Foundation .....	6 %
Commission for Theological Integrity .....	0.5 %
Historical Commission .....	0.5 %
Music Commission .....	0.5 %
Radio and Television Commission .....	0.5 %
<b>TOTAL</b>	<b>100 %</b>

Respectfully Submitted, Your Servants,

Melvin Worthington, Executive Secretary  
Charles Thigpen, President of Free Will Baptist Bible College  
R. Eugene Waddell, 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



## GENERAL BOARD REPORT

The General Board met Monday, July 16, 1990, in the Hyatt Regency Hotel, Phoenix, Arizona. As a result of that meeting we offer the following report and recommendations.

1. We have heard the reports of the Executive Office, Home Missions Department, Master's Men Department, Retirement Department, Sunday School and Church Training Department, Foreign Missions Department, Free Will Baptist Foundation, Free Will Baptist Bible College, the Commission for Theological Integrity, Music Commission, Historical Commission, Budget Committee, Benevolence Committee, Target 90 Committee, Management Committee and the Radio-TV Commission. We recommend that these reports be received and their budgets adopted as each is presented.
2. We recommend that the First Louisiana District Association, an association organized June 9, 1990, be accepted into the National Association of Free Will Baptists.
3. We recommend that the operation of the Executive Church Bonds, Inc., be concluded. We further recommend that the remaining funds be released to the Executive Office with the stipulation that these funds be held for two years in the event a need arises.
4. We recommend that Anaheim, California, be the site of the National Association as it convenes July 16-20 in the year 2000.
5. We recommend that the Benevolence Committee be dissolved and that all funds be transferred to the Free Will Baptist Foundation which will continue the work and reports of the activities in the future.
6. The following recommendation comes from the Management Committee of the National Offices Building. The General Board recommends that it be adopted.
  1. The growth of national agencies requires immediate attention to relocating or renovating existing facilities.
  2. The managers estimate the cost of renovating existing facilities at \$300,000, and we would still have old buildings.
  3. The Management Committee believes it would be better stewardship to put the money into new facilities instead of into existing property.

4. The Management Committee believes that long-term indebtedness on new facilities when existing property is sold would not exceed the cost of renovating existing facilities.

In order to give serious consideration to offers to purchase or sell property, the Management Committee needs more flexibility. Therefore, the committee suggests the following guidelines.

1. The possibility of purchasing new facilities should not be contingent on the sale of existing facilities.
2. A temporary lease should be a possibility.
3. Long-term indebtedness is not to exceed \$400,000, and short-term indebtedness is not to exceed \$1.4 million.

The managers recommend, in order to expedite the matter, that the Executive Committee be authorized to approve the recommendations of the Management Committee regarding the relocation of the national offices or renovation of existing facilities.

## NOMINATING COMMITTEE REPORT

### Nominees to General Board

#### Terms to expire in 1992

Kansas replacing Warren Coffer, Steve Hendrix  
First Louisiana: Steve Tind

#### Terms to expire in 1994

New Mexico replacing Earl Jenkins, Earl Jenkins  
North Carolina replacing Tom Lyle, Tom Lyle  
Northwest Association replacing Jim Meyer, Jim Meyer  
Northwest Association replacing Mike Crowell, Mike Crowell  
Ohio replacing Delmar Sparks, Delmar Sparks  
Oklahoma replacing Jack Richer, Jack Richer



## REGISTRATION COMMITTEE REPORT

National Convention	
State Delegates.....	84
Local Church Delegates.....	94
Lay Board Members.....	16
Home Missionaries.....	69
Foreign Missionaries.....	27
Deacons.....	103
Ministers.....	524
Non-Delegates.....	1,657
District Delegates.....	6
National Officers.....	2
Total.....	2,582
Woman's National Auxiliary Convention.....	786
National Youth Conference.....	1,004
Grand Total.....	4,372

## CREDENTIALS COMMITTEE REPORT

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

1. From the following associations with the right to five delegates each: Arizona, Alabama, Arkansas, California, Florida, Georgia, Idaho, Illinois, Indiana, Kansas, Kentucky, Maryland, Michigan, Mississippi, Missouri, New Mexico, North Carolina, Ohio, Oklahoma, South Carolina, Tennessee, Texas, Virginia, West Virginia.
2. From the following district associations with the right to three delegates each: Atlantic Canada Association, First Colorado District, Northeast Association, Northwest Association, Mexico Association, First Louisiana District Association.
3. From the following local churches reporting directly to this body with the right to one delegate each: Waipahu FWB Church, Waipahu, Hawaii; First FWB Church, Billings, Montana; Maranatha FWB Church, Omaha, Nebraska; Virgin Islands FWB Church, St. Croix, Virgin Islands.
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 association be seated.
5. We recommend that all legally appointed lay delegates of standing boards be seated, if properly registered.

## NOMINATING COMMITTEE REPORT

### Nominees to General Board

#### Terms to expire in 1991

Kansas: replacing Warner Collier, Steve Hendrix  
First Louisiana: Steve Trail

#### Terms to expire in 1992

New Mexico: replacing Earl Jenkins, Earl Jenkins  
North Carolina: replacing Tom Lilly, Tom Lilly  
Northeast Association: replacing Jim Nason, Jim Nason  
Northwest Association: replacing Mike Criswell, Mike Criswell  
Ohio: replacing Delmar Sparks, Delmar Sparks  
Oklahoma: replacing Jack Richey, Jack Richey



South Carolina: replacing Joe Cagle, Joe Cagle  
Tennessee: replacing Raymond Riggs, Raymond Riggs  
Texas: replacing Thurmon Murphy, Thurmon Murphy  
Virginia: replacing Jeff Crabtree, Jeff Crabtree  
West Virginia: replacing Carl Vallance, Carl Vallance

#### **Nominees to Executive Committee**

##### **Terms to expire in 1992**

Replacing Raymond Riggs (Tenn.), Tom Lilly (N.C.)  
Replacing Jack Richey (Okla.), Jack Richey  
Replacing Carl Vallance (W.Va.), Carl Vallance

#### **Nominees to Bible College Trustees**

##### **Terms to expire in 1996**

Replacing Sam Truett (N.C.), Sam Truett  
Replacing James Earl Raper (S.C.), Larry Montgomery (Fla.)  
Replacing J. M. Creech (Miss.), J. M. Creech

#### **Nominees to Foreign Missions Board**

##### **Terms to expire in 1996**

Replacing Dan Cronk (Tenn.), Alton Loveless (Ohio)  
Replacing Archie Mayhew (Calif.), Archie Mayhew  
Replacing Galen Dunbar (Ga.), Galen Dunbar

#### **Nominees to Sunday School and Church Training Board**

##### **Terms to expire in 1996**

Replacing David Sutton (Texas), David Sutton  
Replacing James McAllister (Calif.), James McAllister  
Replacing Larry Hughes (Ark.), Larry Hughes

#### **Nominee to Home Missions Board**

##### **Term to expire in 1993**

Replacing Richard Adams (Tenn.), Lynn Wood (Okla.)

#### **Nominee to Board of Retirement**

##### **Term to expire in 1993**

Replacing Billy Samms (W.Va.), Bobby Floars (N.C.)

#### **Nominee to Commission for Theological Integrity**

##### **Term to expire in 1995**

Replacing Edwin Wade (Okla.), Daryl Ellis (Ill.)

#### **Nominee to Historical Commission**

##### **Term to expire in 1995**

Replacing Steve Hasty (Ala.), Steve Hasty

#### **Nominee to Music Commission**

##### **Term to expire in 1995**

Replacing Vernon Whaley (Okla.), Vernon Whaley

#### **Nominee to Radio-Television Commission**

##### **Term to expire in 1995**

Replacing Larry Hampton (Tenn.), Bob Shockey (Tenn.)

#### **Nominees for General Officers**

##### **Terms to expire in 1991**

Replacing moderator Ralph Hampton (Tenn.), Ralph Hampton  
Replacing assistant moderator Carl Cheshier (Ark.), Carl Cheshier  
Replacing clerk Waldo Young (Okla.), Waldo Young  
Replacing assistant clerk Keith Burden (Okla.), Keith Burden



## **Resolutions Committee Report**

### **Resolution #1 Appreciation**

Whereas, the Arizona State Association of Free Will Baptists has so graciously hosted our 54th annual convention, therefore,

Be it resolved that we express our appreciation to them with a standing vote of thanks. (Adopted)

### **Resolution #2 Flag Burning**

Whereas, the American flag has from its inception been the symbol of freedom for this Republic, and,

Whereas, men have fought and died under this banner in many parts of the world, and,

Whereas, we believe it to be a symbol that should invoke pride in every American, and,

Whereas, we oppose the decision of the U.S. Supreme Court in that we do not believe that their decision based on the First Amendment to be correct, and,

Whereas, we believe a person should not have the right to express themselves by burning the American flag,

Therefore, be it resolved that a letter be sent by the clerk of this National Association to President Bush expressing our approval of his stand on this issue and that copies be sent to the Supreme Court, the Speaker of the House, and the President of the Senate. (Adopted)

### **Resolution #3 Missionary Endorsement**

Whereas the National Association of Free Will Baptists upon organization in 1935 established the Board of Foreign Missions as its agency for sending missionaries to win souls to Christ and establish churches in other countries of the world and,

Whereas our missionaries have established growing national churches in nine countries and,

Whereas the Scriptures exalt the unity of the body under the Headship of Christ and,

Whereas we value greatly the unity of believers in general and Free Will Baptists in particular and,

Whereas we want to demonstrate the unity of the Body of Christ in Free Will Baptist churches overseas and,

Whereas Free Will Baptists have witnessed the disruptive and divisive impact of personnel who without endorsement from the National Associa-

tion of Free Will Baptists go to countries where our missionaries are ministering, and present themselves as representatives of the national body but are not accountable to the National Association,

Therefore, be it resolved that this convention go on record encouraging churches, groups or individuals from within this National Association not to send personnel without endorsement from our Foreign Missions Department into countries where our National Association missionaries are already working. (Adopted)

### **Resolution #4 Institute for Creation Research**

Whereas, in the light of the present secular humanist efforts to teach evolution as fact in all levels of public education, and in light of their successful efforts to prohibit the teaching of creationism in the educational system, going so far as to revoke the graduate school certification of the Institute for Creation Research in the state of California,

Therefore, be it resolved that the National Association of Free Will Baptists take a public stand in support of, ICR, its founder Dr. Henry Morris and the graduate school staff in their legal fight to regain state certification as a graduate school, and to commend them for their efforts on behalf of all of us to promote creationism as the origin of the universe and human life.

We further request that a copy of this resolution be sent to Dr. Henry Morris of the Institute for Creation Research, and to the California State Department of Education. (Adopted)



# STATISTICAL REPORT

	Associations	Number Reporting Churches	Number Reporting City	Rural	Full-Time Pastors	Part-Time Pastors	Baptisms	Members Added	Members Lost	Total Membership	Combined Income of all Churches	Number of Churches with Budgets	Parsonages	Value of Church and Parsonage Property	Sunday School Enrollment
Alabama	14	14	177	173	55	92	71	441	905	604	19,458	7	54	13,909,820	10,491
Arizona	2	2	10	9	10	6	2	33	67	18	313	7	3	2,815,000	309
Arkansas	15	15	221	215	91	130	79	142	726	1,160	19,576	33	70	25,715,350	13,045
California	7	7	73	73	64	9	53	14	545	701	352	4,385	31	27,133,040	5,044
Canada	1	1	17	12	12	5	3	13	13	3	400		3		
Colorado	1	1	7	6	7	2	5	24	24	18	201	3		1,010,000	294
Florida	9	9	77	70	44	33	55	17	214	415	218	5,273	25	10,397,036	3,642
Georgia	10	10	120	116	39	77	97	20	255	465	246	9,724	61	18,262,500	5,294
Hawaii			1	1	1	1		6	16	2	47		1	3,000,000	50
Idaho	1	1	4	4	1	3		4					4		
Illinois	6	6	43	43	25	18	24	19	154	224	79	4,120	16	1,363,000	2,898
Indiana	3	3	25	25	18	7	10	15	59	74	73	2,004	7	2,015,000	1,956
Iowa			1	1	1		1	9	10	2	68	1	1	200,000	46
Kansas	2	2	9	9	9		7	2	21	38	26	328	3	1,245,000	469
Kentucky	10	8	122	120	22	63	14	71	401	518	336	9,030	5	10,871,000	4,622
Louisiana			2	2	2		2	1	28	4	24	101,500	2	550,000	91
Maryland	3	3	26	26	9	17	16	10	64	106	51	1,735	11	5,167,900	1,421
Mexico	1	1	21	21		13	8				2,052				
Michigan	5	5	44	43	40	4	28	16	234	308	159	3,850	7	11,793,000	3,506
Mississippi	4	4	60	43	18	42	45	9	140	317	203	3,963	24	5,000,000	2,930
Missouri	16	16	177	171	84	87	109	58	487	750	383	15,405	43	21,882,110	11,015
Montana			1	1	1		1		3		7			150,000	15
Nebraska			1	1	1		1			26	31,766	1		270,000	23
New Jersey			1	1	1		1					1		530,000	40
New Mexico	2	2	6	6	6		2	4	2	15	9	152	6	26,832	107
North Carolina	8	7	180	130	69	65	100	32	597	1,114	527	15,057	68	3,339,102	13,090
Northeast Assoc.	1	1	3	3	1	2	2	1	20	28		225	1		150
Northwest Assoc.	1	1	10	9	8	1	3	6	32	46	19	277	5	575,000	425
Ohio	18	18	145	145	71	74	48	103	568	737	333	10,423	20	22,806,374	11,716
Oklahoma	24	24	261	245	151	106	152	71	808	1,584	788	23,501	64	44,512,126	18,930
Puerto Rico			1	1	1		1					5,518			46
South Carolina	5	5	114	40	27	57	61	23	149	385	210	4,670	28	8,664,900	4,352
South Dakota			1	1	1		1					15,593			24
Tennessee	7	7	204	160	67	128	129	70	799	1,087	389	20,008	43	23,557,888	11,824
Texas	8	8	58	58	42	16	27	22	110	236	77	2,941	12	6,122,224	2,172
Virginia	5	5	95	90	47	48	20	53	353	398	129	6,195	20	8,966,466	4,817
Virgin Islands			1	1		1	1		2	2		46,627	1	2,000,000	41
West Virginia	21	21	187	187	23	164	85	102	679	763	545	11,768	4	11,823,275	10,809
Wyoming															
TOTALS	210	207	2,506	2,262	1,057	1,256	1,280	973	7,946	12,537	6,583	197,206	504	316,531,713	145,704

	CTS Enrollment	WNAC Enrollment	MM Enrollment	Ordained Ministers	Licensed Ministers	Deacons	Day Cares	Kindergartens	Christian Day Schools	Bible Institutes	Colleges	Value of Associational Property
Alabama	3,042	834	186	276	30	560	11	8	6	1	1	
Arizona	201	53	25	13	2	6	1					700,000
Arkansas	3,486	1,390	295	335	33	616	4	4	2			700,000
California	444	537	32	125	19	156	4					
Canada				5	4							
Colorado		53	5	11	1		1					
Florida	1,004	426	100	105	25	153	4	4	4			750,000
Georgia	1,732	860	246	148	13	408	2	2	2			3,000,000
Hawaii	29	11	8	2	2	3						
Idaho				6		6						500,000
Illinois	864	349	92	78	13	110	1	1	2			
Indiana	101	127	57	49	8	46	1	2	2			
Iowa		10	5	1								
Kansas		61		10	3	5						
Kentucky	424	266	28	345	29	219	1	1	1			
Louisiana		12	8	4								
Maryland	59	177	43	43	6	43			1	1		
Mexico												
Michigan	199	311	98	72	22	87	1					
Mississippi	1,282	343	142	60	12	163				1		405,095
Missouri	1,532	992	98	294	41	384	2	3	4			
Montana				1								
Nebraska		5		1								
New Jersey				1								
New Mexico		22	4	7	2	5						254,819
North Carolina	1,669	1,291	1,269	230	82	487	15	12	13	1		
Northeast Assoc.		15	15	2	1	6						
Northwest Assoc.		50	10	10		3						729,229
Ohio	466	856	170	362	23	255	9	5	5	1		2,583,229
Oklahoma	2,904	1,468	239	414	81	649						
Puerto Rico				1								
South Carolina	1,001	669	180	144	12	77	3	1	4	2		
South Dakota				1								
Tennessee	2,563	1,446	327	323	90	515	2	2	4	1		
Texas	525	325	56	59	9	107						
Virginia	762	437	72	206	10	299	4	2	4			
Virgin Islands		14	7	2	2				1	2		
West Virginia	725	755	213	452	11	446						
Wyoming												
TOTALS	25,014	14,165	4,030	4,198	586	5,814	69	55	66	7	2	9,622,372

REPORTING PERIOD 1989-90