

# 1993 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 5002, Antioch, Tennessee 37011-5002

# Minutes of the Fifty-Sixth Annual Session of the National Association of Free Will Baptists, Inc. when convened in Indianapolis, Indiana July 19-23, 1992

## Future Sessions to Be Held In

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
2001	Detroit, Michigan	July 15-19
2002	Memphis, Tennessee	July 21-25



## 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

1993	1994
Alabama: John Edwards	New Jersey: Vergel Maness
Arizona: Howard Gwartney	New Mexico: Earl Jenkins
Arkansas: David Joslin	North Carolina: Tom Lilly
Atlantic Canada: Hazen Burlock	Northeast Association: Jim Nason
California: Nuel Brown	Northwest Association: Terry Stafford
Colorado: Bob Thomas	Ohio: Delmar Sparks
Florida: Randy Bryant	Oklahoma: Jack Richey
Georgia: Herbert Waid	South Carolina: Joe Cagle
Idaho: Tommie Carlson	Tennessee: Charles Thigpen
Illinois: Wallace Malone	Texas: Thurmon Murphy
Indiana: Robert Helms	Virginia: Jeff Crabtree
Kansas: Billy Barlow	West Virginia: Carl Vallance
Kentucky: Tim York	
First Louisiana: Steve Trail	
Maryland: Lester Horton	
Mexico: Fred Jones	
Michigan: Charles Cooper	
Mississippi: J.L. Gore	
Missouri: Nathan Ruble	

### Executive Committee

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

1993	1994	Officers
Charles Cooper (Mich.)	Tom Lilly (N.C.)	Ralph Hampton (Tenn.)
J.L. Gore (Miss.)	Thurmon Murphy (Texas)	Carl Cheshier (Ark.)
David Joslin (Ark.)	Jim Nason (NE Assoc.)	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

1994	1996	1998
Ken Walker (Ky.)	Sam Truett (N.C.)	Richard Bowers (Ala.)
Bob Ketchum (Okla.)	Larry Montgomery (Fla.)	Larry Powell (Tenn.)
Howard Price (Ga.)	J.M. Creech (Ga.)	Douglas Little (Ark.)

### Foreign Missions Board

Chairman: Norwood Gibson, P.O. Box 13266, Florence, SC 29504  
Director: Eugene Waddell, P.O. Box 5002, Antioch, TN 37011-5002

1994	1996	1998
William Reagan (Canada)	Alton Loveless (Ohio)	Joe Grizzle (Okla.)
Robert Trimble (Md.)	Galen Dunbar (Ga.)	David Shores (Ill.)
Norwood Gibson (S.C.)	Archie Mayhew (Calif.)	Dean Dobbs (N.C.)

### Home Missions Board

Chairman: Rue Dell Smith, 107 West Robinson, Springdale, AR 72764  
Director: Roy Thomas, P.O. Box 5002, Antioch, TN 37011-5002

1993	1995	1997
Lynn Wood (Okla.)	Fred Hanson (Canada)	Milburn Wilson (Calif.)
Rue Dell Smith (Ark.)	Earl Hendrix (S.C.)	Glenn Thomas (Tenn.)
Wendell Walley (N.C.)	J.D. Norris (Ala.)	Larry Russell (La.)

### Master's Men Board

Chairman: Wendell Leckbee, 1 Amber Lane, N. Little Rock, AR 72118  
Director: James Vallance, P.O. Box 5002, Antioch, TN 37011-5002

1993	1995	1997
Wendell Leckbee (Ark.)	Johnny Fowlkes (Ark.)	Howard Gwartney (Okla.)
Dwight Fletcher (Ga.)	James Orr (Ky.)	George Brunkhorst (Calif.)
Charles Denman (Texas)	Waymon Ray (Okla.)	Thurman Pate, Jr. (Tenn.)



## Board of Retirement

Chairman: Ron Barber, 932 West 109th Street, Jenks, OK 74037  
 Director: Herman Hersey, P.O. Box 5002, Antioch, TN 37011-5002

1993	1995	1997
Robert Morgan (Tenn.)	Jack Daniel (Ga.)	Ron Barber (Okla.)
Lincoln Varney (Ky.)	Waymon Fields (Ala.)	Roger Harwell (Ark.)
Henry Van Kluyve (N.C.)	Wilburn Beasley (S.C.)	Milton Hollifield (N.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

1994	1996	1998
Milton Worthington (Mich.)	David Sutton (Texas)	Will Harmon (Ark.)
Billy Hanna (Ga.)	James McAllister (Calif.)	Edwin Hayes (Ohio)
Jim Shepherd (Okla.)	Dean Stone (Tenn.)	Larry Clyatt (Ill.)

## Commission For Theological Integrity

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

1993 Fred Hall (Tenn.)	1995 Daryl Ellis (Ill.)
1994 L.C. Johnson (Tenn.)	1996 Lonnie Skiles (Mo.)
1997 Leroy Forlines (Tenn.)	

## Historical Commission

Chairman: Mary Wisehart, P.O. Box 5002, Antioch, TN 37011-5002

1993 Mary Wisehart (Tenn.)	1995 Steve Hasty (Tenn.)
1994 Robert Picirilli (Tenn.)	1996 Thomas Marberry (Okla.)
1997 Jack Williams (Tenn.)	

## Radio-Television Commission

Chairman: Bob Shockey, P.O. Box 50117, Nashville, TN 37205

1993 Terry Boyd (Tenn.)	1995 Bob Shockey (Tenn.)
1994 James Vallance (Tenn.)	1996 Sandy Goodfellow (Tenn.)
1997 Bill Gardner (Tenn.)	

## Music Commission

Chairman: Vernon Whaley, P.O. Box 50117, Nashville, TN 37205

1993 Bill Gardner (Tenn.)	1995 Vernon Whaley (Tenn.)
1994 Blaine Hughes (N.C.)	1996 David Bates (Mo.)
1997 Douglas Little (Ark.)	

## Proceedings

The 56th annual session of the National Association of Free Will Baptists convened in the Indiana Convention Center, Indianapolis, Indiana, July 19-23, 1992. The convention theme was "Witnessing to the World." Blaine Hughes served as music coordinator with Jerry Carraway as organist and Deena Armstrong as pianist.

### Sunday Morning—July 19, 1992

David Joslin presided at the Adult Sunday School and the morning worship service. Van Paschall, an adult teacher from Central FWB Church, Royal Oak, Michigan, taught the Adult Sunday School Class. The lesson was titled, "The Curse of Self-Interest." The *Rejoice* vocal ensemble from Free Will Baptist Bible College provided special music for both the Adult Sunday School and the morning worship service.

Hymns sung for the morning worship service included "Blessed Assurance," "Brethren, We Have Met to Worship" and "Great is Thy Faithfulness." Blaine Hughes directed the congregational singing.

Richard Bowers, pastor of First FWB Church, Northport, Alabama, read Genesis 4:8-9, verses from Luke 10, and brought the message on "Global Christians."

### Sunday Evening—July 19, 1992

The Sunday evening service was the keynote service for the National Youth Conference. Personnel from the Sunday School and Church Training Department presided. Special music was presented by a youth choir from participants in the youth conference, by the National Youth Evangelistic Team and by Truth and Peace.

The message was delivered by Archie Ratliff, pastor of Bethel FWB Church, Kinston, North Carolina. He read I Peter 4:1 and brought the message on "A Call for Excellence."

### Monday Evening—July 20, 1992

Pre-service music was provided by the Men's Quartet from Southeastern FWB College.

Clerk Waldo Young called the 56th annual convention of the National Association of Free Will Baptists into official session and introduced Moderator Ralph Hampton.

Jim Mullen, promotional secretary for the Indiana State Association of Free Will Baptists, welcomed the convention to Indiana.

Tom Lilly, presiding officer, gave a response to the welcome.

The adult Mass Choir, under the direction of Doug Little, sang, "Triumphantly the Church Will Rise," after which Tom Lilly led in prayer.

Doug Little led the congregation in singing, "Holy, Holy, Holy," "There's Something About That Name," "Breathe on Me" and "Amazing Grace."



*The Sounds of Praise*, an ensemble from Southeastern FWB College, sang, "Who Am I?" "He Came to Me" and "What a Savior."

As the convention offering was received, a men's trio from First FWB Church, Florence, Alabama, sang, "Some Day We Shall See Jesus."

Doug Little led the congregation in singing, "Living by Faith."

Randy Sawyer, chairman of the Music Department at Southeastern FWB College, was introduced to bring the message. Before he spoke, Angie Deel sang, "Much Too High a Price."

Randy Sawyer read Exodus 33:12-19 and delivered the message.

The clerk read the report of the Committee on Committees. Those named to the Nominating Committee were David Joslin, AR; John B. Smith, CA; Gary Curry, OK; Jerry Rackley, NC; Ivan Ryan, IL. The Resolutions Committee was composed of Glenn Poston, TN; Paul Smith, GA; Doice McAlister, CA; Mance Cason, NC; David Sutton, TX. Those appointed to the Credentials Committee were Charles Cooper, MI; Joe Cagle, SC; Carl Vallance, WV; Nathan Ruble, MO; John Edwards, AL. Daniel Merkh, VA; Edwin Hayes, OH; Leroy Cutler, FL; Cody Freeman, MO; Wade Parker, KY, served as the Obituary Committee.

After announcements were made, Doug Little led the congregation in singing the chorus of "Because He Lives," as the benediction.

### **Tuesday Morning—July 21, 1992**

J. L. Gore presided at the two sessions of the Bible Conference. Hillsdale FWB College, the Men's Trio from Florence, Alabama, and *Sounds of Joy*, a ladies' trio from California Christian College, provided special music for the two sessions.

Rick Bowling, pastor of Martin Hill FWB Church, Booneville, Mississippi, was the speaker at 9:00 a.m. David Archer, pastor of Faith FWB Church, Glenpool, Oklahoma, was the speaker at the 10:00 a.m. service.

### **Tuesday Evening—July 21, 1992**

Pre-service music on Tuesday evening was provided by New Life Singers from Hillsdale FWB College, Moore, Oklahoma.

Carl Cheshier called the service to order at 7:00 p.m. Phil Cooper led the congregation in singing, "O Worship the King" and the chorus of "King of Kings."

The Men's Chorale, directed by Jerry Carraway, sang, "A Sinner Saved by Grace." The congregation sang, "I'm Redeemed."

As the convention offering was received, New Life Singers sang, "I Remember the Day." Carl Cheshier led the offertory prayer.

The congregation sang, "The Solid Rock."

James Forlines, pastor of Allen's Chapel FWB Church, Batesville, Arkansas, was introduced as the speaker. Before the message Pam Hanes, Nashville, Tennessee, sang, "We Believe."

The speaker read Philippians 2:10-11, II Corinthians 5:17-18 and brought the message on "Christ's Example in Witnessing to the World." "I Surrender All" was sung as an invitation hymn. Several people responded to the

invitation by coming forward for prayer. Melvin Worthington led the prayer of dedication. The service closed with Carl Cheshier leading in prayer.

### **Wednesday Morning—July 22, 1992**

Moderator Ralph Hampton called the session to order at 9:00 a.m. Wednesday. He read II Corinthians 2:16 and 3:5, and brought the Moderator's Message. He concluded his remarks by leading in prayer.

The clerk read the report of the Credentials Committee. A motion carried to seat all duly elected delegates.

A petitionary letter from the First District Association of New Jersey was noted. A motion carried to receive this association into the National Association of Free Will Baptists and seat their delegates.

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, approve the financial statements and adopt the budgets within the report.

The Executive Secretary also gave the report of the Budget Committee on Denominational Support. A motion carried to lay this report, with the recommendations, on the table until the Thursday morning session.

Associate Director Trymon Messer gave the report of the Home Missions Department. He introduced Chaplain Col. Gerald Mangham who brought greetings to the convention. A motion carried to receive the report, approve the financial statements and adopt the budget.

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

Due to the resignation of Tim Jordan, GA, from the Master's Men Board, a vacancy existed. George Brunkhorst, CA, was elected to fill this term which expires in 1997.

Director Herman Hersey gave the report of the Board of Retirement and Insurance. A motion carried to receive the report, approve the financial statements and adopt the budget.

Henry Van Kluyve, NC, was elected to fill the 1993 term of Bobby Floars who resigned.

Herman Hersey also gave the report of the Free Will Baptist Foundation. A motion carried to receive the report, approve the financial statements and adopt the budget.

President Tom Malone gave the report of Free Will Baptist Bible College. Treasurer Tom Sass assisted with the financial reports. President Malone presented a plaque to Clarence Burton, MO, for his service on the Bible College Board of Trustees. A motion carried to receive the report, approve the financial reports and adopt the budget.

Richard Bowers, AL; Larry Powell, TN; Douglas Little, AR, were elected to six-year terms on the Bible College Board of Trustees.

Melvin Worthington gave the reports of the Double in a Decade Committee, the International Free Will Baptist Consultation Committee and the Management Committee. These reports were received as information.



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

### Wednesday Afternoon—July 22, 1992

Assistant Moderator Carl Cheshier read II Timothy 2:1-4, and led in prayer to open the afternoon session.

Director Eugene Waddell gave the report of the Foreign Missions Department. A motion carried to receive the report, approve the financial statements and adopt the budget.

The body gave a rising vote of thanks to Bill Jones who could not be re-elected as a board member, and to the missionaries who are retiring from active missionary duty.

Joe Grizzle, OK; David Shores, IL; Dean Dobbs, NC, were elected to six-year terms on the Foreign Missions Board, terms to expire in 1998.

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

A motion carried to give Roger Reeds a standing vote of appreciation for 30 years of service to this department.

Will Harmon, AR; Edwin Hayes, OH; Larry Clyatt, IL, were elected to six-year terms on the Sunday School and Church Training Board.

Dean Stone, TN, was elected to fill the unexpired term of Larry Hughes, AR, who resigned. This term expires in 1996.

A plaque was presented to Connie Cariker for his service on the Sunday School and Church Training Board.

Chairman Leroy Forlines gave the report of the Commission for Theological Integrity. A motion carried to receive the report, approve the financial statement and adopt the budget.

Leroy Forlines was elected to a five-year term on the Commission for Theological Integrity.

Chairman Bob Shockey gave the report of the Radio-Television Commission. A motion carried to receive the report and adopt the budget.

Bill Gardner, TN, was elected to a five-year term on the Radio-Television Commission.

Blaine Hughes gave the report of the Music Commission. A motion carried to receive the report and adopt the proposed budget.

Douglas Little, AR, was elected to a five-year term on the Music Commission.

Mary Wisheart gave the report of the Historical Commission. A motion carried to receive the report and adopt the budget.

Jack Williams was elected to a five-year term on the Historical Commission.

The clerk read item #2 of the General Board report. A motion carried to lay the item on the table until Thursday morning.

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

Item #4 of the General Board report was read. A motion carried to adopt item #4.

Item #5 of the General Board report was read. A motion carried to lay item

#5 on the table until Thursday morning.

Those elected to the General Board for two-year terms were Earl Jenkins, New Mexico; Tom Lilly, North Carolina; Jim Nason, Northeast Association; Terry Stafford, Northwest Association; Delmar Sparks, Ohio; Jack Richey, Oklahoma; Joe Cagle, South Carolina; Charles Thigpen, Tennessee; Thurmon Murphy, Texas; Jeff Crabtree, Virginia; Carl Vallance, West Virginia.

Nathan Ruble, Missouri, and Billy Barlow, Kansas, were elected to one-year terms on the General Board replacing Dale Skiles and Nick Hollis.

Vergel Maness was elected for a two-year term to the General Board representing the New Jersey District Association.

Tom Lilly, NC; Thurmon Murphy, TX; Jim Nason, NE Association, were elected to two-year terms on the Executive Committee.

A motion carried to recess until Thursday morning at 9:00 a.m.

### Wednesday Night Service—July 22, 1992

*Sounds of Joy*, the ladies' trio from California Christian College, provided pre-service music for the Wednesday evening service.

David Bates led the congregation in singing, "Here Am I, Send Me," to open the service at 7:00 p.m. Melvin Worthington presided.

*Sounds of Joy* sang, "Hallelujah to the Lamb." Melvin Worthington gave a word of welcome to the congregation and led in prayer.

The congregation sang, "We've a Story to Tell." The ensemble from Free Will Baptist Bible College presented special music.

Richard Adams, director of development for the Home Missions Department, introduced the home missionaries who were present for the service, along with the Helping Hands workers who were present.

Director Eugene Waddell introduced the foreign missionaries who were present for the service.

*Rejoice*, an ensemble from Free Will Baptist Bible College, presented special music.

Samuel and Jeanne Appia, converts from Côte d'Ivoire, present for the service, brought greetings and expressed gratitude to Free Will Baptists for sending missionaries to their country. Jimmy Aldridge served as interpreter.

The special missionary offering was received. It was later announced that the offering totaled \$30,400 plus \$8,000 which was designated to Home Missions, combined total of \$38,400.

The congregation sang, "A Call for Reapers."

Ronald Creech, director of development at Free Will Baptist Bible College, was introduced as speaker. Preceding the message, Bill Gardner, with backup help from family members, sang, "Look to the Blood." Speaker Creech read Mark 16:15 and brought the message on "The Great Commission."

"Wherever He Leads, I'll Go," was sung as an invitation hymn of dedication, to which several people responded by coming forward for prayer.

After announcements were made, "I Have Decided to Follow Jesus," was sung as the benediction.



## Thursday Morning—July 23, 1992

The moderator called the meeting to order at 9:00 a.m. Assistant Clerk Keith Burden read Matthew 5:13-16 and led in prayer.

Jim Lauthern gave the National Youth Conference report. A motion carried to receive the report as information and give a rising vote of thanks to Mr. Lauthern and all those who worked in this year's National Youth Conference.

Executive Secretary Mary Ruth Wisheart gave the report of the Woman's National Auxiliary Convention. A motion carried to receive the WNAC report as information.

The clerk read the report of the Registration Committee, reporting a total registration of 6,119 at the 1992 convention.

Melvin Worthington gave the report of the Budget Committee. A motion was made and seconded to receive the report and adopt the recommendations. A motion was made and seconded to amend item #2 of the report by changing the percentages from the Cooperative Plan as follows: Free Will Baptist Bible College 20%, Foreign Missions Department 20%, Master's Men 20%, and leave the other percentages the same. The previous question was moved and carried. The motion to amend was defeated. The motion to approve the report as given was adopted.

The clerk read the report of the Obituary Committee. A motion carried to receive the report and adopt the recommendations.

The clerk read the names of the deceased ministers, deacons and lay members as they were listed. A motion carried to stand for a moment of silence in honor of these deceased. The moderator led in prayer.

A motion carried to take item #2 of the General Board report from the table. A motion carried to adopt item #2.

A motion carried to take item #5 of the General Board report from the table. A motion carried to adopt point "A" of item #5. A motion carried to adopt point "B" of item #5. A motion was made and seconded to adopt point "C" of item #5. A motion was made and seconded to postpone point "C" indefinitely. The motion to postpone was defeated. The motion to adopt point "C" of item #5 was adopted.

A motion carried to take from the table the report of the Budget Committee on Denominational Support and consider the recommendations. A motion was made and seconded to adopt item #1 of the report. The previous question was moved and carried. The motion to adopt item #1 carried.

A motion carried to adopt item #2 of the Budget Committee report on Denominational Support. A motion carried to adopt item #3.

The clerk read item #1 of the Resolutions Committee report. A motion carried to adopt the item.

Item #2 of the Resolutions Committee report was read. A motion was made and seconded to adopt item #2. A motion was made and seconded to amend the item to read "unborn babies or any part thereof." The motion to amend carried. A motion carried to adopt the item as amended.

The clerk read item #3 of the Resolutions Committee report. A motion carried to adopt the item.

Item #4 was read. A motion carried to adopt the item.

The clerk read item #5 of the Resolutions Committee report. A motion was made and seconded to adopt item #5. A motion carried to amend item #5 by substituting after the word "businesses," the words, "who market or promote this poison, of their boycott." The item was adopted as amended.

The clerk read item #6 of the Resolutions Committee report. A motion carried to adopt the item.

Item #7 was read. A motion carried to adopt item #7.

A motion was made and seconded that the Executive Secretary be requested to present the information on the salaries and benefits of the department directors to the All-Boards meeting in December, and let that body deal with whether or not to publish this information. The motion was adopted.

The final report of the nomination was read.

Ralph Hampton was elected moderator.

Carl Cheshier was elected assistant moderator.

Waldo Young was elected clerk.

Keith Burden was elected assistant clerk.

A motion carried to elect these men by acclamation.

A motion carried to adjourn. The time was 11:45 a.m.



## 1992 The Executive Secretary's Report

We give thanks to the Lord for His bountiful blessings on the National Association of Free Will Baptists, Inc. during 1991. Significant events include: relocating the National Offices; one of the best conventions ever in Charleston, West Virginia; the first Stewardship Summit; a Capital Stewardship Campaign to liquidate indebtedness on the new National Offices building; received over \$7.8 million for national ministries, an increase of \$914,000 over 1990. We rejoice in God's faithfulness.

The Executive Office serves in an administrative role carrying out denominational mandates through coordination, publishing *Contact*, promoting cooperative contributions through the Cooperative Channel, planning the annual national convention and the biennial Leadership and All-Boards Conferences. Its ministry remains vital in promoting unity and understanding among denominational constituents.

The Executive Secretary attended 22 state associations during 1991. Reports at these meetings indicate progress and renewed interest in the total denominational work. Concern about funding local, district, state and national ministries surfaced at every state meeting. Another concern voiced was the need for additional workers, pastors, teachers and missionaries.

The Executive Secretary represented the National Association of Free Will Baptists at the Religious Conference Management Association, U.S. Church Leaders Conference, Christian Stewardship Association, American Family Association, Citizens for Responsible Television, Association of Statisticians of American Religious Bodies, Christian Management Association, and Religious Alliance Against Pornography. These organizations provide a forum for exchange of information and ideas.

**Contributions** to national agencies totaled \$7.8 million in 1991. Comparative figures since 1980 are:

1980	\$3,520,691.10	1986	\$5,826,768.00
1981	\$4,506,067.27	1987	\$5,797,896.42
1982	\$4,233,825.98	1988	\$6,428,621.22
1983	\$4,627,217.56	1989	\$6,489,782.33
1984	\$5,055,269.03	1990	\$6,933,944.49
1985	\$5,634,007.92	1991	\$7,848,694.01

Cooperative Channel Contributions totaled \$1.4 million. Of this amount \$329,000 was undesignated and \$1.2 million designated.

## Charting Contributions Through the Cooperative Channel

DESIGNATED	CO-OP	TOTAL
1979 \$134,692.98 56%	\$105,071.32 44%	\$ 239,764.30
1980 189,065.28 (+40.37%) 60%	123,740.30 (+17.77%) 40%	312,805.58 (+30.46%)
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%) 32%	1,149,458.67 (+22.51%)
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%) 24%	1,329,171.70 (+4.80%)



1990  
1,035,463.36 (+2.55%)  
76%  
330,567.40 (+3.4%)  
24%  
1,366,030.76 (+2.77%)

1991  
1,129,064.33  
77%  
329,050.08 (-0.46%)  
23%  
1,458,114.41 (+6.74%)

Cooperative Channel Contributions Increase from 1979-1990  
Designated 668.76% CO-OP 214.61%

### Executive Office

	DESIGNATED	CO-OP	TOTAL
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
1990	75,721.44	166,278.57	242,000.01
1991	68,011.64	191,443.70	259,455.34

### Foreign Missions

	DESIGNATED	CO-OP	TOTAL
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	23,352.50	583,782.76
1987	592,450.15	29,944.15	615,802.65
1988	661,447.78	27,407.66	691,391.93
1989	701,975.57	37,786.32	729,383.23
1990	691,133.71	31,649.40	728,920.03
1991	712,661.39		744,310.79

### Free Will Baptist Bible College

	DESIGNATED	CO-OP	TOTAL
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
1990	48,084.25	37,786.32	85,870.57
1991	61,558.53	31,649.40	93,207.93

### Home Missions

	DESIGNATED	CO-OP	TOTAL
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
1990	179,583.94	29,571.90	209,155.84
1991	216,177.42	24,769.01	240,946.43

### Retirement & Insurance

	DESIGNATED	CO-OP	TOTAL
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
1990	5,368.00	23,000.39	28,368.39
1991	6,458.01	19,264.88	25,722.89

#### Master's Men

	DESIGNATED	CO-OP	TOTAL
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
1990	5,424.23	23,000.39	28,424.62
1991	7,316.70	19,264.88	26,581.58

#### Free Will Baptist Foundation

	DESIGNATED	CO-OP	TOTAL
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
1990	9,592.75	9,857.36	19,450.11
1991	9,256.60	8,256.35	17,512.95

#### Historical Commission

	DESIGNATED	CO-OP	TOTAL
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
1990	413.59	821.42	1,235.01
1991	493.53	688.09	1,181.62

#### Commission for Theological Integrity

	DESIGNATED	CO-OP	TOTAL
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
1990	446.56	821.42	1,267.98
1991	542.41	688.09	1,230.50

#### Radio & TV Commission

	DESIGNATED	CO-OP	TOTAL
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
1990	488.94	821.42	1,310.36
1991	640.71	688.09	1,328.80



### Music Commission

	DESIGNATED	CO-OP	TOTAL
1990	\$ 197.63	\$ 821.42	\$ 1,019.05
1991	221.71	688.09	909.80

Total giving to national ministries exceeded 1990 by \$914,000. Per capita giving rose to \$39.80, our goal was \$40.77. September 27 has been designated National Ministries Sunday. Based on 1992 gift income budgets of national agencies, each Free Will Baptist needs to give \$43.18.

The **Capital Stewardship Campaign**, "A Million More by 94," launched January 1, 1992, seeks to liquidate indebtedness on the new national office facility. The unique three-year campaign was designed, developed and directed by state leaders. It uses our organizational structure and gives each state association flexibility to determine how to reach its goal. The cost of the new office building totaled \$1.47 million. Purchase price was \$800,000 and build-out \$670,000. We moved in the building August 20-21, 1991.

The Executive Office and Foreign Missions Department finalized plans for the **Convocation** of Free Will Baptists in Panama August 24-27, 1992. Representatives from fields where we have work will convene to explore possibilities of organizing an international fellowship of Free Will Baptists.

**Contact** continues to provide information for the Free Will Baptist family. Subscription rates are: Individual—\$12; Bundle Plan—\$12; Church Family Plan—\$12.

The biennial **All-Boards Conference** meets December 7-8 in Nashville. The 1991 Leadership Conference focused on denominational stewardship. The "Stewardship Summit" was a rewarding educational experience.

Speakers for the July 19-23, 1992 national convention in Indianapolis, Indiana include: Richard Bowers, Archie Ratliff, Randy Sawyer, James Forlines, Ronald Creech, Rick Bowling and David Archer. The theme will be "Witnessing to the World." State associations interested in hosting future national conventions are encouraged to contact the Executive Office.

Sales of *Rejoice, The Free Will Baptist Hymn Book* have exceeded 84,000. We do not plan to go back to press until all the hymn books have been sold.

Reporting Forms 501, 502, 503 and 504 can be obtained from the Executive Office. Each church and association should use these forms.

The Double in a Decade Campaign launched January 1, 1991, with a two-fold goal: to plant 250 new churches and double denominational membership by 2000 A.D. Statistical data for 1991 indicates: 8,703 baptisms; 12,931 members added; 7,240 members lost with a net membership gain of 5,691. Let's reach out and win them, record them and re-

port them. It all starts with the local church . . . Your local church. Comparative statistics from 1987 are:

	1987	1988	1989	1990	1991	Total
Baptisms	8,407	7,910	8,678	7,946	8,703	41,644
Members Added	12,132	12,436	12,726	12,537	12,931	62,762
Members Lost	6,581	6,454	7,511	6,583	7,240	34,369

We commend the Executive Office staff: executive assistant and *Contact* editor, Jack Williams; bookkeeper, Melody Hood; editorial assistant, Marilyn Pritchard; *Contact* circulation manager and receptionist, Dari Goodfellow; part-time worker Anne Worthington (church directory/secretary) and maintenance superintendent, Wade Trimble.

Melvin Worthington, Th.D., CMP  
Executive Secretary



**EXECUTIVE OFFICE OF THE  
NATIONAL ASSOCIATION OF  
FREE WILL BAPTISTS, INC.**

**Financial Statements**

**December 31, 1991**

**(With Independent Auditors' Report Thereon)**

**EXECUTIVE OFFICE OF THE  
NATIONAL ASSOCIATION OF FREE WILL BAPTISTS, INC.**

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

**Independent Auditors' Report**

**Executive Committee of the  
General Board of the National  
Association of Free Will Baptists, Inc.:**

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

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 Executive Office of the National Association of Free Will Baptists, Inc. as of December, 31 1991 and the related statements of activity and changes in fund balances and cash flows for the year then ended. These financial statements are the responsibility of the Executive Office'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 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 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 the Executive Office of the National Association of Free Will Baptists, Inc. as of December 31, 1991, and the results of its activity 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.*

June 5, 1992



**EXECUTIVE OFFICE OF THE  
NATIONAL ASSOCIATION OF FREE WILL BAPTISTS, INC.**

Balance Sheets  
December 31, 1991

	Operating Funds					Total
	Executive Office	Contact Magazine	Special Projects	Convention Fund	Operating Funds	All Funds
<b>Assets</b>						
Current assets:						
Cash and interest bearing deposits	\$ 19,154	1,217	29,172	31,173	80,716	80,716
Receivables:						
Due from affiliated organization (note 7)	-	-	34,405	-	34,405	34,405
Notes receivable (note 4)	-	-	-	7,804	7,804	7,804
Master's Men	1,946	-	46	958	2,950	2,950
Other	807	661	20	39	1,527	1,527
Due from other funds (note 3)	48,000	-	-	-	-	-
Total receivables	50,753	661	34,471	8,801	46,686	46,686
Inventory, at lower of cost (first-in, first-out method) or market (note 7)	-	-	264,003	-	264,003	264,003
Prepaid expenses (note 9)	11,275	-	-	-	11,275	11,275
Total current assets	81,182	1,878	327,646	39,974	402,680	402,680
Office equipment, furniture and automobiles, net of accumulated depreciation (note 2)	-	-	-	-	-	-
	-	-	-	-	27,786	27,786
	\$ 81,182	1,878	327,646	39,974	402,680	430,466
<b>Liabilities and Fund Balances</b>						
Current liabilities:						
Accounts payable and accrued expenses	\$ 1,431	-	149	38	1,618	1,618
Notes payable (note 6)	-	-	126,958	-	126,958	126,958
Due to other funds (note 3)	-	48,000	-	-	-	-
Total current liabilities	1,431	48,000	127,107	38	128,576	128,576
Fund balances	79,751	(46,122)	200,539	39,936	274,104	301,890
	\$ 81,182	1,878	327,646	39,974	402,680	430,466

See accompanying notes to financial statements.

**EXECUTIVE OFFICE OF THE  
NATIONAL ASSOCIATION OF FREE WILL BAPTISTS, INC.**

Statements of Activity and Changes in Fund Balances

Year ended December 31, 1991

	Operating Funds					Total
	Executive Office	Contact Magazine	Special Projects	Convention Fund	Operating Funds	All Funds
<b>Revenues:</b>						
Cooperative plan receipts (note 5)	\$ 1,458,115	-	-	-	1,458,115	1,458,115
Disbursed to departments and agencies (note 5)	(1,198,660)	-	-	-	(1,198,660)	(1,198,660)
Executive Office Cooperative plan receipts	259,455	-	-	-	259,455	259,455
Subscriptions to Contact Magazine	-	55,662	-	-	55,662	55,662
Sales of hymnals (note 7)	-	-	89,328	-	89,328	89,328
Gifts and offerings	-	-	-	7,054	7,054	27,394
Interest income	129	-	-	3,282	3,411	3,411
Convention fees	-	-	-	56,040	56,040	56,040
Other income	8,021	-	2,090	423	10,534	10,534
	267,605	55,662	91,418	66,799	481,484	501,824
<b>Expenses and cost of sales:</b>						
Salaries	118,029	-	2,126	887	121,042	121,042
Housing allowance	25,000	-	-	-	25,000	25,000
Employee fringe benefits	29,285	-	-	-	29,285	29,285
Payroll taxes	4,976	-	162	68	5,206	5,206
Travel	15,079	339	-	8,729	24,147	24,147
Executive committee expenses	5,014	-	-	-	5,014	5,014
Occupancy costs	32,350	-	-	-	32,350	32,350
Depreciation	-	-	-	-	-	11,845
Legal & audit	6,284	-	-	330	6,614	6,614
Insurance - general	2,719	-	-	350	3,069	3,069
Equipment maintenance and renewals	8,089	3,088	-	-	11,177	11,177
Supplies and office expense	4,492	1,490	-	6,214	12,196	12,196
Total of expenses and cost of sales	251,317	4,917	2,288	16,578	275,100	286,945
carried forward to page 4						



**EXECUTIVE OFFICE OF THE  
NATIONAL ASSOCIATION OF FREE WILL BAPTISTS, INC.**

Statements of Activity and Changes in Fund Balances, Continued  
Year ended December 31, 1991

	Operating Funds					Total
	Executive Office	Contact Magazine	Special Projects	Convention Fund	Operating Funds	Equipment Funds
Expenses and cost of sales: (continued)						
Total of expenses and cost of sales carried forward from page 3	251,317	4,917	2,288	16,578	275,100	11,845
Printing and promotion	2,900	44,966	-	18,561	66,427	-
Postage / mail services	2,177	13,622	28	463	16,290	-
Dues and subscriptions	1,878	515	-	430	2,823	-
Telephone	2,322	109	-	464	2,895	-
Writer's fees	-	3,225	-	-	3,225	-
Interest expense	-	-	19,937	-	19,937	-
Cost of hymnals sold	-	-	37,266	-	37,266	-
Auditorium	-	-	-	19,070	19,070	-
Meal functions	-	-	-	2,108	2,108	-
Music	-	-	-	653	653	-
Other	1,940	80	444	2,266	4,730	-
Excess of revenues over (under) expenses	262,534	67,434	59,963	60,593	450,524	11,845
Other changes in fund balances:	5,071	(11,772)	31,455	6,206	30,960	8,495
Acquisition of furniture and equipment	(2,998)	-	-	-	(2,998)	2,998
Abandonment of furniture and equipment	-	-	-	-	-	(8,320)
Fund balance, beginning of year	77,678	(34,350)	169,084	33,730	246,142	24,613
Fund balance, end of year	\$ 79,751	\$ (46,122)	\$ 200,539	\$ 39,936	\$ 274,104	\$ 27,786
					301,890	

See accompanying notes to financial statements.

**EXECUTIVE OFFICE OF THE  
NATIONAL ASSOCIATION OF FREE WILL BAPTISTS, INC.**

Statement of Cash Flows  
Year ended December 31, 1991

	Operating Funds					Total
	Executive Office	Contact Magazine	Special Projects	Convention Fund	Operating Funds	Equipment Funds
Cash Flows from Operating Activities						
Excess of revenues over (under) expenses	\$ 5,071	(11,772)	31,455	6,206	30,960	8,495
Adjustments to reconcile net earnings to net cash provided (used) by operating activities						
Depreciation and amortization	(16,998)	14,000	-	-	(2,998)	11,845
Inter- fund transfers and due to / from accounts	(1,259)	(312)	40,614	(3,168)	35,875	-
(Increase) decrease in:						
Receivables	-	-	37,267	-	37,267	-
Inventories	(10,202)	-	-	-	(10,202)	-
Prepaid expenses	(504)	(853)	108	35	(1,214)	-
Increase (decrease) in:						
Accounts payable and accrued expense	(23,892)	1,063	109,444	3,073	89,688	23,338
Net cash provided (used) by operating activities	-	-	-	-	-	-
Cash Flows from Investing Activities						
Purchase of equipment	-	-	-	-	-	(23,338)
Net cash provided (used) by investing activities	-	-	-	-	-	(23,338)
Cash Flows from Financing Activities						
Repayments of debt	-	-	(100,063)	-	(100,063)	-
Net cash used by financing activities	(23,892)	1,063	9,381	3,073	(10,375)	-
Net increase (decrease) in cash	43,046	154	19,791	28,100	91,091	-
Cash at beginning of year	19,154	1,217	29,172	31,173	80,716	-
Cash at end of year	\$ 62,200	\$ 1,371	\$ 48,963	\$ 59,273	\$ 171,807	\$ 80,716
Supplemental disclosures:						
Interest paid	\$ -	\$ -	\$ 35,393	\$ -	\$ 35,393	\$ -
Value of Executive Office furnishings contributed	\$ -	\$ -	\$ 20,340	\$ -	\$ 20,340	\$ -

See accompanying notes to financial statements.



**EXECUTIVE OFFICE OF THE  
NATIONAL ASSOCIATION OF FREE WILL BAPTISTS, INC.**

**Notes to Financial Statements**

December 31, 1991

The Executive Office operates under the auspices of the National Association of Free Will Baptists, Inc. and is governed by the Executive Committee of the General Board of the National Association of Free Will Baptists, Inc.

**(1) Summary of Significant Accounting Policies**

**Office Equipment, Furniture and Automobiles**

Office equipment, furniture and automobiles are stated at cost. Depreciation is provided over the useful life of the asset 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 Executive Office 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 Executive Office considers all cash funds, cash bank accounts and highly liquid debt instruments purchased with a maturity of three months or less to be cash and cash equivalents.

**(2) Office Equipment, Furniture and Automobiles**

Depreciation and amortization charged to operations computed on the straight-line method was \$11,845.

Components of office equipment, furniture and automobiles are as follows:

Office equipment	\$ 37,240
Furniture	20,340
Automobiles	15,985
	73,565
Less accumulated depreciation	45,779
	<u>\$ 27,786</u>

**(3) Due To / From Other Funds**

The Executive Office continues to advance funds to cover deficits from the publication of Contact Magazine. An additional \$14,000 was advanced during 1991. Total advances through December 31, 1991 amount to \$48,000. These inter-fund balances have been eliminated from the totals of the balance sheet.

**(4) Notes Receivable**

The Convention Fund has a 11.5% note receivable from the Building Services Fund of the National Association of Free Will Baptists, Inc. in the amount of \$7,804. This note is unsecured.

**EXECUTIVE OFFICE OF THE  
NATIONAL ASSOCIATION OF FREE WILL BAPTISTS, INC.**

**Notes to Financial Statements, continued**

**(5) Cooperative Plan**

The Executive Office is responsible for receiving and disbursing funds of the Cooperative Plan. Designated contributions are disbursed to the named Department or agency, and undesignated funds are disbursed based on the proportionate sharing arrangement. The following summarizes these transactions for the year ended December 31, 1991.

	COOP		Total
	Designated	Undesignated	
Receipts:			
Alabama	\$ 3,161	699	3,860
Arizona	1,080	212	1,292
Arkansas	2,534	68,145	70,679
California	-	11,973	11,973
Florida	620	17,894	18,514
Georgia	97,738	12,272	110,010
Idaho	265	-	265
Illinois	90,172	20,686	110,858
Indiana	6,461	878	7,339
Kansas	-	638	638
Kentucky	759	2,464	3,223
Louisiana	120	-	120
Maryland	-	4,691	4,691
Michigan	51,850	11,921	63,771
Mississippi	783	5,072	5,855
Missouri	103,758	-	103,758
Montana	50	-	50
New Mexico	2,295	101	2,396
North Carolina	11,988	10,154	22,142
Ohio	4,417	28,178	32,595
Oklahoma	392,036	101,459	493,495
South Carolina	149,359	1,369	150,728
Tennessee	58,003	17,892	75,895
Texas	104,501	10,184	114,685
Virginia	3,124	657	3,781
West Virginia	43,994	1,180	45,174
Canada	-	87	87
Northwest Association	-	241	241
Total receipts	\$ 1,129,068	329,047	1,458,115
Disbursements:			
Executive Office	\$ 68,011	191,444	259,455
Foreign Missions	712,661	31,650	744,311
Free Will Baptist Bible College	61,558	31,650	93,208
Home Missions	216,179	24,767	240,946
Retirement & Insurance	6,459	19,264	25,723
Master's Men	7,318	19,264	26,582
Commission for Theological Integrity	543	688	1,231
Foundation	9,257	8,256	17,513
Historical Commission	494	688	1,182
Music Commission	222	688	910
Radio & Television Commission	641	688	1,329
Hillsdale Free Will Baptist College	16,204	-	16,204
Other	29,521	-	29,521
	\$ 1,129,068	329,047	1,458,115



**EXECUTIVE OFFICE OF THE  
NATIONAL ASSOCIATION OF FREE WILL BAPTISTS, INC.**

**Notes to Financial Statements, continued**

**(6) Notes Payable (see note 7)**

11.5% note payable amounting to \$126,958 to the Board of Retirement and Insurance of the National Association of Free Will Baptists, Inc. secured by hymnals carried in inventory at \$264,003.

**(7) Agreement With Affiliated Organization to Distribute Hymnals (see note 6)**

The Executive Office has an agreement with Sunday School and Church Training and Randall House Publications ("Randall House"), whereby Randall House warehouses and distributes hymnals. Further, Randall House 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, 1991 Randall House was warehousing approximately 20,000 hymnals with an inventory value of \$229,848 and owed the Executive Office \$34,405 for hymnal sales.

**(8) Pension**

The Executive Office participates in the master pension plan of the Board of Retirement and Insurance of the National Association of Free Will Baptists, Inc. The plan is contributory and is matched up to a maximum of 5% of compensation. Employees may participate at date of employment. Pension expenses amounted to \$4,812. 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.

**(9) Capitalized Lease Payments**

The National Association of Free Will Baptists, Inc. has purchased an office building to house various departments and agencies of the denomination. The Executive Office entered into an agreement to lease space in this new building and further agreed to contribute to the debt service costs during the construction period and to continue until the debt has been retired. Through the construction period costs amounting to \$10,960 were capitalized. These costs will be amortized against operations over a five year period. During 1991, \$1,096 was charged against operations leaving a resultant balance of \$9,864 which is included on the balance sheet in prepaid expenses.

**BUILDING SERVICES FUND OF THE  
NATIONAL ASSOCIATION OF  
FREE WILL BAPTISTS, INC.**

**Financial Statements**

December 31, 1991

(With Independent Auditors' Report Thereon)

**BUILDING SERVICES FUND OF THE  
NATIONAL ASSOCIATION OF FREE WILL BAPTISTS, INC.**

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

### Independent Auditors' Report

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

Executive Committee of the  
General Board of the National  
Association of Free Will Baptists, 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 sheet of Building Services Fund of the National Association of Free Will Baptists, Inc. as of December 31, 1991, and the related statements of activity and changes in fund balances and cash flows for the year 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 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 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 the Building Services Fund of the National Association of Free Will Baptists, Inc. and the results of its activity 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.*

June 5, 1992

## BUILDING SERVICES FUND OF THE NATIONAL ASSOCIATION OF FREE WILL BAPTISTS, INC.

### Balance Sheet

December 31, 1991

#### Assets

Cash and interest bearing deposits	\$ 25,549
Accounts receivable - Master's Men (rent and interest)	21,756
Prepaid insurance	7,394
Property held for sale (note 4)	135,485
	<u>190,184</u>

Property, plant and equipment and capitalized leases (notes 2 and 3):

Land and land improvements	199,003
Building	1,297,509
Building services equipment	35,251
Departmental workstations	64,054
Departmental van	5,092
	<u>1,600,909</u>

Less accumulated depreciation and amortization

39,256

Net property, plant and equipment and capitalized leases  
\$ 1,561,653

#### Liabilities and Fund Balances

Notes payable, long-term debt and capitalized lease obligations (note 3)	\$ 1,551,232
Accounts payable accrued expenses	17,773
Deferred revenues	24,094
	<u>1,593,099</u>

Total liabilities

Fund balances	144,740
Plant funds	13,998
Capital Stewardship campaign funds	
	<u>158,738</u>
Total fund balances	<u>\$ 1,751,837</u>

See accompanying notes to financial statements.



**BUILDING SERVICES FUND OF THE  
NATIONAL ASSOCIATION OF FREE WILL BAPTISTS, INC.**

**Statement of Activity and Changes in Fund Balances**

Year ended December 31, 1991

	Plant Funds	Capital Stewardship Campaign Funds	Departmental Services	Totals
<b>Revenues:</b>				
Building rental and other revenues	\$ 188,774	0	0	188,774
Contributions	0	22,541	0	22,541
Department services:				
Employee benefits	0	0	151,766	151,766
General insurance	0	0	16,332	16,332
Telephone	0	0	24,549	24,549
Mailroom and other	0	0	56,129	56,129
Costs and expense incurred for other departments	0	0	(244,914)	(244,914)
Net revenues	188,774	22,541	3,862	215,177
<b>Expenses:</b>				
Salaries	36,229	0	0	36,229
Payroll taxes	2,772	0	0	2,772
Employee benefits	5,469	0	0	5,469
Janitorial services	15,016	0	0	15,016
Depreciation	40,496	0	1,678	42,174
Audit and legal	951	0	0	951
General insurance	9,892	0	0	9,892
Interest expense	9,494	0	828	10,322
Supplies	2,200	0	0	2,200
Utilities	17,145	0	0	17,145
Repairs and maintenance	4,988	0	0	4,988
Mailroom and other	8,399	0	0	8,399
Campaign expenses	0	8,543	0	8,543
Total expenses	153,051	8,543	2,506	164,100
Excess of revenues over expenses	35,723	13,998	1,356	51,077
Transfers among funds	1,356	0	(1,356)	0
Fund balances at beginning of year	107,661	0	0	107,661
Fund balances at end of year	\$ 144,740	13,998	0	158,738

See accompanying notes to financial statements.

**BUILDING SERVICES FUND OF THE  
NATIONAL ASSOCIATION OF FREE WILL BAPTISTS, INC.**

**Statement of Cash Flows**

Year ended December 31, 1991

	Plant Funds	Capital Stewardship Campaign Funds	Departmental Services	Totals
<b>Cash Flows from Operating Activities</b>				
Excess of revenues over expenses	\$ 35,723	13,998	1,356	51,077
Adjustments to reconcile excess of revenues over expenses to net cash provided (used) by operating activities				
Depreciation and amortization	40,496	0	1,678	42,174
(Increase) decrease in:				
Receivables	(18,678)	0	0	(18,678)
Prepaid insurance	(4,592)	0	0	(4,592)
Increase (decrease) in:				
Accounts payable and accrued expenses	(22,210)	0	0	(22,210)
Deferred revenues	24,094	0	0	24,094
Net cash provided by operating activities	54,833	13,998	3,034	71,865
<b>Cash Flows from Investing Activities</b>				
Renovation and equipping new building	(748,478)	0	0	(748,478)
Net cash used by investing activities	(748,478)	0	0	(748,478)
<b>Cash Flows from Financing Activities</b>				
Proceeds from acquisition of debt	789,731	0	0	789,731
Repayments of debt	(116,965)	0	(1,548)	(118,513)
Net cash provided (used) by financing activities	672,766	0	(1,548)	671,218
Net increase (decrease) in cash	(20,879)	13,998	1,486	(5,395)
Transfers among funds	15,484	(13,998)	(1,486)	0
Cash at beginning of year	30,944	0	0	30,944
Cash at end of year	\$ 25,549	-	0	25,549
<b>Supplemental disclosures:</b>				
Interest, including finance charges paid				\$ 121,683
Non-cash investing and financing transactions:				
Acquisition of telephone equipment				\$ 16,783
Capitalized lease obligation incurred				\$ 16,783

See accompanying notes to financial statements.



# **BUILDING SERVICES FUND OF THE NATIONAL ASSOCIATION OF FREE WILL BAPTISTS, INC.**

Notes to Financial Statements

Year ended December 31, 1991

The Fund operates under the auspices of the National Association of Free Will Baptists and is governed by a management committee which is chaired by the Executive Secretary of the National Association of Free Will Baptists, Inc. The management committee is composed of the directors of the Departments which occupy the National Offices Facilities.

## **(1) Summary of Significant Accounting Policies**

### **Property, Plant and Equipment**

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

### **Income Taxes**

The Fund 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 Fund considers all cash funds, cash bank accounts and highly liquid debt instruments purchased with a maturity of three months or less 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 \$42,174. Components of capitalized leases are as follows:

Telephone equipment	
Less accumulated amortization	\$ 16,783
	1,678
	\$ 15,105

The National Office Facility construction and renovation was completed during the year. The following summarizes the capitalized expenditures relating to this project.

Land and Improvements		\$ 199,003
Building		
Purchase price	\$ 614,934	
Structural	418,041	
Interior finish	89,616	
Cabinets, woodworking and supervision	69,105	
Architects, engineers, legal, etc.	44,082	
Insurance, taxes, permits, etc.	25,111	
Utilities and miscellaneous	36,620	1,297,509
Departmental workstations		64,054
Building services equipment		27,516
		\$ 1,588,082

# **BUILDING SERVICES FUND OF THE NATIONAL ASSOCIATION OF FREE WILL BAPTISTS, INC.**

Notes to Financial Statements, continued

## **(3) Notes Payable, Long-term Debt and Capitalized Lease Obligations**

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

Notes payable:	
11.5% note to the Free Will Baptists Home Missions Church Extension Loan Fund. Secured by the furniture held by the various departments within the National Office Facility.	\$ 155,000
11.5% unsecured note to the Convention Fund of the Executive Office of the National Association of Free Will Baptists, Inc.	7,804
Total notes payable	162,804

### **Long-term debt:**

Mortgage note to bank at prime interest rate, secured by a first interest in the National Office Facility (see note 2). Beginning May 1992, repayment terms require monthly principal payments of \$4,938 plus interest at the Bank's prime rate. Such installment payments continue through April 1997 at which time the balance outstanding is due and payable. Further, additional principal payments in the amount \$100,000 are due in October 1991, 1992 and 1993.	700,000
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Obligations to the Board of Retirement of the National Association of Free Will Baptists, Inc.

11.5% mortgage note, secured by a second interest in the National Office Facility (see note 2) and a second interest in the property held for sale (see note 4) which previously housed the departments of the National Association of Free Will Baptists, Inc. This mortgage requires payment of interest only until the first mortgage held by bank on the National Office Facility is satisfied (see description above). At such time principal repayment will be amortized over a fifteen (15) year period.	650,000
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10.75% to 11.5% installment notes secured by equipment and renewals, payable monthly \$1,368 maturing through 1993.	23,194
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Total long-term debt	1,373,194
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Capital lease obligations: 15.8% obligation for telephone system under capital leases payable monthly \$396 through 1996 - see note 2.

15,234
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1,551,232
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201,791
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\$ 1,349,441
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Less current maturities of long-term debt and capital lease obligations

The following is a schedule, by years, of maturities of long term debt and future minimum lease payments under capital leases as of December 31, 1991.

	Long-Term Debt	Capital Leases
1992	\$ 199,269	4,753
1993	167,747	4,753
1994	59,256	4,753
1995	59,256	4,753
1996	59,256	2,376
1997	228,410	-
1998 and thereafter	600,000	-
Total maturities of long-term debt	\$ 1,373,194	21,388
Less amount representing interest		6,154
Present value of net minimum lease payments		\$ 15,234



**BUILDING SERVICES FUND OF THE  
NATIONAL ASSOCIATION OF FREE WILL BAPTISTS, INC.**  
Notes to Financial Statements, continued

**(4) Property Held for Sale**

The Executive Committee authorized the Management Committee (see note 1) to dispose of the property which previously housed the departments of the National Association of Free Will Baptists, Inc. On May 21, 1992, a contract to sell the property was executed and a deed of trust note was received.

The terms of the contract are as follows:

Purchase price, excluding interest.	\$ 725,000
Interest rate over term.	6.30%
Monthly payment of principal and interest for sixty (60) months beginning August 15, 1992.	\$ 8,400
On August 15, 1997 the unpaid balance shall be due and payable.	\$ 403,160

**(5) Pension**

The Fund participates in the master pension plan of the Board of Retirement and Insurance of the National Association of Free Will Baptists, Inc. The plan is contributory and is matched up to a maximum of 5% of compensation. Employees may participate at date of employment. Pension expenses amounted to \$1,214. 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.

**1993  
Executive Office Budget**

	1992	1993
Administrative	\$303,877.03	\$303,877.03
Convention	79,840.29*	85,542.60**
Contact	88,861.00	86,004.00
Total	<u>\$472,578.32</u>	<u>\$475,423.63</u>

\*1991

\*\*1992

**1993  
Administrative Budget**

	1992	1993
PROJECTED EXPENSES	\$120,314.98	\$125,127.40
Salaries	25,000.00	26,000.00
Housing	16,549.19	17,211.13
Social Security	5,132.47	6,120.97
Retirement	30,380.39	30,267.21
Employees Insurance (Dental, Hospital, Life, Travel)	40,000.00	38,860.00
Office Rental (\$1.30 per sq. ft. x 2,491)	6,000.00	5,000.00
Office Supplies/Expense	5,000.00	4,000.00
Equipment Maintenance	4,000.00	3,500.00
Telephone	3,000.00	3,000.00
Postage	4,000.00	4,000.00
General Insurance	16,000.00	15,000.00
Travel	7,000.00	6,000.00
Executive Committee	5,000.00	6,000.00
Auditing/Legal	4,500.00	5,000.00
Promotion/Printing		
Biennial All Boards/Leadership Conference	3,000.00	2,000.00
Equipment Purchase/Computer	7,000.00	4,500.00
Subscriptions/Dues/ Registrations	2,000.00	2,290.32
Total	<u>\$303,877.03</u>	<u>\$303,877.03</u>
PROJECTED INCOME	\$232,000.00	\$232,000.00
Cooperative Plan	71,877.03	71,877.03
Designated Gifts	<u>\$303,877.03</u>	<u>\$303,877.03</u>
Total		



**Convention Budget**  
National Association of Free Will Baptists, Inc.  
July 19-23, 1992  
Indianapolis, Indiana

PROJECTED EXPENDITURES	1991	1992
Auditorium	\$25,517.90	\$27,148.00
Printing and Promotion	20,614.40	22,789.00
Convention Office	5,680.00	6,232.90
Convention Personnel	8,215.20	9,955.00
Meals	2,040.00	2,295.00
Travel	2,556.40	2,116.00
Lodging	3,618.80	5,544.00
Convention Officials	5,036.63	7,264.20
Honorariums	625.00	750.00
Decorator Services	5,113.76	3,794.50
Meal Functions	1,537.40	1,609.00
Executive Committee	1,500.00	1,500.00
Meal and Motel Expenses		
Pre-Convention Expenses	6,000.00	4,500.00
Total	<u>\$79,840.29</u>	<u>\$85,542.60</u>
PROJECTED RECEIPTS		
Booth Fees	\$12,150.00	\$14,725.00
State Association Fees	25,060.00	24,710.00
Church Delegate Fees	1,000.00	1,000.00
Host State	18,000.00	10,000.00
Offerings	23,630.29	35,107.60
Total	<u>\$79,840.29</u>	<u>\$85,542.60</u>

**1993  
Contact Budget**

PROJECTED EXPENSES	1992	1993
Printing	\$56,261.00	\$36,000.00
Postage	13,000.00	14,000.00
Art	1,000.00	1,000.00
Writer's Fees and Photos	4,000.00	4,000.00
Promotion	1,000.00	4,000.00
Computer	3,000.00	7,000.00
Mail Services	6,000.00	5,000.00
Telephone	200.00	304.00
Office Supplies	600.00	2,000.00
Travel	1,500.00	2,000.00
Bound Copies	500.00	600.00
Other	100.00	500.00
Books, Dues, Registrations	1,100.00	1,200.00
Audit	600.00	1,400.00
Debt Retirement		
(To reimb. Executive Office)	.00	7,000.00
Total Expenses	<u>\$88,861.00</u>	<u>\$86,004.00</u>
PROJECTED INCOME		
Convention coverage	\$ 9,373.00	\$ 9,000.00*
Subscriptions	79,488.00	77,004.00**
Total Income	<u>\$88,861.00</u>	<u>\$86,004.00</u>

\*Three issues

\*\*Based on 6,417 subscriptions @ \$12.00 per year







1992  
Gift Goals For National Ministries

1992 Budgets	Executive Office	Foreign Missions	FWBCC	Home Missions	Retirement & Insurance	Master's Mem	Foundation	Theological Integrity	Historical Comm.	Music Comm.	Radio/TV Comm.	WNAC	Totals	%
303,877.03	4,440,006.00	411,526.01	91,205.82	222,446.19	31,024.01	10,149.11	3,568.41	250.25	217.81	148.30	1,399.56	17,122.80	817,313.19	9.27%
18,926	28,185.12	5,926.10	1,316.90	3,208.70	447.51	146.40	51.47	3.61	3.14	2.14	20.19	246.99	11,769.42	13%
20,525	30,544.71	446,234.59	99,008.91	241,229.99	33,945.14	11,006.57	3,869.88	271.39	236.21	160.83	1,517.80	18,599.45	886,965.48	10.05%
4,611	6,661.96	100,261.36	22,242.04	54,195.25	7,556.46	2,472.66	669.36	60.97	53.07	36.13	340.96	4,171.60	199,124.56	2.28%
445	662.24	9,676.06	2,146.60	5,220.29	729.46	236.63	83.90	5.88	5.12	3.49	32.91	402.60	19,217.18	2.2%
344	511.93	7,479.92	1,669.39	4,043.19	563.89	184.47	64.86	4.55	3.96	2.70	25.44	311.22	14,855.52	1.7%
5,160	7,878.96	112,196.79	24,890.91	60,647.81	8,458.41	2,787.06	972.89	68.23	59.38	40.43	381.58	4,668.37	222,832.92	2.53%
9,809	14,597.47	213,206.41	47,316.85	115,269.80	16,079.18	5,200.10	1,849.44	129.70	112.89	76.86	725.36	8,874.43	423,598.49	4.80%
20	28.76	434.88	96.48	235.07	32.73	10.73	3.77	.26	.23	.16	1.48	18.09	863.69	.01%
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	0.00	.00%
4,070	6,056.86	88,497.88	19,632.95	47,836.63	6,871.65	2,182.55	767.38	53.82	46.84	31.89	300.97	3,682.22	175,761.84	1.99%
1,727	2,570.07	37,551.80	6,330.74	20,298.24	2,830.95	926.11	325.62	22.84	19.80	13.53	127.71	1,562.46	74,579.95	.85%
70	104.17	1,522.08	337.67	622.74	144.23	97.54	13.20	.93	.81	.55	5.18	63.30	3,022.95	.03%
271	403.29	5,992.61	1,307.26	3,165.19	444.23	145.32	51.10	3.58	3.12	2.12	20.04	245.16	11,703.04	.13%
15,839	23,571.14	344,402.43	76,404.49	196,163.23	25,963.72	8,493.70	2,996.37	209.43	162.28	124.11	1,171.25	14,329.91	684,002.09	7.76%
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	0.00	.00%
1,739	2,587.93	37,812.73	8,308.62	20,439.29	2,850.62	922.54	327.88	22.99	20.01	13.63	128.60	1,573.31	75,098.15	.85%
576	857.19	12,524.52	2,778.52	6,770.00	944.19	308.86	106.60	7.82	6.63	4.51	42.59	521.12	24,874.37	.28%
4,142	6,164.00	90,063.44	19,960.26	48,682.86	6,789.66	2,221.16	780.95	54.77	47.67	32.46	306.30	3,747.36	176,870.93	2.03%
4,706	7,003.33	102,327.00	22,700.90	55,311.83	7,714.20	2,523.60	887.29	62.23	54.16	36.87	348.00	4,257.63	203,227.07	2.30%
15,857	23,597.92	344,793.83	76,491.32	186,374.79	25,992.23	8,503.35	2,989.76	209.67	162.49	124.25	1,172.61	14,346.20	684,779.42	7.77%
7	10.42	152.21	33.77	62.27	11.47	3.75	1.32	.09	.08	.05	.52	6.33	302.28	.00%
29	43.16	630.57	139.89	340.85	47.54	15.55	5.47	.38	.33	.23	2.14	26.24	1,252.35	.01%
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	0.00	.00%
18,409	27,395.74	400,284.39	88,801.71	216,369.85	30,176.53	9,871.87	3,470.93	243.42	211.86	144.25	1,361.31	16,655.06	794,986.72	9.02%
141	209.83	3,085.90	680.16	1,657.24	231.13	75.61	26.58	1.86	1.62	1.10	10.43	127.57	6,089.03	.07%
325	483.66	7,066.78	1,567.74	3,819.88	532.75	174.28	61.28	4.30	3.74	2.55	24.03	294.04	14,035.03	.16%
11,525	17,151.17	250,599.03	55,594.53	135,458.75	18,892.09	6,180.31	2,172.98	152.39	132.64	90.31	852.26	10,426.94	497,703.40	5.64%
23,826	35,457.16	518,071.37	114,932.34	280,038.20	39,056.23	12,776.74	4,492.31	315.04	274.22	166.68	1,761.91	21,555.94	1,028,918.14	11.87%
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	0.00	.00%
46	68.46	1,000.22	221.90	540.66	75.40	24.67	8.67	.61	.53	.36	3.40	41.62	1,988.50	.02%
4,638	6,902.14	100,848.44	22,372.86	54,512.60	7,602.74	2,467.14	874.47	61.33	53.36	36.34	342.96	4,196.11	200,290.55	2.27%
27	40.18	587.09	130.24	317.34	44.26	14.48	5.06	.36	.31	.21	2.00	24.43	1,165.99	.01%
16,387	24,386.65	356,318.12	79,047.94	192,604.13	26,862.02	8,767.54	3,069.69	216.66	188.59	128.40	1,211.80	14,825.70	707,667.26	8.03%
2,770	4,122.23	60,230.74	13,381.99	32,557.11	4,540.66	1,485.42	522.27	36.63	31.88	21.70	204.84	2,506.08	119,621.55	1.36%
5,868	8,732.59	127,593.50	28,306.18	68,969.37	9,618.99	3,146.73	1,106.38	77.59	67.53	45.98	433.93	5,308.92	253,407.89	2.87%
62	92.27	1,348.11	298.08	728.72	101.63	33.25	11.69	.82	.71	.49	4.58	56.09	2,677.44	.03%
11,025	16,407.05	239,727.06	53,182.62	120,582.02	18,072.46	5,912.18	2,076.71	145.78	126.68	86.39	815.29	9,974.58	476,111.04	5.40%
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	0.00	.00%
204,195	303,877.03	4,440,006.00	985,000.00	2,400,000.00	334,722.00	109,500.00	38,500.00	2,700.00	2,350.00	1,600.00	15,100.00	184,740.00	8,818,095.03	100.00%

Gift Goals  
Per Person

1992  
Gift Goals For Executive Office

States	Membership	Gift Goals
Alabama	18,926	28,165.12
Arizona	273	406.27
Arkansas	20,525	30,544.71
California	4,611	6,861.96
Canada	445	662.24
Colorado	344	511.93
Florida	5,160	7,678.96
Georgia	9,809	14,597.47
Hawaii	20	29.76
Idaho	0	.00
Illinois	4,070	6,056.86
Indiana	1,727	2,570.07
Iowa	70	104.17
Kansas	271	403.29
Kentucky	15,839	23,571.14
Louisiana	0	.00
Maryland	1,739	2,587.93
Mexico	576	857.19
Michigan	4,142	6,164.00
Mississippi	4,706	7,003.33
Missouri	15,857	23,597.92
Montana	7	10.42
Nebraska	29	43.16
New Jersey	0	.00
New Mexico	0	.00
North Carolina	18,409	27,395.74
Northeast Assoc.	141	209.83
Northwest Assoc.	325	483.66
Ohio	11,525	17,151.17
Oklahoma	23,826	35,457.16
Pennsylvania	0	.00
Puerto Rico	46	68.46
South Carolina	4,638	6,902.14
South Dakota	27	40.18
Tennessee	16,387	24,386.65
Texas	2,770	4,122.23
Virginia	5,868	8,732.59
Virgin Islands	62	92.27
West Virginia	11,025	16,407.05
Wyoming	0	.00
Totals	204,195	303,877.03
Gift Goals Per Person		1.49



## Home Missions Board Report

The Lord blessed the Home Missions Department during 1991. Seventy-six (76) families of missionaries, associate missionaries, and tent-makers, plus 17 Mexican national pastors made a total of 93 families who served under the National Home Missions Board during the year in planting Free Will Baptist churches.

Four new missionaries were approved by the National Home Missions Board in 1991. They were:

Levan Hubbard, Maumelle, Arkansas  
Carlie Lloyd, Madison, Wisconsin  
Ron MacMillan, Plymouth, Massachusetts  
Willis Osborne, Abingdon, Virginia

Cliff Donoho and family were approved to change fields from Salem, Illinois to Davenport, Iowa.

The sending of these new missionaries has enabled Free Will Baptists to start churches in two states where we had none. The MacMillans have started Manomet Free Will Baptist Church in Plymouth, Massachusetts. Their church is a short distance from where the Pilgrims landed. Carlie Lloyd and his family have moved to Madison, Wisconsin to begin the only Free Will Baptist church in that state.

This leaves seven (7) states with no Free Will Baptist churches. They are: North Dakota, Nevada, Utah, Minnesota, New York, Vermont, and Connecticut. Pray for missionaries for these states.

These nine (9) missionaries started or completed new buildings:

Ron Dail, Virgin Islands  
J. L. Gore, Southaven, Mississippi  
Richard Hendrix, Madison, Alabama  
Vergel Maness, Vineland, New Jersey  
Jim Mertz, Wentzville, Missouri  
Joel Nason, Chesnee, South Carolina  
Ron Parker, Shreveport, Louisiana  
James Sasser, Waldorf, Maryland  
Larry Williams, Martinez, Georgia

In 1991 seven (7) mission churches received loans from Home Missions' Church Extension Loan Fund, for a total of \$831,000. The Church Extension Loan Fund grew to \$4,326,268. More than 50 loans have been made to Free Will Baptist churches pastored by home missionaries.

Eight (8) Free Will Baptist chaplains ministered to the men and women of the military. They were: Chaplain Terry Austin, U.S. Army; 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; and Chaplain Tim Sturgill, U.S. Air Force. Several National Guard and Reserve chaplains are endorsed by the Home Missions Department. One police chaplain also serves.

Eighteen (18) Old Time Camp Meetings were conducted by the Home Missions Traveling Team in 1991 in various parts of the country. An Old Time Camp Meeting was also conducted at the National Association on Monday afternoon.

On Roll Call Sunday, March 31, 1991 all attendance records were shattered as 2,618 Free Will Baptist churches reported a total attendance of 273,718.

The *Build My Church Campaign* grew to \$249,125. The purpose of this campaign is to raise one million dollars (\$1,000,000) in gifts to the Church Extension Loan Fund, for the interest to be used to purchase property in expensive American cities, and the principle to be used to build mission churches. The \$249,125 raised in 1991 is one fourth (1/4) of the goal. If seven hundred fifty (750) churches and individuals will give \$1,000 each, the goal will be reached. The money will never be spent, but will always be used.

Income for the year was \$2,242,731. August, September and October were devastating months for income. Receipts dropped drastically, and \$125,000 had to be pulled from reserves to meet expenses. November and December were good months with about \$35,000 of these losses being regained.

The department designated Home Missions Sunday as Benjamin Randall Day. General Director Roy Thomas went to New Durham, New Hampshire and made the video, *Benjamin Randall: A Home Missions Pioneer*.

A faithful and dedicated staff served Home Missions well during 1991. They are:

Trymon Messer, Associate Director  
Richard Adams, Director of Development  
Bill Daniel, Director of Communications  
Pat Thomas, Publications Editor  
Kathy Brown, Bookkeeper  
Joan Gardner, Evangelism Secretary  
Carolyn Adams, CELF Secretary  
Pam Anis, Secretary  
Roy Thomas, General Director

Pray for us as we seek to place "Missionaries In Every State For Churches In every City."

Respectfully submitted,  
Roy Thomas, General Director



**MICHAEL JOHNSTON**  
Certified Public Accountant

720 E. Fayette, P.O. Box 1403  
Effingham, Illinois 62401

Telephone: (217)342-9632

**INDEPENDENT AUDITOR'S OPINION**

The Board of Directors  
Board of Home Missions of the National  
Association of Free Will Baptists  
Nashville, Tennessee

I have audited the balance sheets of the Board of Home Missions of the National Association of Free Will Baptists, as of December 31, 1991 and 1990, and the related statements of activity and changes in fund balance and cash flows 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 Board of Home Missions of the National Association of Free Will Baptists, at December 31, 1991 and 1990 and the results of its operations and the cash flows for the years then ended, in conformity with generally accepted accounting principles.

Certified Public Accountant

Effingham, Illinois  
April 22, 1992

Member of American Institute of Certified Public Accountants  
& Illinois Society of Certified Public Accountants

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

**BALANCE SHEET**  
December 31,

	1991		1990	
	Operating Fund	Plant Fund	Total	Total
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>				
Cash	\$ 28,327	\$ --	\$ 28,327	\$ 5,123
Investments, at cost (market value of \$253,396) (Note 2)	280,300	--	280,300	370,664
Inventories	9,061	--	9,061	6,939
Total current assets	\$ 317,688	\$ --	\$ 317,688	\$ 382,726
PROPERTY AND EQUIPMENT, net (Note 3)	--	42,264	42,264	25,835
CAPITALIZED LEASE, net (Note 4)	18,332	--	18,332	--
REAL PROPERTY HELD FOR SALE, at cost	31,204	--	31,204	11,909
Total assets	\$ 367,224	\$ 42,264	\$ 409,488	\$ 420,470
<b>LIABILITIES AND FUND BALANCES</b>				
<b>CURRENT LIABILITIES</b>				
Accounts payable and accrued expenses	\$ 13,523	\$ --	\$ 13,523	\$ 4,210
Deferred compensation (Note 5)	140,317	--	140,317	125,639
Notes payable (Note 6)	54,453	--	54,453	5,519
Total current liabilities	\$ 208,293	\$ --	\$ 208,293	\$ 135,368
<b>FUND BALANCES (DEFICITS)</b>				
Unrestricted	\$( 159,324)	\$ --	\$( 159,324)	\$( 94,352)
Restricted (Note 7)	318,255	--	318,255	353,619
Net investment in property and equipment	--	42,264	42,264	25,835
Total fund balances	\$ 158,931	\$ 42,264	\$ 201,195	\$ 285,102
Total liabilities and fund balances	\$ 367,224	\$ 42,264	\$ 409,488	\$ 420,470

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



BOARD OF HOME MISSIONS OF THE  
NATIONAL ASSOCIATION OF FREE WILL BAPTISTS  
STATEMENT OF ACTIVITY AND CHANGES IN FUND BALANCE  
Years ended December 31,

	1991			1990
	Operating Fund Unrestricted	Operating Fund Restricted	Plant Fund	Total
REVENUE				
Cooperative program	\$ 29,740	\$ --	\$ 31,097	\$ 60,837
Designated contributions	298,097	1,784,993	--	2,083,090
Management fees (Note 8)	57,637	--	--	57,637
Rent income	1,050	--	--	1,050
Interest income	27,167	--	--	27,167
Gain on disposal of real property held for sale	12,950	--	--	12,950
	<u>\$ 426,641</u>	<u>\$ 1,784,993</u>	<u>\$ 31,097</u>	<u>\$ 2,242,731</u>
EXPENSES				
Administrative	\$ 491,613	\$ --	\$ --	\$ 491,613
Missionary maintenance	--	1,820,357	--	1,820,357
Plant Fund expenses	--	--	6,185	6,185
Loss on disposal of property and equipment	--	--	8,483	8,483
	<u>\$ 491,613</u>	<u>\$ 1,820,357</u>	<u>\$ 14,668</u>	<u>\$ 2,326,638</u>
REVENUES OVER (UNDER) EXPENSES	<u>\$ ( 64,972)</u>	<u>\$ ( 35,364)</u>	<u>\$ 16,429</u>	<u>\$ ( 83,907)</u>
FUND BALANCE (DEFICIT) AT BEGINNING OF YEAR	<u>( 94,352)</u>	<u>353,619</u>	<u>25,835</u>	<u>285,102</u>
FUND BALANCE (DEFICIT) AT END OF YEAR	<u>\$ ( 159,324)</u>	<u>\$ 318,255</u>	<u>\$ 42,264</u>	<u>\$ 201,195</u>

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

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

STATEMENT OF CASH FLOWS  
Years ended December 31,

	1991	1990
CASH FLOWS FROM OPERATING ACTIVITIES		
Revenue over (under) expenses	\$ ( 83,907)	\$ ( 8,071)
Adjustments to reconcile to net cash		
Depreciation and amortization	6,655	11,823
Loss (gain) on disposal of property	( 4,467)	--
Changes in assets and liabilities		
Change in accounts receivable	--	3,629
Change in inventories	( 2,122)	188
Change in accounts payable and accrued expenses	9,313	164
Change in deferred compensation	14,678	11,334
Net cash provided by (used for) operating activities	<u>\$ ( 59,850)</u>	<u>\$ 19,067</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Decrease (increase) in investments	\$ 90,364	\$ ( 28,100)
Reductions in notes receivable	--	14,205
Capitalization of lease costs	( 18,802)	--
Disposition of real property held for sale	24,860	--
Additions to real property held for sale	( 31,204)	--
Disposition of property and equipment	1,498	--
Additions to property and equipment	( 32,596)	( 5,068)
Net cash provided by (used for) investing activities	<u>\$ 34,120</u>	<u>\$ ( 18,963)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Additions to notes payable	\$ 56,205	\$ --
Repayments of notes payable	( 7,271)	( 17,389)
Net cash provided by (used for) financing activities	<u>\$ 48,934</u>	<u>\$ ( 17,389)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	<u>\$ 23,204</u>	<u>\$ ( 17,285)</u>
CASH AT BEGINNING OF YEAR	<u>5,123</u>	<u>22,408</u>
CASH AT END OF YEAR	<u>\$ 28,327</u>	<u>\$ 5,123</u>

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



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

NOTES TO FINANCIAL STATEMENTS  
December 31, 1991

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Following is a summary of the significant accounting policies of the Board of Home Missions of the National Association of Free Will Baptists, hereafter referred to as the Board.

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

INVESTMENTS - The investments are comprised of mutual funds and are presented in the financial statements at cost.

RECEIVABLES AND ALLOWANCE FOR DOUBTFUL ACCOUNTS - Accounts receivable and notes receivable are presented in the financial statements at the amount deemed collectible by management. Any provision for doubtful accounts is recognized using the direct write-off 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 3-20 years.

INCOME TAXES - The Board is exempt from Federal and State income taxes; accordingly, no provision for income taxes is made in the financial statements.

NOTE 2 - INVESTMENTS

The following summarizes the relationship between the cost and market value of investments:

	Cost	Market Value	Cost Over (Under) Market
Balance at beginning of year	\$370,664	\$320,877	\$49,787
Balance at end of year	\$280,300	\$253,396	\$26,904
Unrealized increase in market value in 1991			\$ 22,883

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

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
December 31, 1991

NOTE 3 - PROPERTY AND EQUIPMENT

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

	1991	1990
Equipment and furniture	\$ 59,450	\$125,313
Automobiles	20,747	20,747
	\$ 80,197	\$146,060
Less accumulated depreciation	37,933	120,225
Property and equipment, net	\$ 42,264	\$ 25,835

Depreciation expense amounted to \$6,185 and \$11,823 in 1991 and 1990, respectively.

NOTE 4 - CAPITALIZED LEASES

The National Association of Free Will Baptists purchased an office building to house various departments and agencies of the denomination. The Board has entered into an agreement to lease space in this new building and agreed to contribute to the debt service costs during the construction period and to continue until the debt has been retired. The construction period costs of \$18,802 were capitalized and will be amortized over a period of twenty years. Amortization expense was \$470 and \$-0- in 1991 and 1990, respectively.

NOTE 5 - DEFERRED COMPENSATION

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

	1991	1990
Balance at beginning of year	\$ 125,639	\$ 114,305
Contributions for benefit of Missionaries	23,484	22,835
Administrative employees	9,896	9,430
Terminations and transfers	( 18,702)	( 20,931)
Balance at end of year	\$ 140,317	\$ 125,639



BOARD OF HOME MISSIONS OF THE  
NATIONAL ASSOCIATION OF FREE WILL BAPTISTS  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
December 31, 1991

NOTE 6 - NOTES PAYABLE

Notes payable consists of the following as of December 31,:

	1991	1990
Note payable secured by real property in Amory, Mississippi	\$ --	\$ 5,519
Note payable to related party (see Note 8) secured by real property in Corning, Arkansas; 11%	31,054	--
Note payable to related party (see Note 8); 11%	23,399	--
	<u>\$ 54,453</u>	<u>\$ 5,519</u>

Interest expense was \$9,619 and \$1,432 in 1991 and 1990, respectively.

NOTE 7 - RESTRICTED FUND BALANCES

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

	1991	1990
Missionary accounts	<u>\$318,255</u>	<u>\$353,619</u>

NOTE 8 - RELATED PARTY TRANSACTIONS

The Church Extension Loan Fund, Inc., an affiliated organization, shares the office facilities and administrative staff of the Board at a cost of a management fee of \$57,637 and \$48,000 in 1991 and 1990, respectively. Also, the Board had 11% notes payable in the amount of \$54,453 and \$-0- as of December 31, 1991 and 1990, respectively, to this related organization to be repaid monthly in installments of \$898.

NOTE 9 - COMMITMENTS

The Board had contingent liabilities in the amount of approximately \$-0- and \$40,000 as of December 31, 1991 and 1990, respectively, for the guarantee of debt relating to certain churches.

CHURCH LOAN EXTENSION FUND, INC.

BALANCE SHEET  
December 31,

	1991 Operating Fund	1991 Plant Fund	Total	1990 Total
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>				
Cash	\$1,023,534	\$ --	\$1,023,534	\$ 419,837
Investments, at cost (market value of \$652,482) (Note 2)	713,803	--	713,803	713,803
Accounts receivable	8,334	--	8,334	--
Interest receivable	20,572	--	20,572	10,321
Notes receivable (Note 3)	<u>2,553,690</u>	<u>--</u>	<u>2,553,690</u>	<u>1,710,655</u>
Total current assets	\$4,319,933	\$ --	\$4,319,933	\$2,854,616
PROPERTY AND EQUIPMENT, net (Note 4)	--	6,335	6,335	8,870
Total assets	<u>\$4,319,933</u>	<u>\$ 6,335</u>	<u>\$4,326,268</u>	<u>\$2,863,486</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>CURRENT LIABILITIES</b>				
Accrued interest	\$ 66,652	\$ --	\$ 66,652	\$ 34,012
Revocable and irrevocable trusts (Note 5)	245,000	--	245,000	125,000
Deferred compensation (Note 6)	82,909	--	82,909	58,791
Notes payable (Note 7)	<u>3,480,751</u>	<u>--</u>	<u>3,480,751</u>	<u>2,289,795</u>
Total current liabilities	\$3,875,312	\$ --	\$3,875,312	\$2,507,598
<b>FUND BALANCES (DEFICITS)</b>				
Unrestricted	\$ 444,621	\$ --	\$ 444,621	\$ 347,018
Restricted	--	--	--	--
Net investment in property and equipment	--	6,335	6,335	8,870
Total fund balances	<u>\$ 444,621</u>	<u>\$ 6,335</u>	<u>\$ 450,956</u>	<u>\$ 355,888</u>
Total liabilities and fund balances	<u>\$4,319,933</u>	<u>\$ 6,335</u>	<u>\$4,326,268</u>	<u>\$2,863,486</u>

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



CHURCH EXTENSION LOAN FUND, INC.

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

	1991		Plant Fund	Total	1990 Total
	Operating Fund Unrestricted	Restricted			
REVENUE					
Designated contributions	\$ 119,836	\$ --	\$ --	\$ 119,836	136,081
Undesignated contributions	350	--	--	350	--
Loan origination fees	3,500	--	--	3,500	--
Investment income	110,306	--	--	110,306	83,688
Interest income on notes receivable	230,181	--	--	230,181	116,642
	<u>\$ 464,173</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 464,173</u>	<u>\$ 336,411</u>
EXPENSES					
Loss on sale of investments	\$ --	\$ --	\$ --	\$ --	2,474
Interest expense	283,337	--	--	283,337	178,059
Promotion expense	10,721	--	--	10,721	9,724
Travel and entertainment	3,777	--	--	3,777	--
Professional fees	9,981	--	--	9,981	4,108
Office expense	1,116	--	--	1,116	--
Management fees (Note 8)	57,638	--	--	57,638	48,000
Depreciation	--	--	2,535	2,535	2,534
Miscellaneous other expense	--	--	--	--	263
	<u>\$ 366,570</u>	<u>\$ --</u>	<u>\$ 2,535</u>	<u>\$ 369,105</u>	<u>\$ 245,142</u>
REVENUES OVER (UNDER) EXPENSES					
	\$ 97,603	\$ --	\$ ( 2,535)	\$ 95,068	\$ 91,249
FUND BALANCE (DEFICIT) AT BEGINNING OF YEAR					
	<u>347,018</u>	<u>--</u>	<u>8,870</u>	<u>355,888</u>	<u>264,639</u>
FUND BALANCE (DEFICIT) AT END OF YEAR					
	<u>\$ 444,621</u>	<u>\$ --</u>	<u>\$ 6,335</u>	<u>\$ 450,956</u>	<u>\$ 355,888</u>

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

CHURCH EXTENSION LOAN FUND, INC.

STATEMENT OF CASH FLOWS  
Years ended December 31,

	1991	1990
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Revenue over (under) expenses	\$ 95,068	\$ 91,249
Adjustments to reconcile to net cash		
Depreciation	2,535	2,534
Changes in assets and liabilities		
Change in accounts receivable	( 8,334)	--
Change in interest receivable	( 10,251)	( 1,924)
Change in accrued interest	32,640	13,968
Change in deferred compensation	24,118	15,111
Net cash provided by (used for) operating activities	<u>\$ 135,776</u>	<u>\$ 120,938</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Change in investments	\$ --	\$ 153,178
Issuance of notes receivable	( 934,989)	(1,150,349)
Reductions in notes receivable	91,954	68,730
Net cash provided by (used for) investing activities	<u>\$( 843,035)</u>	<u>\$( 928,441)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Change in notes payable and trusts	<u>\$ 1,310,956</u>	<u>\$ 1,043,841</u>
Net cash provided by (used for) financing activities	<u>\$ 1,310,956</u>	<u>\$ 1,043,841</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<u>\$ 603,697</u>	<u>\$ 236,338</u>
<b>CASH AT BEGINNING OF YEAR</b>	<u>419,837</u>	<u>183,499</u>
<b>CASH AT END OF YEAR</b>	<u>\$ 1,023,534</u>	<u>\$ 419,837</u>

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



CHURCH EXTENSION LOAN FUND, INC.

NOTES TO FINANCIAL STATEMENTS  
December 31, 1991

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Following is a summary of the significant accounting policies of the Church Loan Extension Fund, Inc., hereafter referred to as the Fund.

GOVERNMENT - The Fund is administered under the direction of the Board of Home Missions of the National Association of Free Will Baptists. The Board of Home Missions is governed by a Board of Directors.

INVESTMENTS - The investments are comprised of mutual funds and U.S. government securities and are presented in the financial statements at cost.

RECEIVABLES AND ALLOWANCE FOR DOUBTFUL ACCOUNTS - Notes receivable are presented in the financial statements at the amount deemed collectible by management. Any provision for doubtful accounts is recognized using the direct write-off 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 Fund is exempt from Federal and State income taxes; accordingly, no provision for income taxes is made in the financial statements.

NOTE 2 - INVESTMENTS

Investments are comprised of the following at December 31,:

	1991		1990	
	Cost	Market Value	Cost	Market Value
Mutual funds	\$673,676	\$608,804	\$673,676	\$604,536
U.S. government obligations	40,127	43,678	40,127	42,729
	<u>\$713,803</u>	<u>\$652,482</u>	<u>\$713,803</u>	<u>\$647,265</u>

The following summarizes the relationship between the cost and market value of investments:

	Cost	Market Value	Cost Over (Under) Market
Balance at beginning of year	\$713,803	\$647,265	\$(66,538)
Balance at end of year	\$713,803	\$652,482	\$(61,321)
Unrealized increase in market value in 1991			<u>\$ 5,217</u>

CHURCH EXTENSION LOAN FUND, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
December 31, 1991

NOTE 3 - NOTES RECEIVABLE

The following is a summary of 10%-12% notes receivable owed to the Fund at December 31,:

	1991	1990
Notes receivable to various churches and state mission boards secured by a first mortgage on the real estate	\$2,444,217	\$1,649,997
Note receivable guaranteed by the Maryland State Home Missions Board	9,319	12,335
Unsecured notes receivable to Board of Home Missions (Note 8)	54,590	--
Unsecured notes receivable	<u>45,564</u>	<u>48,323</u>
	<u>\$2,553,690</u>	<u>\$1,710,655</u>

NOTE 4 - PROPERTY AND EQUIPMENT

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

	1991	1990
Office equipment	\$ 850	\$ 850
Automobiles	<u>11,821</u>	<u>11,821</u>
	\$ 12,671	\$ 12,671
Less accumulated depreciation	<u>6,336</u>	<u>3,801</u>
Property and equipment, net	<u>\$ 6,335</u>	<u>\$ 8,870</u>

Depreciation expense amounted to \$2,535 and \$2,534 in 1991 and 1990, respectively.

NOTE 5 - REVOCABLE AND IRREVOCABLE TRUSTS

The Fund is recipient of revocable trusts in the amount of \$60,000 and irrevocable trusts in the amount of \$185,000. The Fund is required to make payments of 100% of the interest earned on the revocable trust funds and the irrevocable trust funds to the beneficiaries within certain limitations.



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

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
December 31, 1991

NOTE 6 - DEFERRED COMPENSATION

The Board of Home Missions, a related party (see Note 8), provides for each full-time employee deferred compensation based on a formula combining a percent of salary and years of service. The Director, Assistant Director and Director of Development of the Board of Home Missions have elected to transfer the balance of their deferred compensation accounts to be invested in the work of the Fund. The following is a summary of the activity in:

	1991	1990
Balance at beginning of year	\$ 58,791	\$ 43,680
Transfers from the Board of Home Missions	5,065	4,808
Interest added to principal	6,765	3,800
Other additions	12,288	6,503
Balance at end of year	\$ 82,909	\$ 58,791

NOTE 7 - NOTES PAYABLE

Notes payable, amounting to \$3,480,751 and \$2,289,795 at December 31, 1991 and 1990, respectively, consist of 6.5%-8% demand notes to individuals and churches. Such funds are available to be loaned to qualifying churches to finance building projects.

NOTE 8 - RELATED PARTY TRANSACTIONS

The Fund shares the office facilities and administrative staff of the Board of Home Missions of the National Association of Free Will Baptists at a cost of a management fee of \$57,638 and \$48,000 in 1991 and 1990, respectively. Also, the Board of Home Missions had 11% notes payable in the amount of \$54,590 and \$-0- as of December 31, 1991 and 1990, respectively, to the Fund to be repaid monthly in installments of \$898. As indicated in Note 6, the Board of Home Missions transferred \$5,065 and \$4,808 in 1991 and 1990, respectively, to the Fund to fund deferred compensation arrangements.

Summary of Financial Report  
Home Missions Department

	1991	1990
<b>Assets</b>		
Cash	\$317,688	\$382,726
Property & Equipment	91,800	37,744
<b>Total Assets</b>	<b>409,488</b>	<b>420,470</b>
<b>Liabilities</b>		
Corning, AR Property, Furniture and Equipment	54,453	5,519
<b>Fund Balances</b>		
Missionary Accounts	318,255	353,619
Savings Bonus	140,317	125,639
General Fund	(159,324)	(94,352)
<b>Income</b>	<b>2,242,731</b>	<b>2,154,095</b>
<b>Expense</b>	<b>2,326,638</b>	<b>2,162,166</b>

Summary of Financial Report  
Church Extension Loan Fund

<b>Total Assets</b>	<b>4,326,268</b>	<b>2,863,486</b>
<b>Total Liabilities</b>	<b>3,875,312</b>	<b>2,507,598</b>
<b>Loaned to Churches</b>	<b>2,553,690</b>	<b>1,710,655</b>
<b>Build My Church Campaign</b>	<b>119,262</b>	<b>136,081</b>



### Proposed Faith Budget for 1993

	1992 Budget	1993 Budget
<b>Missionary Maintenance</b>		
Salaries	\$1,470,000	\$1,518,000
Travel & Promotion	50,000	75,000
Employee Savings	25,000	25,000
Postage & Printing	36,000	40,000
Miscellaneous	25,000	25,000
Land & Building Fund	50,000	75,000
<b>Total</b>	<b>\$1,656,000</b>	<b>\$1,758,000</b>
<b>Missionary Assistance</b>		
Printing & Postage	\$ 60,000	\$ 40,000
Telephone	9,000	9,000
Board Member Expense	12,000	15,000
Computer Service	3,000	3,000
Auditing	4,000	4,000
Literature	5,000	6,000
Miscellaneous	5,000	15,000
<b>Total</b>	<b>\$ 98,000</b>	<b>\$ 92,000</b>
<b>Administrative</b>		
Salaries	\$ 210,000	\$ 220,000
Housing	45,000	45,000
Social Security	15,000	15,000
Pay Roll Taxes	10,000	10,000
Employee Savings	12,000	12,000
Insurance	35,000	40,000
Utilities	7,000	8,000
<b>Total</b>	<b>\$ 334,000</b>	<b>\$ 350,000</b>
<b>Evangelism</b>		
Auto & Travel	\$ 25,000	\$ 40,000
Promotion	8,000	4,000
Revivals	9,000	9,000
Roll Call Sunday	6,000	6,000
<b>Total</b>	<b>\$ 48,000</b>	<b>\$ 59,000</b>
<b>Plant</b>		
Office Space	\$ 60,000	\$ 63,000
Equipment and Supplies	10,000	10,000
Interest		8,000
Depreciation	9,000	10,000
<b>Total</b>	<b>\$ 79,000</b>	<b>\$ 91,000</b>
<b>Build My Church Campaign:</b>	<b>\$ 185,000</b>	<b>\$ 150,000</b>
<b>Total Faith Budget:</b>	<b>\$2,400,000</b>	<b>\$2,500,000</b>

### Proposed State Goals for 1993

State	1993 Goal
Alabama	\$170,000
Alaska	500
Arizona	35,000
Arkansas	155,000
California	95,000
Canada	2,000
Church Extension Loan Fund	60,000
Colorado	27,000
Florida	125,000
Georgia	85,000
Hawaii	2,000
Idaho	3,500
Illinois	70,000
Indiana	25,000
Iowa	1,000
Kansas	12,000
Kentucky	60,000
Louisiana	7,000
Maine	2,500
Maryland	25,000
Massachusetts	500
Mexico	500
Michigan	55,000
Minnesota	500
Mississippi	80,000
Missouri	150,000
Montana	1,500
Nebraska	5,000
New Hampshire	17,000
New Mexico	1,000
New York	1,000
North Carolina	155,000
Ohio	100,000
Oklahoma	200,000
Oregon	6,000
Other Income	36,500
Other States	5,000
Pennsylvania	1,000
Puerto Rico	3,000
Rhode Island	2,000
South Carolina	95,000
South Dakota	6,000
Tennessee	330,000
Texas	40,000
Vermont	500
Virginia	70,000
Virgin Islands	30,000
Washington	3,000
West Virginia	50,000
Wisconsin	500
WNAC	90,000
Wyoming	2,000
<b>Total 1993 Goals</b>	<b>\$2,500,000</b>



## Synopsis of Minutes of National Home Missions Board Meetings for 1991

**May 20-21, 1991** the Board met in Nashville, TN. All members were present.

The Board adopted: the Tentmaker Brochure, the budget of \$2,400,000 and a 1% origination fee for loans from the Church Extension Loan Fund to cover the cost of getting first mortgages.

They sent letters of commendation to the Gardners, Mileys, and Thomases for keeping volunteers who worked on the new building, Chaplains Terry Austin, Blaine Bishop and Tim Sturgill for services rendered in the Persian Gulf.

They approved loans to Chesnee, SC, for \$70,000 and to Home Missions for \$25,000 for new office furniture and equipment.

They approved Willis and Linda Osborne as missionaries to Abingdon, VA.

They reviewed the letter from attorney Frank Ingraham rendering his opinion of the legality of the income and operation of the Church Extension Loan Fund.

**July 22-23, 1991** the Board met at the National Association in Charleston, WV, with all members present except Lynn Wood, whose wife had surgery.

They approved loans for the church in Abingdon, VA, for \$65,000 and the church in the Virgin Islands for \$200,000.

They approved as missionaries Cliff and Kathy Donoho to Davenport, IA, and Carlie and Margaret Lloyd to Madison, WI. They met with a delegation from California concerning Jerry Barron.

**October 1, 1991** a committee of Rue Dell Smith, J.D. Norris and Glenn Thomas met in the new National Offices building and approved Levan and Vicki Hubbard as missionaries to Maumelle, AR.

**December 4-5, 1991** the Board met in the new National Offices building with all the members present.

They approved as missionaries Ron and Sue MacMillan to Plymouth, MA, and as Tentmakers, Ronald Downs to Salt Lick, KY, Tony Barnett to Glasgow, KY, and Gene Peak to Orlando, FL.

They voted to send letters of commendation to Richard and Sandy Atwood, Bob and Brenda Lewis, Steve and Judy Trail, and Gwyn and Rebecca Pugh for leading their churches to become self-supporting.

They approved church loans for Shreveport, LA, for \$195,000, for Eugene, OR, for \$85,000, and for Mesa, AZ, for \$150,000.

They voted to send a letter of appreciation to Bill Reagan, Jr. and his wife, Marcie for their assistance in the production of the video "Benjamin Randall: A Home Missions Pioneer."

## Master's Men Department Report

The Free Will Baptist denomination continues to receive the blessings of dedicated service from the laymen. The calendar year 1991 marks the 35th Anniversary of Master's Men ministry. The purpose of the Department is to challenge every layman to be all the Master expects him to be.

*Master's Hands Project* workers achieved a major goal during the year, pushing construction costs savings above the million dollar mark. This form of "giving back to the denomination" resulted in a return of over \$3 for every dollar invested in the total ministry of the Department. The new National Offices in Nashville were among the projects in 1991. Men donated over 5,000 hours of labor to that site.

A group of 14 men traveled to Cuba in February, laboring on the Willey Memorial Chapel at the seminary property. The men formed lasting friendships with Cuban Free Will Baptists. They took an estimated 1,500 pounds of clothing and other materials, as well as tools valued at about \$4,000. The tools remain as supplies for the Cuba Convention in their building and repair efforts.

These projects continue to be a source of challenge to the laymen to use their heads, hearts and hands in the Master's work. 36 completed projects provide many new places of worship for new Free Will Baptists. Plans for 1992 include a trip to Villalba, Spain in September.

*Life Membership* added the greatest number of new members since its December 1985 establishment. The final addition in 1991 was Life-Member #633 Luke C. Gedeon from Oxford, Mississippi. Rev. Stephen Pate became our 100th preacher on the list in December. Seven women were added as LifeFriends bringing that total to 47. As the year ended, 201 men were making payments as LifeCommitments. The total in 1992 should exceed 800 LifeMembers.

Endowment Builders are a group of at least 14 of our membership who have promised almost \$450,000 future income to Master's Men Department. These future gifts will come through insurance policies, wills, Trusts and estate settlements. These gifts will be a great blessing in the future and will be deposited in the Master's Men Endowment Fund. Free Will Baptists need to consider these methods of giving as a testimony of their faith even after this life is completed. Every member needs to establish a will, and should consider the Lord's work in the settlement of their estate.

*Finances* proved to be a major stumbling block to the Department ministry. The move into the new National Office Building on August 1991 immediately added a burden of over \$2,000 per month to the budget.

1991 income showed an improvement over the previous year but was offset by the added expense. The Department needed more help. Every effort is made to limit the expenses. Office operations are critical to the ministry, and must be maintained. The year ended with a General Fund deficit of \$35,070.00.



Co-operative gifts in 1991 totaled \$26,581.58. This ministry certainly appreciates these undesignated gifts. Every church should consider participating in Co-operative giving, the right way to give.

*The Layman of the Year 1990*, Waymon Ray was introduced and honored during the National Convention in Charleston, West Virginia. Brother Waymon Ray is a member of New Home FWB Church, Tulsa, Oklahoma. His nomination came from pastor Roy Dale Smith. Ray serves as President of the Oklahoma State Master's Men, President of the local chapter, and as a National Board Member. He has worked as a volunteer on nearly all the Master's Hands Projects in the United states.

*Runner-up Layman of the Year 1991* was Brother Gary Wilson a member of the Rouge FWB Church in River Rouge, Michigan. Wilson serves as President of the new Michigan State Master's Men, a member of the Bedford Cove Conference Center planning committee, President of his local chapter, and participates in many other activities.

Both these men are worthy of honor, yet they give to the work of the Lord with a real "servant attitude". These men are just representative of the great number of yielded men, ready to serve. Our denomination is blessed with a host of men who want to be counted in the work of the master.

*National Board Members* Howard Gwartney (OK), Tim Jordan (GA), and Thurman Pate, Jr. (TN) were reelected by the National Convention to continue serving full six-year terms. The effective governing of the Department depends on these men and the other six elected members. This Director gives thanks for their input and help.

*A Master's Men Congress* will be formed during the 1992 National Convention. With elected officers, this group will help the Master's Men Board determine the direction of ministry of the Department. The Board is seeking input from individual members. This Congress will also provide positions of service on the national level for more men.

Master's Men Department exists at the direction of the denomination. Its ministry is limited in part by the giving (or lack of giving) from the churches and membership. The desire of this Department is to minister and serve. The Board and Director must depend on the Master for wisdom and guidance. In turn, we depend on the denomination for the financial means to minister. Our degree of success in ministry is limited only by the support of you, the people.

Respectfully submitted,  
James E. Vallance  
General Director

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

Financial Statements

December 31, 1991

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

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**MICHAEL JOHNSTON**  
Certified Public Accountant

720 E. Fayette, P.O. Box 1403  
Effingham, Illinois 62401

Telephone: (217)342-9632

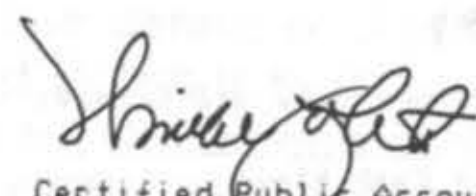
**INDEPENDENT AUDITOR'S OPINION**

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, 1991 and 1990, and the related statements of activity and changes in fund balance and cash flows 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, 1991 and 1990 and the results of its operations and the cash flows for the years then ended, in conformity with generally accepted accounting principles applied on a consistent basis.

  
Certified Public Accountant

Effingham, Illinois  
May 29, 1992

Member of American Institute of Certified Public Accountants  
& Illinois Society of Certified Public Accountants

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

**BALANCE SHEET**  
December 31,

	1991	1990
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash	\$ 3,654	\$ 3,242
Trust account - Lifetime membership	53,806	43,916
Prepaid expenses and deposits	--	454
Inventories	976	1,714
Cash value of endowment insurance	<u>1,065</u>	<u>664</u>
Total current assets	\$ 59,501	\$ 49,990
PROPERTY AND EQUIPMENT, net (Note 2)	11,876	2,277
CAPITALIZED LEASE, net (Note 3)	<u>3,917</u>	<u>--</u>
Total assets	<u>\$ 75,294</u>	<u>\$ 52,267</u>
<b>LIABILITIES AND FUND BALANCE</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 19,471	\$ 12,196
Deferred revenue (Note 4)	410	440
Accrued expenses	651	569
Notes payable - Bank	<u>9,221</u>	<u>--</u>
Total current liabilities	\$ 29,753	\$ 13,205
<b>FUND BALANCE (DEFICIT) (Note 5)</b>		
Unrestricted	\$( 32,186)	\$( 16,523)
Restricted	<u>77,727</u>	<u>55,585</u>
Total fund balance (deficit)	\$ 45,541	\$ 39,062
Total liabilities and fund balance	<u>\$ 75,294</u>	<u>\$ 52,267</u>

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



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

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

	1991			1990
	Unrestricted	Restricted	Total	Total
REVENUE				
Dues from members	\$ 9,158	\$ --	\$ 9,158	\$ 8,443
Cooperative program	26,582	--	26,582	28,424
Merchandise sales	532	--	532	1,444
Gain on disposal of property and equipment	37	--	37	--
Gifts and other income	38,119	34,055	72,174	43,285
	<u>\$ 74,428</u>	<u>\$ 34,055</u>	<u>\$ 108,483</u>	<u>\$ 81,596</u>
EXPENSES				
Salaries and wages	\$ 25,423	\$ --	\$ 25,423	\$ 26,701
Payroll taxes and employee benefits	9,160	--	9,160	7,781
Cost of sales and printing	7,602	--	7,602	6,242
Travel expense	6,836	662	7,498	10,294
Conferences and conventions	11,787	--	11,787	12,337
Office expense	9,099	--	9,099	6,842
Postage	2,926	--	2,926	1,914
Promotion expense	1,233	--	1,233	316
Rent expense	7,835	3,221	11,056	700
Professional fees	300	--	300	620
Bookkeeping expense	825	--	825	900
Depreciation	1,126	--	1,126	1,555
Amortization	101	--	101	--
Interest expense	5,227	--	5,227	588
Insurance expense	517	600	1,117	1,120
Dues and subscriptions	94	--	94	176
Missions projects	--	7,430	7,430	1,362
	<u>\$ 90,091</u>	<u>\$ 11,913</u>	<u>\$ 102,004</u>	<u>\$ 79,448</u>
REVENUES OVER (UNDER) EXPENSES	<u>\$ ( 15,663)</u>	<u>\$ 22,142</u>	<u>\$ 6,479</u>	<u>\$ 2,148</u>
FUND BALANCE (DEFICIT) AT BEGINNING OF YEAR	<u>( 16,523)</u>	<u>55,585</u>	<u>39,062</u>	<u>36,914</u>
FUND BALANCE (DEFICIT) AT END OF YEAR	<u><u>\$ ( 32,186)</u></u>	<u><u>\$ 77,727</u></u>	<u><u>\$ 45,541</u></u>	<u><u>\$ 39,062</u></u>

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

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

STATEMENT OF CASH FLOWS  
Years ended December 31,

	1991	1990
CASH FLOWS FROM OPERATING ACTIVITIES		
Revenue over (under) expenses	\$ 6,479	\$ 2,148
Adjustments to reconcile to net cash		
Depreciation and amortization	1,227	1,555
Gain on disposal of property and equipment	( 37)	--
Changes in assets and liabilities		
Change in inventories	738	( 614)
Change in prepaid expenses and deposits	454	232
Change in accounts payable	7,275	5,667
Change in deferred revenue	( 30)	58
Change in accrued expenses	82	( 47)
Net cash provided by (used for) operating activities	<u>\$ 16,188</u>	<u>\$ 8,999</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to trust account	\$( 9,890)	\$( 8,015)
Additions to cash value of insurance	( 401)	( 447)
Additions to property and equipment	( 10,820)	--
Disposition of property and equipment	132	--
Capitalization of lease costs	( 4,018)	--
Net cash provided by (used for) investing activities	<u>\$( 24,997)</u>	<u>\$( 8,462)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of notes payable	\$( 779)	\$ --
Proceeds from notes payable	10,000	--
Net cash provided by (used for) financing activities	<u>\$ 9,221</u>	<u>\$ --</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	<u>\$ 412</u>	<u>\$ 537</u>
CASH AT BEGINNING OF YEAR	<u>3,242</u>	<u>2,705</u>
CASH AT END OF YEAR	<u><u>\$ 3,654</u></u>	<u><u>\$ 3,242</u></u>

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



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

NOTES TO FINANCIAL STATEMENTS  
December 31, 1991

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 - Receivables are presented in the financial statements at the amount deemed collectible by management. Any provision for doubtful accounts is recognized using the direct write-off 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 3-20 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,:

	1991	1990
Equipment and furniture	\$24,602	\$16,251
Less accumulated depreciation	<u>12,726</u>	<u>13,974</u>
Property and equipment, net	<u>\$11,876</u>	<u>\$ 2,277</u>

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

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
December 31, 1991

NOTE 3 - CAPITALIZED LEASES

The National Association of Free Will Baptists purchased an office building to house various departments and agencies of the denomination. The Board of Directors has entered into an agreement to lease space in this new building and agreed to contribute to the debt service costs during the construction period and to continue until the debt has been retired. The construction period costs of \$4,018 were capitalized and will be amortized over a period of twenty years.

NOTE 4 - DEFERRED REVENUE

Deferred revenue consists of dues received for future years as of December 31, 1991 and 1990.

NOTE 5 - RESTRICTED FUND BALANCE

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

	1991	1990
Missions projects	\$ 5,655	\$ --
Lifetime Membership	71,944	54,101
Endowment insurance	128	87
Office rent	--	1,397
	<u>\$77,727</u>	<u>\$55,585</u>



## Master's Men Board Summary of Activities

### July 22, 1991

The Board was informed of the necessity to borrow \$10,000 for new office furniture. The Board extensively discussed the finances of the Department.

### July 24, 1991

The Director's proposal for membership dues be increased was accepted (Annual to \$20, Life Membership to \$200).  
Present officers were re-elected for another year:  
Chairman, Wendell Leckbee  
Vice-Chairman, Tim Jordan  
Secretary, Rev. E. Dwight Fletcher

### December 2, 1991

The Board met with Dr. Melvin Worthington to discuss the financial obligations of the Department relating to the new office building.  
A decision was made to begin a Master's Men Congress at the 1992 National Convention. The Congress is planned with a two-fold purpose:  
To involve more laymen on the national level of ministry.  
To provide a greater voice for the laity in the mission and ministry of the Department.  
The Board authorized the Director to promote two Fund Days each year, and promote a Sunday for the Master's Hands Projects.  
The Board approved the 1993 budget totaling \$146,440, to be recommended to the General Board for approval.

## Proposed Budget 1993

### Income:

Gifts.....	\$30,000
Dues .....	20,000
Master's Men Day .....	4,500
National Ministries Sunday.....	3,000
Promotional Items Purchase .....	1,000
ATTACK Ad Sales.....	3,000
Co-op (14% Undes.) .....	26,000
Travel .....	2,000
MM Conference .....	12,320
MH/Spec Projects .....	10,000
Heritage Hike .....	10,000
Walk-A-Thons.....	10,000
Sponsor a Day of Operation.....	5,000
Interest Income .....	100
Life Membership .....	6,000
MM Dinner .....	4,000
Total.....	\$146,440

### Expenditures

Audit .....	600
Booth .....	200
MM Dinner .....	4,000
MM Conference .....	12,320
Leadership Conference .....	500
Cost of Sales .....	500
Equipment Maintenance .....	500
Promotion .....	500
Postage.....	4,000
Printing.....	7,500
Office Supplies.....	3,500
Office Equipment .....	500
Telephone .....	2,500
Rent.....	23,370
Travel	
Director .....	9,000
Board .....	3,000
Director's Insurance .....	8,800
Director's Retirement.....	1,450
Payroll Taxes .....	2,800
Salaries .....	35,000
Miscellaneous.....	500
Bookkeeping Fee .....	900
Debt Retirement.....	25,000
Total.....	\$146,440



## Board of Retirement Report

The Free Will Baptist Retirement Plan is chartered under the laws of the State of Tennessee and functions under Section 403(b) of the Internal Revenue Code of 1986. Its purpose is to provide pensions and related benefits for ordained and lay church workers and their families. The individual pastor or employee along with the church or agency fund the individual accounts. Last year pension fund assets increased an average of \$17,940 weekly, \$3,991 daily. Member contributions averaged \$12,205 weekly or \$1,774 daily.

Over the past five years, growth averaged 11.62 percent a year. Over the next five years at that rate of increase we may expect the fund to exceed \$16 million; in ten years, \$28 million.

For two consecutive years, annuitants received a permanent increase in their monthly payments of 6.9 percent in 1991 and 6 percent in 1992.

A board of nine, elected by the National Association, establishes policies on management and operations. Each trustee serves a six-year term. They employ the administrative and accounting officers. Annually they provide an audit and report to the National Association.

The Board determines investment policy. At the end of 1991 church loans, which account for 57 percent of total assets, exceeded \$5.2 million. The Board continues to make building and expansion loans to churches. Three outside investment managers employed and supervised by the Board manage the balance of the retirement funds. No investments violate our Church Covenant. For example, the Board invests no funds in alcohol, tobacco, gambling or entertainment stocks. The Board met once during the past 12 months with all members present except Bobby Floars. They reviewed the audit and the performance of investment managers. Other action of the Board included employment of Certified Public Accountant David L. Brown as member services manager.

Thank you for your gifts through the Cooperative Plan of Support, Father's Day Offering and direct gifts for operating expenses. I join our pastors, missionaries, ministers and church employees in expressing our appreciation to you.

Herman L. Hersey, Director

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

Financial Statements

December 31, 1991 and 1990

(With Independent Auditors' Report Thereon)



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, 1991, 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. Information included on the balance sheet and statements of fund transactions and changes in fund balances and cash flows as of and for the ended December 31, 1990 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 March 19, 1991.

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, 1991, and fund transactions and changes in fund balances and cash flows for the year ended then in conformity with generally accepted accounting principles.

*Hill, Neal & Allen P.C.*

April 3, 1992



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

**Balance Sheet**

December 31, 1991

(with comparative totals for 1990)

	1991				1990
	Unrestricted Operations	Retirement Fund	Plant Fund	Total All Funds	Total All Funds
<b>Assets</b>					
Cash and cash equivalents (notes 2 and 10)	\$ 14,022	279,692	-	293,714	905,993
Investments, fair value (notes 2 and 10)	-	3,603,147	-	3,603,147	2,884,331
Funds invested with retirement fund	3,792	-	-	3,792	588
Accrued investment income receivable	-	61,225	-	61,225	54,175
Notes receivable from participants of the retirement fund and churches and denominational agencies of the National Association of Free Will Baptists (notes 3 and 10)	-	5,278,084	-	5,278,084	4,580,216
Office furniture, equipment, and automobiles, at cost, net of accumulated depreciation (note 4)	-	-	54,821	54,821	25,609
Due from unrestricted operations	-	-	-	-	25,000
Due from plant fund	-	34,311	-	34,311	-
Properties held for sale (note 5)	-	65,300	-	65,300	145,000
Lease costs (note 6)	14,218	-	-	14,218	2,949
<b>Total assets</b>	\$ 32,032	9,321,759	54,821	9,408,612	8,623,861

**Liabilities and Fund Balances**

<b>Liabilities:</b>					
Notes payable, accounts payable and accrued expenses	\$ 5,388	299	-	5,687	12,784
Due to retirement fund	-	-	34,311	34,311	25,000
Unearned loan origination fees (note 7)	-	69,860	-	69,860	81,279
Annuities payable (note 8)	-	134,602	-	134,602	37,040
Funds held for Free Will Baptist Foundation (note 9)	-	911,604	-	911,604	-
Interest bearing revocable trusts (note 9)	-	-	-	-	1,275,096
<b>Total liabilities</b>	5,388	1,116,365	34,311	1,156,064	1,431,199
<b>Fund balances:</b>					
Operations (deficit)	26,644	-	-	26,644	(22,179)
Retirement fund (note 12)	-	8,024,058	-	8,024,058	7,188,921
Designated as reserve funds	-	181,338	-	181,338	311
Net invested in plant	-	-	20,510	20,510	25,609
<b>Total fund balances</b>	26,644	8,205,396	20,510	8,252,550	7,192,662
<b>Total liabilities and fund balances</b>	\$ 32,032	9,321,761	54,821	9,408,614	8,623,861

See accompanying notes to financial statements.

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

**Statement of Fund Transactions and Changes in Fund Balances**

Year ended December 31, 1991

(with comparative totals for 1990)

	1991				1990
	Unrestricted Operations	Retirement Fund	Plant Fund	Total All Funds	Total All Funds
<b>Additions:</b>					
Contributions from participants	\$ 35,701	634,627	-	634,627	634,981
Gifts	-	81,147	-	116,848	34,536
Interest income - notes receivable (net of write-downs)	-	557,559	-	557,559	500,094
Investment income (net of investment fees) (note 2)	467	192,559	-	193,026	185,681
Gains (losses) of investment portfolio (note 2)	-	99,265	-	99,265	4,976
Net realized gains	-	417,221	-	417,221	(279,620)
Net unrealized gains (losses)	-	7,360	-	7,360	5,040
Forfeitures and late charges	-	13,693	-	13,693	13,189
Amortization of loan origination fees (note 7)	687	-	-	687	3,484
Miscellaneous	36,855	2,003,431	-	2,040,286	1,102,361
<b>Total additions</b>	36,855	2,003,431	-	2,040,286	1,102,361
<b>Deductions:</b>					
Salaries	106,751	-	-	106,751	87,808
Fringe benefits	52,780	-	-	52,780	35,613
Travel and promotional	21,126	-	-	21,126	20,997
Office supplies	22,988	-	-	22,988	20,098
Housing	38,400	-	-	38,400	31,200
Ministry to senior adults	-	-	-	-	2,205
Occupancy	42,832	-	-	42,832	12,556
Board members expense	10,978	-	-	10,978	12,116
Legal and auditing	4,912	-	-	4,912	11,113
Miscellaneous	9,778	392	-	10,170	5,412
Insurance	1,513	-	-	1,513	1,486
Depreciation (note 4)	-	-	17,039	17,039	14,940
Interest expense - trusts and annuities	-	125,980	-	125,980	63,567
Interest expense - other	-	18,368	-	18,368	90
Participants accounts transferred to annuity liability (note 8)	-	85,766	-	85,766	35,052
Withdrawal of funds	-	320,030	-	320,030	493,622
<b>Total expenses</b>	312,058	550,536	17,039	879,633	847,875
<b>Net increase (decrease) in funds for the year</b>	(275,203)	1,452,895	(17,039)	1,160,653	254,486
<b>Fund balances, beginning of year (as restated note 12)</b>	(22,179)	7,189,232	25,609	7,192,662	6,938,176
<b>Transfers among funds and other changes:</b>					
To plant fund for asset acquisition	(3,940)	-	3,940	-	-
To plant fund for debt retirement	(8,000)	-	8,000	-	-
Transfer Endowment Funds to Free Will Baptist Foundation (note 12)	-	(100,765)	-	(100,765)	-
Enrollment and administrative fees	335,966	(335,966)	-	-	-
<b>Fund balance, end of year</b>	\$ 26,644	8,205,396	20,510	8,252,550	7,192,662

See accompanying notes to financial statements.



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

**Statement of Cash Flows**

Year ended December 31, 1991

(with comparative totals for 1990)

	1991				1990
	Unrestricted Operations	Retirement Fund	Plant Fund	Total All Funds	Total All Funds
<b>Operating cash flows:</b>					
Cash received from:					
Contributions from participants					
Gifts	\$ -	634,627	-	634,627	634,981
Interest income - notes receivable	35,701	81,147	-	116,848	34,536
Investment income	-	557,559	-	557,559	525,922
Forfeitures and late charges	467	158,205	-	158,672	149,046
Miscellaneous	-	7,360	-	7,360	5,040
	687	9,499	-	10,186	3,486
Cash paid for:					
Suppliers and employees					
Interest	(330,497)	(7,543)	-	(338,040)	(239,028)
Annuity payments	-	(123,629)	-	(123,629)	(63,657)
Withdrawal of funds by participants	-	(8,923)	-	(8,923)	(1,000)
	-	(320,030)	-	(320,030)	(502,942)
Net operating cash flows	(293,642)	988,272	-	694,630	546,384
<b>Financing cash flows:</b>					
Interfund transfers and repayments					
Net activity - revocable savings trusts	(33,000)	(9,311)	42,311	-	-
	-	(464,257)	-	(464,257)	25,227
Net financing cash flows	(33,000)	(473,568)	-	(464,257)	25,227
<b>Investing cash flows:</b>					
Purchases of office furniture and equipment					
Investments:	(3,940)	-	(42,311)	(46,251)	(13,690)
Net activity funds invested with the retirement savings trust					
Purchases of investment securities	(3,204)	-	-	(3,204)	63,041
Proceeds from sale of investment securities	-	(1,203,227)	-	(1,203,227)	(3,710,475)
Notes receivable:					
New loans made	-	1,032,375	-	1,032,375	2,545,333
Collection of notes receivable	-	(1,121,502)	-	(1,121,502)	(439,308)
	-	499,157	-	499,157	546,414
Net investing cash flows	(7,144)	(793,197)	-	(842,652)	(1,008,685)
Net decrease in cash and cash equivalents	(333,786)	(278,493)	-	(612,279)	(437,074)
Transfers for enrollment and administrative fees	335,966	(335,966)	-	-	-
Cash and cash equivalents:					
Beginning of year	11,842	894,151	-	905,993	1,343,067
End of year	\$ 14,022	279,692	-	293,714	905,993

See accompanying notes to financial statements.

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

**Notes to Financial Statements**

December 31, 1991

The 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 the straight line basis.

**Income Taxes**

The Board is exempt from income taxes; accordingly, no provision for income taxes has been made in the 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.

**Loan Origination Fees**

Loan origination fees are amortized to revenue over the life of the related loan.

**Realized and Unrealized Gains and Losses on Investment Portfolio**

The excess (deficit) of proceeds from sale of investments as compared to cost is recognized as a realized gain or (loss). The measurement of increase (decrease) in market values of investments from the beginning of year to the end of year is recognized as unrealized gains or (losses).



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

Notes to Financial Statements, continued

**(2) Cash and Cash Equivalents and Investments**

Cash and cash equivalents consist of the following:

	Investment Income	Account Balances
Money market, checking and savings accounts	\$ 9,216	180,914
Money market accounts held by investment bankers	15,555	112,800
	<u>\$ 24,771</u>	<u>293,714</u>

Investments consist of the following:

	Investment Income	Market /Stated Value	Cost	Unrealized Cumulative Gains	Unrealized Cumulative Losses
Church bonds (stated value)	\$ 3,931	23,250	23,250	-	-
Mutual funds	46,128	593,893	563,538	30,355	-
Common stocks	43,828	1,455,298	1,278,380	283,286	106,367
Fixed income bonds	19,696	323,172	303,092	20,080	-
U.S. Treasury notes and bills	98,208	1,207,534	1,075,220	132,314	-
	<u>\$ 211,791</u>	<u>3,603,147</u>	<u>3,243,480</u>	<u>466,035</u>	<u>106,367</u>
Total earnings on cash and cash equivalents and investments	\$ 236,562				
Less investment fees paid	(43,536)				
Net investment income	<u>\$ 193,026</u>				

Unrealized gains (losses) are reconciled as follows:

As of December 31, 1990  
As of December 31, 1991

	Unrealized Cumulative Gains	Unrealized Cumulative Losses	Net Unrealized Gains (Losses)
As of December 31, 1990	\$ 153,996	211,549	(57,553)
As of December 31, 1991	466,035	106,367	359,668
Net unrealized gain for year ended December 31, 1991			<u>\$ 417,221</u>

Yield earned on average total assets is computed as follows:

Interest income - notes receivable	\$ 557,559
Investment income	193,026
Net realized gains on disposition of investments	99,265
Net unrealized gains of investment portfolio	417,221
Amortization of loan origination fees	13,693
Average assets (beginning and end of year)	<u>\$ 1,280,764</u>
Yield as computed	<u>\$ 9,016,237</u>
	<u>14.21%</u>

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

Notes to Financial Statements, continued

**(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 at 12% - secured by retirement account balances	\$ 42,224
Churches and agency notes at 9.5% to 15.5%:	
Secured by mortgage or similar perfected security in the related property.	5,187,872
Unsecured notes	47,988
	<u>\$ 5,278,084</u>

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

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

Office furniture and fixtures	\$ 32,614
Computer equipment	53,696
Automobiles	15,594
	<u>101,904</u>
Accumulated depreciation	47,083
	<u>\$ 54,821</u>

Depreciation expense amounted to \$17,039.

**(5) Properties held for sale**

The Board holds a property, recorded at \$65,300, which was surrendered in lieu of foreclosure due to disbandment of the church. The Board currently has a contract for sale of the property for \$80,000 less sales expenses and closing costs. The Board will receive cash and a 7 year 10% second mortgage note when the transaction closes.

**(6) Capitalized Lease Payments**

The National Association of Free Will Baptists has purchased an office building to house various departments and agencies of the denomination. The Board entered into an agreement to lease space in this new building and further agreed to contribute to the debt service costs during the construction period and to continue until the debt has been retired. Through the construction period costs amounting to \$15,797 were capitalized. These costs will be amortized against operations over a five year period. During 1991, \$1,579 was charged against operations leaving a resultant balance of \$14,218.

**(7) Unearned Loan Origination Fees**

Loan origination fees are amortized to revenue over the life of the related loan. The following is a summary of the transactions relating to loan origination fees:

Balance December 31, 1990	\$ 81,279
Fees charged on new loans, net of direct expense of \$7,225	2,274
Less fees amortized to revenues	(13,693)
Balance December 31, 1991	<u>\$ 69,860</u>



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

Notes to Financial Statements, continued

**(8) Annuities payable**

Upon attaining retirement age, the retiree has the option, among others, to convert his participant account into an annuity to provide retirement benefits over his remaining life. The periodic benefit is calculated based on mortality tables considering life expectancy. Further, the liability for annuities is determined annually by an actuary and such liability is adjusted as necessary. As of December 31, 1991, the recorded liability amounts to \$134,602 and is sufficient to provide benefits over the life expectancy of the annuitants.

**(9) Interest-Bearing Revocable Trusts**

The Board transferred all revocable trusts which it held for grantors to the Free Will Baptist Foundation during 1991. The Board maintains all investments relating to these trusts and accrues interest to the Foundation. The rate of interest paid is dependent upon the amount of income earned from such investments.

**(10) Concentration of Credit Risk**

The Board has an accounting risk of loss in the areas of cash and cash equivalents, investments and notes receivable to the extent cash funds are not insured by a governmental agency, investments are not secured by mortgages or guaranteed by the United States Government, and for unsecured notes receivable. The following table summarizes the Board's accounting risk of loss:

	Account Balance	Amount Insured / Secured	Amount of Accounting Risk of loss
Notes receivable	\$ 5,278,084	5,230,096	47,988
Money market, checking and savings accounts	180,914	104,792	76,122
Money market accounts held by investment bankers	112,800	112,800	-
Church bonds (mortgage bonds)	23,250	23,250	-
Mutual funds	593,893	593,893	-
Common stocks	1,455,298	-	1,455,298
Fixed income bonds	323,172	323,172	-
U.S. Treasury notes and bills	1,207,534	1,207,534	-
	<u>\$ 9,174,945</u>	<u>7,595,537</u>	<u>1,579,408</u>

**(11) Related Party Transactions**

The Board provided office space and certain administrative services to the Free Will Baptist Foundation.

**(12) Restatement of Retirement Fund Balance for Accounting Error**

The retirement fund balance has been restated to reflect an error in accounting for a memorial endowment gift. This gift was accounted for as a revocable trust, not as fund balance. The effect of the restatement is to increase the beginning fund balance of the retirement fund by \$19,618 and decrease revocable trusts by \$19,618.

**Proposed Budget  
1993**

Salaries.....	\$126,500
Housing.....	45,600
Benefits.....	56,447
Travel and Promotion.....	32,000
Auto / Travel / Maintenance.....	4,000
Auto Fund.....	6,000
Plant Fund.....	48,000
Office Supplies and Expenses.....	15,500
Equipment / Maintenance.....	5,000
Publications.....	6,000
Department's Share of Insurance Premium.....	250
Alert Ministries.....	2,000
Board Expenses.....	8,500
Insurance.....	2,000
Legal and Auditing.....	7,500
Miscellaneous.....	1,500
Education / Training.....	5,000
<b>TOTAL.....</b>	<b>\$371,797</b>



## Free Will Baptist Foundation Report

Each year the Foundation grows. It is still our fledgling department but the future is bright with hope and possibilities. We are just beginning to see its benefit to church and denominational ministries. If Jesus tarries His coming the department will make an even greater contribution.

This year the Foundation produced a short film, *Dreams Lost/Dreams Found*. It presents information on Wills of general interest to all ages. Your church should plan to see it. To arrange a showing, contact our office.

Since July 1, 1991 the Foundation now manages 60 trusts transferred from the Board of Retirement and Insurance. This resulted in much of the increase in interest bearing accounts shown in the audit. The Board of Retirement still acts as investment manager. This allows for a much larger and more diversified investment pool.

During the year Endowment Trusts increased to \$270,000. More of our people find the "one in a life type" gift an excellent way to support the Lord's work. Presently, endowments through the Foundation benefit every gift dependent ministry on the national level as well as several state and local ministries.

April 12, 1992 the Foundation Board met at the National Office Building. They approved the 1993 budget and recommended continuing the present plan of action. Present were Board Members Robert Morgan, Lincoln Varney, Jack Daniel, Waymon Fields, Wilburn Beasley, Ron Barber, Roger Harwell, Milton Hollifield, Tom Malone, Eugene Waddell, Roy Thomas, James Vallance, Roger Reeds, Mary Ruth Wisheart and Executive Secretary-Treasurer Herman Hersey.

The Foundation is chartered and dedicated to serve all Free Will Baptists from the local church to the national ministries. As we continue to join hands for the task, we can make a significant contribution to all our various areas of work through wills, trusts, deferred gifts and other estate planning methods.

For information on how you can help, contact the Foundation office.

William W. Evans  
Administrative Assistant

## FREE WILL BAPTIST FOUNDATION, INC.

### Financial Statements

December 31, 1991 and 1990

(With Independent Auditors' Report Thereon)



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, 1991 and 1990 and the related statements of support and revenue, expenses, and changes in fund balances and cash flows for the year ended December 31, 1991. 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. Information included on the statements of support and revenue, expenses and changes in fund balances and cash flows for the year ended December 31, 1990 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 March 13, 1991.

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, 1991 and 1990, and the support and revenue, expenses and changes in fund balances and cash flows for the year ended December 31, 1991 in conformity with generally accepted accounting principles.

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

April 2, 1992



# FREE WILL BAPTIST FOUNDATION, INC.

## Balance Sheets

December 31, 1991 and 1990

Assets	1991	1990
Cash and cash equivalents (note 2 and 3)	\$ 17,217	19,749
Interest bearing accounts with the Board of Retirement and Insurance of the National Association of Free Will Baptists (note 4)	869,022	454,117
Land held for investment, at contributed value	4,000	4,000
Accrued interest income	47,670	61
Equipment, net of accumulated depreciation of \$1600 in 1991 and \$800 in 1990	2,400	3,200
<b>Total assets</b>	<b>\$ 940,309</b>	<b>481,127</b>
<b>Liabilities and Fund Balances</b>		
<b>Liabilities:</b>		
Interest-bearing revocable trusts (note 5)	\$ 612,333	303,225
Gift annuity payable	6,000	6,000
Accrued earnings payable	8,546	1,622
Restricted deferred revenues - Benevolent Fund (note 2)	1,031	782
Funds held for National Ministries Offering (note 3)	4,829	11,484
<b>Total liabilities</b>	<b>632,739</b>	<b>323,113</b>
<b>Fund balances:</b>		
Operations	34,604	(89)
Endowment funds (note 6)	270,566	154,903
Equipment funds	2,400	3,200
<b>Total fund balances</b>	<b>307,570</b>	<b>158,014</b>
<b>Total liabilities and fund balances</b>	<b>\$ 940,309</b>	<b>481,127</b>

See accompanying notes to financial statements.

# FREE WILL BAPTIST FOUNDATION, INC.

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

Year ended December 31, 1991

(with comparative totals for 1990)

	1991			1990
	Operations	Endowments	Equipment	Total All Funds
<b>Support and revenue:</b>				
Contributions	\$ 11,749	11,636	-	23,385
Investment income	75,167	3,262	-	78,429
Endowment income	394	-	-	394
<b>Total support and revenue</b>	<b>87,310</b>	<b>14,898</b>	<b>-</b>	<b>102,208</b>
<b>Payments of earnings to revocable trusts, beneficiaries and annuitants</b>	<b>35,071</b>	<b>-</b>	<b>-</b>	<b>35,071</b>
<b>Net support and revenue</b>	<b>52,239</b>	<b>14,898</b>	<b>-</b>	<b>67,137</b>
<b>Expenses:</b>				
Salaries	6,000	-	-	6,000
Social security and retirement	-	-	-	-
Travel and promotion	4,140	-	-	4,140
Office expense	454	-	-	454
Publications	1,996	-	-	1,996
Training and education	2,897	-	-	2,897
Legal and auditing	1,560	-	-	1,560
Miscellaneous	499	-	-	499
Depreciation	-	-	800	800
<b>Total expenses</b>	<b>17,546</b>	<b>-</b>	<b>800</b>	<b>18,346</b>
<b>Excess of support and revenues over expenses</b>	<b>34,693</b>	<b>14,898</b>	<b>(800)</b>	<b>48,791</b>
<b>Fund balance (deficit) at beginning of year</b>	<b>(89)</b>	<b>154,903</b>	<b>3,200</b>	<b>158,014</b>
<b>Transfer from the Free Will Baptist Board of Retirement (Note 6)</b>	<b>-</b>	<b>100,765</b>	<b>-</b>	<b>100,765</b>
<b>Fund balance at end of year</b>	<b>\$ 34,604</b>	<b>270,566</b>	<b>2,400</b>	<b>307,570</b>

See accompanying notes to financial statements.



# FREE WILL BAPTIST FOUNDATION, INC.

## Statement of Cash Flows

Year ended December 31, 1991

(with comparative totals for 1990)

	1991			1990
	Operations	Endowments	Equipment	Total All Funds
<b>Operating cash flows:</b>				
Cash received from:				
Contributions	\$ 11,749	112,401	-	124,150
Investment income	27,952	13,767	-	41,719
Benevolent Fund (note 2)	250	-	-	250
National Ministries Offering (note 3)	5,446	-	-	5,446
				14,484
Cash paid to suppliers and employees	(17,546)	-	-	(17,546)
Claims paid from Benevolent Fund (note 2)	-	-	-	(13,333)
Distributions and expenses of National Ministries Offering (note 3)	(12,101)	-	-	(12,101)
Interest paid on revocable trusts	(27,701)	-	-	(27,701)
Payments made to endowment beneficiaries	-	(10,505)	-	(10,505)
Payments made to annuitants	(446)	-	-	(446)
Net operating cash flow	(12,397)	115,663	-	103,266
				27,006
<b>Financing cash flows:</b>				
Proceeds from additions to revocable trusts	309,108	-	-	309,108
Net financing cash flow	309,108	-	-	309,108
				50,876
<b>Investing cash flows:</b>				
Deposits made with the Board of Retirement and Insurance of the National Association of Free Will Baptists	(403,007)	(11,899)	-	(414,906)
Purchase of computer equipment	-	-	-	-
Net investing cash flow	(403,007)	(11,899)	-	(414,906)
				(60,164)
Net increase (decrease) in cash and cash equivalents	(106,296)	103,764	-	(2,532)
Reclassifications	103,764	(103,764)	-	-
				17,718
<b>Cash and cash equivalents:</b>				
Beginning of year	19,749	-	-	19,749
End of year	\$ 17,217	-	-	17,217
				2,031

See accompanying notes to financial statements.

# FREE WILL BAPTIST FOUNDATION, INC.

## Notes to Financial Statements

December 31, 1991 and 1990

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.

#### Equipment Fund and Depreciation

Uses of operating funds for the acquisition of computer and office equipment are accounted for as transfers to equipment funds. Depreciation of equipment is provided over the estimated useful lives of the respective assets on a straight line basis.

#### 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) Restricted Deferred Revenues - Benevolent Fund

The General Board of the National Association of Free Will Baptists at its National meeting in July 1990 recommended that the Benevolent Fund be transferred to the Free Will Baptist Foundation to continue the work. The delegates to the National Convention approved the recommendation to transfer the funds to the Foundation. Accordingly, the funds have been included in the financial statements.

The purpose of the Benevolent 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.

The Benevolent Fund, since its inception, has paid medical claims amounting to \$51,522. As of December 31, 1991, \$15,306 remains unpaid on these medical claims. The following summarizes the activity:

Beginning cash balance	\$ 782
Contributions made to the Fund	250
Claims paid	-
Balance available	\$ 1,032

Cash and cash equivalents includes \$1032 which is restricted to retire medical claims related to the Benevolent Fund.



# FREE WILL BAPTIST FOUNDATION, INC.

## Notes to Financial Statements

December 31, 1991 and 1990

### (3) Funds Held for the National Ministries Offering

The Foundation became the custodian of funds received through the National Ministries Offering (an annual fundraising appeal to fund the operating budgets of certain departments of the National Association of Free Will Baptists) by action of the National Association of Free Will Baptists at its National Convention in July 1990. The following summarizes the activity:

Cash balance at beginning of the year	\$ 11,484
Undesignated and designated gifts	5,447
Distributions during 1991	11,210
Expenses of the fundraising appeal	891
Funds available for distribution at end of year	\$ 4,830

Cash and cash equivalents includes \$4,830 which is restricted to be used for the purpose of the National Ministries Offering.

### (4) Concentration of Credit Risk and Interest Bearing Deposits Held by the Board of Retirement and Insurance of the National Association of Free Will Baptists

The Foundation has interest bearing accounts amounting to \$869,022 with the Board of Retirement and Insurance. These accounts earn interest at rates established by the Board of Retirement. The rate of return will vary based on market conditions and the performance of the investments of the Board of Retirement. These accounts are uninsured and are not collateralized, accordingly the risk of accounting loss is the balance in the accounts at any point in time. Withdrawal from the accounts is without penalty, but withdrawal requires a 90 day notice.

### (5) Interest-Bearing Revocable Trusts

The Foundation maintains for grantors revocable trusts amounting to \$612,333 as of December 31, 1991 and pays interest to the trust beneficiaries. The rate of interest paid (see note 4) is dependent upon the amount of income earned from the investments of the Foundation. The trusts are without maturity. Withdrawal from the accounts is without penalty, but withdrawal requires a 90 day notice.

During 1991, the Board of Retirement and Insurance of the National Association of Free Will Baptists transferred revocable trusts which it held for grantors to the Foundation.

### (6) Endowment Funds (see note 4)

Endowment funds are subject to restrictions by the donor requiring that the principal be invested in perpetuity, and only the the income be distributed to the beneficiaries of the endowment. The rate of interest paid is dependent upon the amount of income earned from the investments of the Foundation. As of December 31, 1991, the Foundation held \$270,566 of endowment funds which were invested in interest bearing accounts with the Board of Retirement and Insurance of the National Association of Free Will Baptists.

### (7) Related Party Transactions

The Board of Retirement and Insurance of the National Association of Free Will Baptists provided office

December 31, 1990. No cost was incurred during 1991.

## Proposed Budget 1993

Salary / Honorariums .....	\$15,000
Travel / Promotion .....	5,000
Publications.....	6,000
Training and Education.....	4,500
Office Expenses.....	6,000
Legal and Auditing.....	1,500
Miscellaneous.....	500
TOTAL.....	\$38,500



## Free Will Baptist Bible College Report

God's hand of provision and encouragement has been upon your college this year. We began it with three new employees who have proven to be a blessing and strengthening to the college family. Along with the new employees, 99 new students joined our college family giving us an 11.2 percent increase over the previous year.

The overwhelming success of our Business Department has certainly been a major plus and a positive impact on our students. The opening of our Computer Lab with 14 fast 386 computers with Super-VGA color monitors, a dot matrix and two laser printers, and a color scanner have also been encouraging.

Bible Conference was a tremendous blessing as we focused on Jubilee and Homecoming. Outstanding preaching, music, testimonies and fellowship characterized this year's conference.

In mid-April we were able to announce that the \$600,000 indebtedness had been paid and we were debt free.

As you know, in pursuing SACS accreditation, we are embarking on one of the most aggressive moves our college has made since its beginning. To do this will require everyone here to take on added responsibilities and spend extra time. We also need more professors with doctoral degrees and further preparation. All of this will demand more financial help from our churches and people. We can only do what our people enable us to do.

Welcome Days have seen a marked increase both semesters, with the April Welcome Days being the largest in our history.

Brother Leroy Forlines has announced his semi-retirement. He will continue to teach some classes for which we are grateful. Enrollment for this fall is tracking about 10 percent ahead of last year. One new program, for athletic trainers, will be added this fall. Also, plans have been laid to add another major in the field of accounting.

Free Will Baptist Bible College is a service organization, existing for the purpose of serving our churches and our denomination. It is my desire that we do the best we can to prepare students to know the Lord and faithfully follow His will for their lives.

I praise God for our employees. They are faithful, sacrificial people, serving God where He has placed them.

Pray for us, encourage us, stand with us in these days of opportunity.

Respectfully submitted,  
Tom Malone  
President

## Registration Report 1991-92

Undergraduate Enrollment.....307

### Enrollment Breakdowns

<i>By State</i>					
Alabama	20	Louisiana	3	Tennessee	68
Arkansas	15	Michigan	6	Texas	8
California	4	Mississippi	7	Virginia	10
Colorado	2	Missouri	20	Washington	2
Delaware	2	New Mexico	1	West Virginia	5
Florida	7	New York	1		
Georgia	15	North Carolina	26	Virgin Islands	1
Illinois	25	Ohio	17		
Indiana	10	Oklahoma	2		
Kentucky	10	South Carolina	14	Foreign	6

(The student body represents 25 states, the Virgin Islands and 4 foreign countries.)

### By Classification

Freshmen	105	Juniors	65
Sophomores	72	Seniors	46
Special	19		

### Others

Male	172	Ministerial	72
Female	135	Missionary	37
Free Will Baptist	294	Single	238
Other	13	Married	69

### Enrollment Summary 1991-92

Undergraduate Enrollment	First Semester	281
Additional Enrollment	Second Semester	21
Total Enrollment	First and Second Semesters	302
Summer 1991 Enrollment Not Already Counted		5
Total Undergraduate Enrollment		307
Graduate School Enrollment For 1991-92		17
TOTAL ANNUAL ENROLLMENT (Undergraduate & Graduate)		324



### Financial Aid Report

Loans Issued .....	155	\$137,042.96
Student Workers .....	85	115,411.70
Scholarship Recipients .....	68	26,695.97
SEOG Program .....	49	15,200.00
College Work-Study Program.....	4	9,521.00
Pell Grant Awards.....	113	171,051.00
Stafford Loan Program.....	67	166,048.00
PLUS Loan Program .....	6	22,500.00
Total Financial Aid Administered 91-92 .....		\$663,470.63

### Welch Library

Total books, bound volumes, microforms, sound recordings, video-cassettes, instructional materials, etc.....	55,058
--	--------

May 31, 1992, 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.

### Minutes Free Will Baptist Bible College Board of Trustees

#### Fall Meeting—December 4-5, 1991

Meeting began with devotion and prayer. After adopting agenda, reports were given from President and various departments. President announced a historical event would take place on campus in a few days: the first Free Will Baptist Basketball Classic with all four Free Will Baptist colleges participating.

Much discussion was given to mandate of Tennessee State Department of Education concerning regional accreditation if College was to continue certifying teachers. Board unanimously authorized administration to pursue SACS accreditation.

Final emphasis was given by Dr. Charles Hampton in regards to Jubilee and the upcoming Bible Conference in March 1992.

Board directed President to express its appreciation to faculty and staff for their hard work and dedication.

#### Spring Meeting—May 12-14, 1992

Meeting began with devotion and prayer. After adopting agenda, reports were given from President and various departments.

Appreciation will be expressed to Jubilee Committee and a plaque made and displayed commemorating 50 years of God's faithfulness to FWBBC.

Recognized two employees for 25 years of service: Joe Jones and Jean Whitaker. Recognized Brother Leroy Forlines for 37 years of service and his semi-retirement.

Took approximately one hour for testimony and thanksgiving for God's blessing in enabling the college to be debt free.

Voted to employ Vernon Whaley as chairman of Music Department. Voted to add new major in Athletic Training. Approved a series of lectures to be held each year called "The F. Leroy Forlines Lectures" in honor of Mr. Forlines.

Granted sabbatical to Dr. Charles Hampton. Adopted the budget for 92-93.

Board expressed deep appreciation to Brothers W.B. Hughes and Clarence Burton who will be retiring from board after 12 years of faithful service.

Heard Bill Evans present the work of Free Will Baptist Foundation.

Adopted guidelines for the three committees within the board: Student Affairs Committee, Physical Plant Committee and Faculty Affairs Committee.



FREE WILL BAPTIST BIBLE COLLEGE  
Nashville, Tennessee

# 1991-92 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 37017  
TEL: 615/377-3485  
FAX: 615/377-3488

We have audited the balance sheet of Free Will Baptist Bible College as of May, 31 1992 and the related statements of changes in fund balances and current funds revenues, 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 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 Free Will Baptist Bible College as of May 31, 1992, and the changes in fund balances and current funds revenues, expenditures and other changes for the year then ended in conformity with generally accepted accounting principles.

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

July 7, 1992

## FREE WILL BAPTIST BIBLE COLLEGE

### Balance Sheet

May 31, 1992

(with comparative figures for 1991)

Assets	1992	1991
Current funds:		
Unrestricted:	\$ 215,472	380,370
Cash and interest bearing deposits	2,000	2,000
Investments at fair value at date of gift	5,058	7,907
Prepaid expenses		
Receivables (note 6):	14,043	17,490
Students accounts	12,125	16,393
Staff and others	10,980	-
Due from plant funds		
Total receivables	37,148	33,883
Inventories	29,320	18,369
Total unrestricted funds	288,998	442,529
Restricted:	19,065	18,903
Due from current unrestricted funds	19,065	18,903
Total restricted funds	\$ 308,063	461,432
Total current funds	\$ 258,450	196,729
Loan funds:		
Interest bearing deposits		
Loans to students, less allowance for doubtful	315,871	345,631
loans of \$32,500 1992 and 1991	20	-
Due from current unrestricted funds	\$ 574,341	542,360
Total loan funds	\$ 148,227	133,371
Endowment funds:		
Interest bearing deposits		
Total endowment funds	\$ 148,227	133,371
Annuity funds:		
Interest bearing deposits	\$ 55,000	55,000
Total annuity funds	\$ 55,000	55,000
Plant funds:		
Interest bearing deposits	\$ 46,072	-
Investment in plant (notes 2 and 7):		
Land	321,519	376,519
Buildings and improvements	3,409,926	3,544,426
Equipment	690,776	616,808
Library books	229,791	216,246
Total investment in plant	4,652,012	4,753,999
Accumulated depreciation (note 7)	1,537,456	1,459,580
Net investment in plant	3,114,556	3,294,419
Total plant funds	\$ 3,160,628	3,294,419
Agency funds:		
Cash	\$ 1,636	1,137
Due from current unrestricted fund	4,769	3,922
Total agency funds	\$ 6,405	5,059

See accompanying notes to financial statements.



# Liabilities and Fund Balances

	1992	1991
Current funds:		
Unrestricted:		
Note payable to individuals (note 2)	\$ 56,071	228,985
Accounts payable	47,847	41,862
Students' credit balances and deposits	20,911	35,941
Accrued salaries	67,119	58,244
Deferred revenues - summer school and other	9,431	13,230
Due to other funds:		
Current restricted funds	19,065	18,903
Loan funds	20	-
Agency funds	4,769	3,922
Total due to other funds	23,854	22,825
Total liabilities	225,233	401,087
Fund balance	63,765	41,442
Total unrestricted funds	288,998	442,529
Restricted:		
Fund balances - private	19,065	18,903
Total restricted funds	19,065	18,903
Total current funds	\$ 308,063	461,432
Loan funds:		
Accrued interest	\$ 6,027	5,470
Notes payable to individuals (note 2)	209,240	193,070
Fund balances - private	359,074	343,820
Total loan funds	\$ 574,341	542,360
Endowment funds:		
Fund balances:		
Endowment	\$ 47,656	47,466
Quasi-endowment, unrestricted	33,471	33,471
Scholarship, restricted	67,100	52,434
Total endowment funds	\$ 148,227	133,371
Annuity funds:		
Annuity payable	\$ 4,617	4,887
Fund balance	50,383	50,113
Total annuity funds	\$ 55,000	55,000
Plant funds:		
Accounts payable	\$ 46,538	-
Due to current unrestricted funds	10,980	-
Notes and capital lease obligations (note 2)	77,673	146,294
Total liabilities	135,191	146,294
Fund balances:		
Unexpended	-	-
Net investment in plant	3,025,437	3,148,125
Total fund balances	3,025,437	3,148,125
Total plant funds	\$ 3,160,628	3,294,419
Agency funds:		
Funds held in custody for others	\$ 6,405	5,059
Total agency funds	\$ 6,405	5,059

## FREE WILL BAPTIST BIBLE COLLEGE

### Statement of Changes in Fund Balances

Year ended May, 31, 1992

	Current Funds		Loan Funds
	Unrestricted	Restricted	
Revenues and other additions:			
Unrestricted current funds revenues	\$ 2,260,727	-	-
Federal grants - student aid funds	-	192,375	-
Private gifts	-	12,260	900
Endowment income	-	3,336	-
Investment income - restricted	-	-	11,470
Interest on student loans	-	-	29,334
Additions to plant facilities, including \$32,8744 from current funds	-	-	-
Addition to long-term debt obligations	-	-	-
Retirement of indebtedness	-	-	-
Proceeds from disposal of property	-	-	-
Adjustment of computed annuity liability	-	-	-
Total revenues and other additions	2,260,727	207,971	41,704
Expenditures and other deductions:			
Educational and general expenditures	1,738,288	199,313	-
Auxiliary enterprises expenditures	491,082	6,922	-
Administrative cost allowance	-	1,574	-
Provision for doubtful notes	-	-	12,430
Retirement of indebtedness	-	-	-
Expansion campaign expense and promotion	-	-	-
Interest expense	-	-	13,580
Depreciation and amortization expense (note 7)	-	-	-
Additions to plant facilities	-	-	-
Renovation of plant properties	-	-	-
Addition to long-term debt obligations	-	-	-
Basis of assets sold	-	-	440
Other	-	-	-
Total expenditures and other deductions	2,229,370	207,809	26,450
Transfers among funds and other changes -			
additions (deductions):			
Mandatory transfers for debt service	(9,034)	-	-
Total transfers and other changes	(9,034)	-	-
Net increase (decrease) for the year	22,323	162	15,254
Fund balance at beginning of year	41,442	18,903	348,820
Fund balance at end of year	\$ 63,765	19,065	364,074

See accompanying notes to financial statements.



Endowment Funds	Annuity Funds	Plant Funds	
		Unexpended	Net Investment In Plant
-	-	-	-
14,856	-	66,213	-
-	-	616	-
-	-	-	87,513
-	-	53,139	-
-	-	212,416	110,314
-	270	-	-
14,856	270	332,384	197,827
-	-	-	-
-	-	-	-
-	-	-	-
-	-	110,314	-
-	-	57,688	-
-	-	8,455	-
-	-	-	106,890
-	-	54,639	-
-	-	110,132	-
-	-	-	53,139
-	-	-	160,486
-	-	190	-
-	-	341,418	320,515
-	-	9,034	-
-	-	9,034	-
14,856	270	-	(122,688)
133,371	50,113	-	3,148,125
148,227	50,383	-	3,025,437

## FREE WILL BAPTIST BIBLE COLLEGE

Statement of Current Funds Revenues,  
Expenditures and Other Changes

Year ended May 31, 1992

(with comparative figures for 1991)

	1992		1991
	Unrestricted Funds	Restricted Funds	Total
Revenues:			
Tuition and fees	\$ 767,256	-	767,256
Federal student financial aid programs	-	192,375	192,375
Gifts	751,242	10,524	761,766
Endowment income	5,565	3,336	8,901
Investment income	20,186	-	20,186
Sales and services of auxiliary enterprises	708,851	-	708,851
Other sources	7,627	-	7,627
Total revenues	2,260,727	206,235	2,466,962
Expenditures:			
Educational and general:			
Instruction	593,055	4,217	597,272
Academic support	155,033	-	155,033
Student services	233,573	1,747	235,320
Operation and maintenance of plant	242,347	5,394	247,741
Institutional support	504,117	1,888	506,005
Scholarships and fellowships:			
Federal student financial aid programs	-	181,757	181,757
Institutional funded aid	10,163	4,310	14,473
Total educational and general expenditures	1,738,288	199,313	1,937,601
Mandatory transfers for debt service	2,159	-	2,159
Total educational and general	1,740,447	199,313	1,939,760
Auxiliary enterprises:			
Expenditures	491,082	6,922	498,004
Mandatory transfers for debt service	6,875	-	6,875
Total auxiliary enterprises	497,957	6,922	504,879
Total expenditures and mandatory transfers	2,238,404	206,235	2,444,639
Transfers and other changes:			
Transfer to plant fund for early extinguishment of interfund debt	-	-	-
Transfer from quasi-endowment fund	-	-	-
Restricted receipts over (under) transfers to revenues	-	162	162
Revenues over (under) expenditures and other changes	\$ 22,323	162	22,485

See accompanying notes to financial statements.



# FREE WILL BAPTIST BIBLE COLLEGE

## Notes to Financial Statements

May 31, 1992

Free Will Baptist Bible College is operated under the auspices of The National Association of Free Will Baptists.

### (1) Summary of Significant Accounting Policies

#### Fund Accounting

In order to ensure observance of limitations and restrictions placed on the use of resources available to the College, the accounts of the College 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. Separate accounts are maintained for each fund; however, in the accompanying financial statements, funds that have similar characteristics have been combined into fund groups. Accordingly, all financial transactions have been recorded and reported by fund group.

#### Current Funds

Current fund balances are separated into those which are restricted by donors or grantors and those which are unrestricted. Restricted funds may only be expended for the purpose indicated by the donor or grantor; whereas, unrestricted funds are under the control of the College to use in achieving its educational purposes.

#### Loan Funds

The loan funds consist of loans to students from gifts restricted for such purposes and from proceeds of notes payable to individuals. The terms of agreements specify that the funds operate on a revolving basis, i.e., repayments of loan principal and interest are loaned to other student borrowers.

#### Endowment Funds

Endowment funds are subject to the restrictions of gift instruments requiring that the principal be invested in perpetuity, and only the income be utilized. While quasi-endowment funds have been established by the College for the same purposes as endowment funds, any portion of quasi-endowment funds may be expended.

#### Annuity Funds

Annuity funds consist of funds acquired by the College subject to agreements whereby the assets are made available to the College on the condition that the College bind itself to pay stipulated amounts periodically to the individuals. Payments of such amounts terminate upon the occurrence of an event as specified in the agreement, at which time the principal of the fund is transferred to the fund group designated by the grantor. When gifts of annuity funds are received, the present value of the annuity payable is credited to a liability account, and the remainder to fund balance. Investment income and gains are credited and annuity payments and investment losses are charged to the liability account. Annually the annuity payable is adjusted to its present value.

#### Plant Funds

Plant assets, consisting of land, buildings, equipment, library books, etc. are stated at cost or estimated fair value at date of gift. Certain equipment purchases are funded from the current operating budget and are presented under the appropriate functional classification of expenditures. Expenditures for acquisition of assets in excess of \$250 are capitalized as investment in plant. Depreciation is provided using the straight-line method over the respective.

#### Inventories

Inventories, consisting of books and supply items, are valued at cost, with cost being determined on the first-in, first-out method.

#### Investments

Investments in stocks and bonds are stated at cost, except those received by gift, which are stated at approximate market value at date of gift.

#### Taxes

The College is exempt from income taxes under Internal Revenue Code Section 501(c)(3); accordingly, no provision for taxes has been made in the accompanying financial statements.

### (2) Notes Payable and Capital Lease Obligations

#### Current Unrestricted Funds:

Notes payable to individuals:

6% notes to individuals maturing through April 1993 \$ 56,071

#### Loan Funds:

Notes payable to individuals: - 7% demand notes to individuals. \$ 209,240

## Notes to Financial Statements, continued

### (2) Notes Payable and Capital Lease Obligations, continued

#### Plant Funds:

Notes payable and capital lease installment obligations consist of the following:  
7% to 10% capital lease installment obligations, payable in monthly installments totaling \$1530, through May 1997, secured by leased telephone and computer equipment (see note 7).

		\$ 68,173
		9,500
Other		77,673
	Total plant fund debt	
	Long-Term Debt	Capitalized Lease Obligation
Annual maturities of notes payable are as follows for each year ended May 31:		
1993	\$ 9,500	18,354
1994	-	18,354
1995	-	18,354
1996	-	18,354
1997	-	9,319
	\$ 9,500	82,735
	Less amount representing interest	14,562
		\$ 68,173

### (3) Endowment Funds

The yield on endowment funds, based on average cost, amounted to 6.32 percent in 1992.

### (4) Pledges Outstanding

A summary of pledges outstanding as of May 31, 1992 is as follows:

Purpose	\$ 42,370
Campaign	3,665
Plant - alumni	\$ 46,035

It is not practicable to estimate the net realizable value of the pledges or the period of collection.

### (5) Pension Costs

The College has a defined benefit pension plan which covers all regular employees, except full-time students, hired prior to attaining age 61 following completion of one year of service and attainment of age 21. Service for benefit and vesting purposes shall be the number of plan years in which the participant completes at least 1,000 hours. The benefits on retirement are determined based on average compensation during the three consecutive years during the last ten years prior to the participant's normal retirement date which produces the highest average. During 1991, the College shortened its vesting schedule from 10 years to 5 years. Employees are not required to contribute toward the cost of the plan. The College's funding policy is fund pension costs accrued. The plan assets consist of investments with and fully guaranteed by Protective Life Insurance Co., the plan administrator. The following table sets forth the plan's funded status and amounts recognized in the College's statement of financial position at May 31, 1992.

Actuarial present value of benefit obligation:	\$ (818,378)
Accumulated benefit obligation (of which \$818,378 are vested)	\$ (1,153,550)
Projected benefit obligation for services rendered to date	1,204,782
Plan assets, at fair value	51,232
Plan assets in excess of projected benefit obligation	9,766
Unrecognized net (gain) or loss	237,938
Prior service cost not yet recognized in net periodic pension cost (benefit)	(298,936)
Unrecognized net asset at June 1, 1989 being amortized over 15 years	\$ -
Accrued pension cost, included in accounts payable	



# Notes to Financial Statements, continued

## (5) Pension Costs, continues

Net pension cost for 1992 included the following components:

Service cost - benefits earned during period	\$ 42,019
Interest cost on projected benefit obligation	82,797
Actual return on plan assets	(101,992)
Net amortization and deferral	(462)
Net pension cost	\$ 22,362

The weighted-average discount rate and rate of increase in future compensation levels used in determining the actuarial present value of the projected benefit obligation were 8.5 percent and 5 percent, respectively. The expected long-term rate of return on assets was 8.75 percent.

## (6) Concentration of Credit Risk

The College is the institution of higher education of the National Association of Free Will Baptists, Inc. and offers Bible based educational services to members of the denomination. The College extends credit in certain instances to students for educational costs and makes loans to students from the Loan Funds. These accounts are not collateralized and are subject to accounting risk of loss amounting to the outstanding balance at any point in time.

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

Depreciation and amortization charged to the fund balance of the Plant Funds computed on the straight-line method was \$106,890 in 1992.

Components of property, plant and equipment and capitalized leases are as follows:

	Total	Purchased Assets	Assets Acquired By Capital Leases
Land	\$ 321,519	321,519	-
Buildings	3,409,926	3,409,926	-
Equipment	690,776	616,805	73,971
Library Books	229,791	229,791	-
	4,652,012	4,578,041	73,971
Accumulated depreciation and amortization	-	1,530,629	6,827
Net Investment in Plant	\$ 4,652,012	3,047,412	67,144

# FREE WILL BAPTIST BIBLE COLLEGE

Proposed Budget for the Year Ending May 31, 1993

As Compared to

Actual as Summarized for the Year Ended May 31, 1992

## Current Unrestricted Funds

	Proposed Budget May 31, 1993	Actual May 31, 1992
Revenues:		
Tuition and fees	\$ 924,750	762,976
Gifts:		
Together Campaign	1,025,000	808,927
Less Building Fund	(70,000)	(57,685)
Net Operating Gifts	955,000	751,242
Endowment income	5,000	5,565
Investment income	7,000	20,186
Sales and services of auxiliary enterprises	851,000	708,851
Graduate school	7,000	4,280
Other sources	15,500	7,627
Total revenues	2,765,250	2,260,727
Expenditures:		
Educational and general:		
Instruction	665,435	580,701
Academic support	177,690	155,033
Student services	262,745	233,573
Operation and maintenance of plant	275,900	242,347
Institutional support	533,860	514,280
Total educational and general expenditures	1,915,630	1,725,934
Auxiliary enterprises:		
Expenditures	587,965	497,957
Graduate School	18,505	14,513
Contingency fund	243,150	-
Total expenditures	2,765,250	2,238,404
Excess of revenues over (under) expenditures	\$ -	22,323

**THIS INFORMATION IS NOT PART OF THE AUDITOR'S REPORT**



## SUMMARY OF FINANCIAL INFORMATION

This summary is provided to help the denomination better understand the overall financial condition of Free Will Baptist Bible College. Also, the page to the immediate left not only provides the proposed budget ending May 31, 1993, but shows the comparable financial highlights of the actual fiscal year ended May 31, 1992.

- 1 The Bible College ended the fiscal year with excess revenues totaling \$22,323.
- 2 The \$600,000 campaign to retire old debt began in March 1991, and has been successfully completed through denominational gifts and the sale of surplus college property (see # 5 below).
- 3 Fall enrollment increased 11.5% from the previous year which increased income derived from student tuition and fees.
- 4 Current noteworthy financial obligations in the form of loans and leases are categorized in 3 areas:
  - a. \$56,071 payable to individuals (for general college use).
  - b. \$209,240 payable to individuals (restricted for use as student loans)

As of May 31, 1992 the College had sufficient designated cash and savings to satisfy both "a." and "b".

  - c. \$68,173 in lease obligations for campus telephone and computer equipment.

The College in providing the above services to its students, charges sufficient fees to satisfy the lease payments.
- 5 The sale of surplus college property mentioned in #2 above also funded several plant fund renovation needs which included updating portions of the mens dormitory and a new gymnasium floor.
- 6 Unrestricted gifts which support the operating fund totaled \$751,242 and constituted 33% of the College's total \$2,260,727 in revenue for 1991- 92.
- 7 Free Will Baptist Bible College would have been required to more that double the cost of tuition had it not been for the gift revenue reflected in #6.
- 8 While the College no longer has the burden of debt, many pressing needs remain unfunded. These include items such as increased salaries and staffing, renovation projects, and equipment, furniture and vehicle replacement. These needs are addressed through the prospect of increased enrollment and gifts.

### THIS INFORMATION IS NOT PART OF THE AUDITOR'S REPORT

## Proposed Gift Income Budget 1992 - 1993

ALABAMA .....	\$ 70,000.00
ARIZONA .....	3,000.00
ARKANSAS .....	40,000.00
CALIFORNIA .....	12,000.00
COLORADO .....	1,000.00
CONNECTICUT .....	7,000.00
DELAWARE .....	200.00
FLORIDA .....	26,000.00
GEORGIA .....	65,000.00
HAWAII .....	1,000.00
IDAHO .....	500.00
ILLINOIS .....	45,000.00
INDIANA .....	14,000.00
IOWA .....	300.00
KANSAS .....	2,000.00
KENTUCKY .....	17,000.00
LOUISIANA .....	200.00
MARYLAND .....	10,000.00
MICHIGAN .....	35,000.00
MISSISSIPPI .....	27,000.00
MISSOURI .....	36,500.00
NEBRASKA .....	1,000.00
NEVADA .....	300.00
NEW JERSEY .....	1,000.00
NEW MEXICO .....	1,000.00
NORTH CAROLINA .....	130,000.00
OHIO .....	20,000.00
OKLAHOMA .....	25,000.00
SOUTH CAROLINA .....	61,000.00
SOUTH DAKOTA .....	1,000.00
TENNESSEE .....	180,000.00
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 .....	\$1,025,000.00



**Free Will Baptist Bible College Gift Report**  
June 1, 1991 - May 31, 1992

Alabama	\$58,601.05	New Hampshire	2.00
Arizona	898.55	New Mexico	43.96
Arkansas	43,172.26	North Carolina	134,884.90
California	7,034.91	Ohio	15,135.61
Colorado	670.00	Oklahoma	17,048.78
Connecticut	7,500.00	South Carolina	42,962.20
Delaware	125.00	Tennessee	145,577.28
Florida	12,760.78	Texas	6,514.01
Georgia	59,651.02	Virginia	20,315.38
Hawaii	475.00	Washington	1,025.56
Idaho	71.95	West Virginia	7,231.92
Illinois	28,231.91	Canada	10.45
Indiana	5,001.18	WNAC	7,491.66
Iowa	395.00	Virgin Islands	894.10
Kansas	433.80	College Family	20,440.84
Kentucky	12,120.26	Matching Gifts	41,087.00
Louisiana	20.00	Foreign Missionaries	2,270.00
Maine	100.00	Other (Misc.)	3,145.23
Maryland	3,662.61		
Michigan	23,302.40	TOTAL **	771,924.36
Minnesota	25.00		
Mississippi	14,280.83	Alumni Projects	9,425.00
Missouri	27,109.97	Estates/Trusts	33,231.23
Nebraska	200.00		
		GRAND TOTAL	<u>\$814,580.59</u>

\*\*Includes \$53,640.09 of Debt Retirement Gifts

**Foreign Missions Board Report**

Greetings from your foreign missions team. Thank God for placing us on the cutting edge of the Great Commission.

**News From The Fields**

Praise God for the 948 people who found Christ last year on our mission fields. These conversions are the fruit of many months, and in some cases, years of sowing the gospel seed, and watering them with tears. For example, special evangelistic campaigns in Côte d'Ivoire resulted in 64 professions of faith during the holiday season. Similar efforts helped bring 128 to Christ in Panama. The first converts in Pocitos, an affluent section of Montevideo, Uruguay, came to know Christ last year. The witness of Free Will Baptists has spread to Ghana from neighboring Côte d'Ivoire. A new mission work began in the Marincek section of Ribeirao Preto, Brazil, where we already have one church and two missions. God is building His church!

God is providing facilities to reach the unsaved and teach Christian workers. For example, in Bondoukou, Côte d'Ivoire, a youth center has been built to reach the thousands of students in the city. Our missionaries will also hold training sessions for Koulango preachers in the building. We appreciate the group of Master's Hands who worked on the construction. Another group helped on the building in Belo Horizonte, Brazil, where we are establishing only the second Protestant church to reach some of the one-half million people who live in the Buritis section.

Free Will Baptists provide formal training programs in Brazil, Côte d'Ivoire, Cuba, Panama, Spain, Uruguay, Japan and France. One hundred forty-five young people, who feel called to preach, serve as missionaries or work as dedicated lay leaders, are being trained through these programs.

Our co-workers in Doropo, Côte d'Ivoire, are busy trying to finish the construction of the new hospital building.

The increasing number of indigenous national churches encourages us greatly. Two hundred five national workers are preaching the Word in nine countries.

Since our goal includes the formation of associations of churches, we especially rejoice over reports of record attendance at the annual conference in India. The fact that 108 women from 25 villages participated in a special conference in Cote d'Ivoire is most encouraging news also.

Our Cuban brethren will celebrate their jubilee August 18 - 23. We are most grateful for the preserving power of God upon His flock in that Communist land.

In response to the initiative of our Executive Secretary, Dr. Melvin Worthington, we plan to hold our first International Consultation of Free Will Baptists in Panama, August 24 - 28. (For a statistical summary of our overseas ministries, see figure # 1).



Figure 1

Fig. 1 **Status of Free Will Baptist Overseas Ministries**  
As of January 1, 1992

Field	Missionaries Assigned to Each Field	Ordained Pastors	Licensed and Lay Preachers	Bible Institutes	Students	Organized Churches	Mission Works	1991 Converts	1991 Baptisms	Av. Sunday Attendance
Brazil	24	5	21	3	58	9	7	87	40	596
Cuba		6	73	1	27**	15	17	312	77	687
France	15			1	7	2*	1	12	7	132
Germany	3						1	3		14
India	2	10	10		8	17	79	148	80	1,602
Côte d'Ivoire	32	1	33	1	14**	18***	24***	176	51	2,072
Japan	14	5	6		3	8	1	32	3	165
Panama	4	3	16	1	23	5	6	128	40	430
Spain	13		5	1	7	2	2	4	9	100
Uruguay	9	2	9	1	5	7	4	46	4	266
<b>TOTALS</b>	<b>116</b>	<b>32</b>	<b>173</b>	<b>9</b>	<b>152</b>	<b>83</b>	<b>142</b>	<b>948</b>	<b>311</b>	<b>6,064</b>

\*Does not include Rennes church  
 \*\*Local leadership training program; Cuba, 21 extension students  
 \*\*\*2 churches and 5 mission works no longer affiliated with the Ivorian FWB association

### Highlights From Our Board Meetings

We have had three official meetings since our last National Association.

(1). Our board met during the foreign missions retreat on the campus of Free Will Baptist Bible College, August 5 - 8. The following members were present: Bill Jones, chairman; Norwood Gibson, vice-chairman; Galen Dunbar, secretary; Dean Dobbs, Alton Loveless, Archie Mayhew, Bill Reagan, and Robert Trimble. Joe Grizzle was unable to attend the session because he was speaking to our European missionaries during their retreat.

The board made the following changes in personnel:

Joe and Tanya Dudley will serve as short-term missionaries in Nantes, France, during the 1992-1993 school term.

Kim Zegelen was approved as a missionary affiliate to work in Germany.

The resignation of Vivian Waller, an associate missionary to Japan, was accepted.

The board approved a program called "TEAM (Teens Equipped and Active in Ministry): BRAZIL '92" to give committed high school students an opportunity for a brief experience on the mission field. Ten young people will be spending three weeks in Brazil this summer.

(2). The semi-annual meeting was held in conjunction with the Leadership Conference in Nashville, December 2 - 5, 1991, with all members present.

The board made the following changes in personnel:

Nathan and Linda Snow will serve as short-term educational missionaries in Japan for two years beginning in the summer of 1992.

Susan Bumpus was appointed to serve as a missionary in Uruguay.

Ledgel and Sharon Ferguson were reinstated as missionaries to Côte d'Ivoire.

Arilla Wode resigned from the mission because of health reasons. She served as a missionary to Côte d'Ivoire for 15 and one-half years.

Mark and Donna Daniel also resigned from service in Côte d'Ivoire. They gave as their reasons: a basic change in their doctrinal beliefs relative to predestination, election, the atonement, and eternal security.

Judy Smith resigned as a missionary after having served 17 years in Japan.

Paul and Amy Robinson retired after 31 years of faithful service in Uruguay.

The following student missionaries were approved to serve during the summer of 1992:

Kyle Baker, Eddie Bowerman, Sheila Clagg, Tanya Hart, Jennifer Huckaba, Tim Johnson, Sheri Keener, Mark Kiepke, Amy Mainus, Pamela Roehl, Steven Sevits, James Wilkinson, and Kelly Cope.

The board directed that we enforce the policy of bringing missionaries back to the U.S. when their account deficits exceed \$8,000. Our faithful supporters rallied so that no one was forced to come home last winter.

The board also directed that the 1992 budget be cut by 12 percent (\$514,801), leaving the adjusted 1992 budget at \$3,775,205. The members were sensitive to the impact this cut would have on our missionaries as well as our home office operation. They did voice their concerns that the pain of the budget cut be felt equally by all.

The fact that missionaries who work in Third World countries are at special risk prompted our board to adopt a policy concerning exposure to the HIV virus.

We have established the *VISION* (Vital Investments Stimulating International Outreach Now). The primary purpose of this fund is to help our churches in foreign lands secure funds for building projects.

The board reaffirmed our commitment to regionalize as much of our missionary support as possible. Therefore, we are asking clusters of churches, quarterly meetings and associations to act jointly in underwriting foreign missionaries. We are convinced that this will be more efficient, relieve some of the pressure our missionaries feel to travel and raise funds, and enable them to get back to the fields on schedule.

By telephone conference on March 10, the board approved the em-



ployment of Michael Johnston as treasurer.

(3). The annual meeting was held April 27 - 29, 1992, at the national office building, with all members present.

Sarah Malone was approved as a missionary affiliate to teach in China for one year.

Associate missionary Mirial Gainer reported that she is taking a two-year leave of absence from Hokusei University because of the health problems of her mother, as well as her own health. Therefore, the board considers her status with the mission as being on a two-year leave of absence.

The board favors sending a teacher to the International Christian Academy in Bouake, Côte d'Ivoire, by 1995.

Our department will sponsor groups of pastors and laymen visiting our mission fields.

The board authorized the creation of the Fellow Helper's Fund for the purpose of assuring that no missionary need be called home in the middle of his/her term because of a deficit. Funds will only be disbursed to missionaries' accounts which exceed the \$8,000 deficit level. We are seeking contributions to undergird this program. If donations fall short of the amount needed, we propose that as of January 1, one percent of the income to every missionary's account who has a balance in excess of \$1,000 be set aside for this purpose until sufficient reserves are accumulated.

The board approved the establishment of a program to "assist in providing medicare supplementary insurance, or a cash stipend in lieu of insurance" for employees who retire in the future.

The audit was reviewed and approved. In keeping with requests from many people, our treasurer has included a simplified statement summarizing our financial standing in figure # 2. Our projected budget for 1993 is \$4,379,332.

Our board members honored the retiring chairman, Bill Jones, who is ineligible for re-election to the foreign missions board.

The new officers of our board are: Norwood Gibson, chairman; Bob Trimble, vice-chairman; Galen Dunbar, clerk.

### Review of Our Finances

We are grateful to our Heavenly Father for meeting our needs through the years. Last year our income for the regular budget was \$3,803,029. This was \$176,830 short of our 1991 budget.

Our regular expenditures totaled \$4,071,814 in 1991. (See figure # 3 for a breakdown of expenses). Several factors contributed to cause our expenses to be greater than our income:

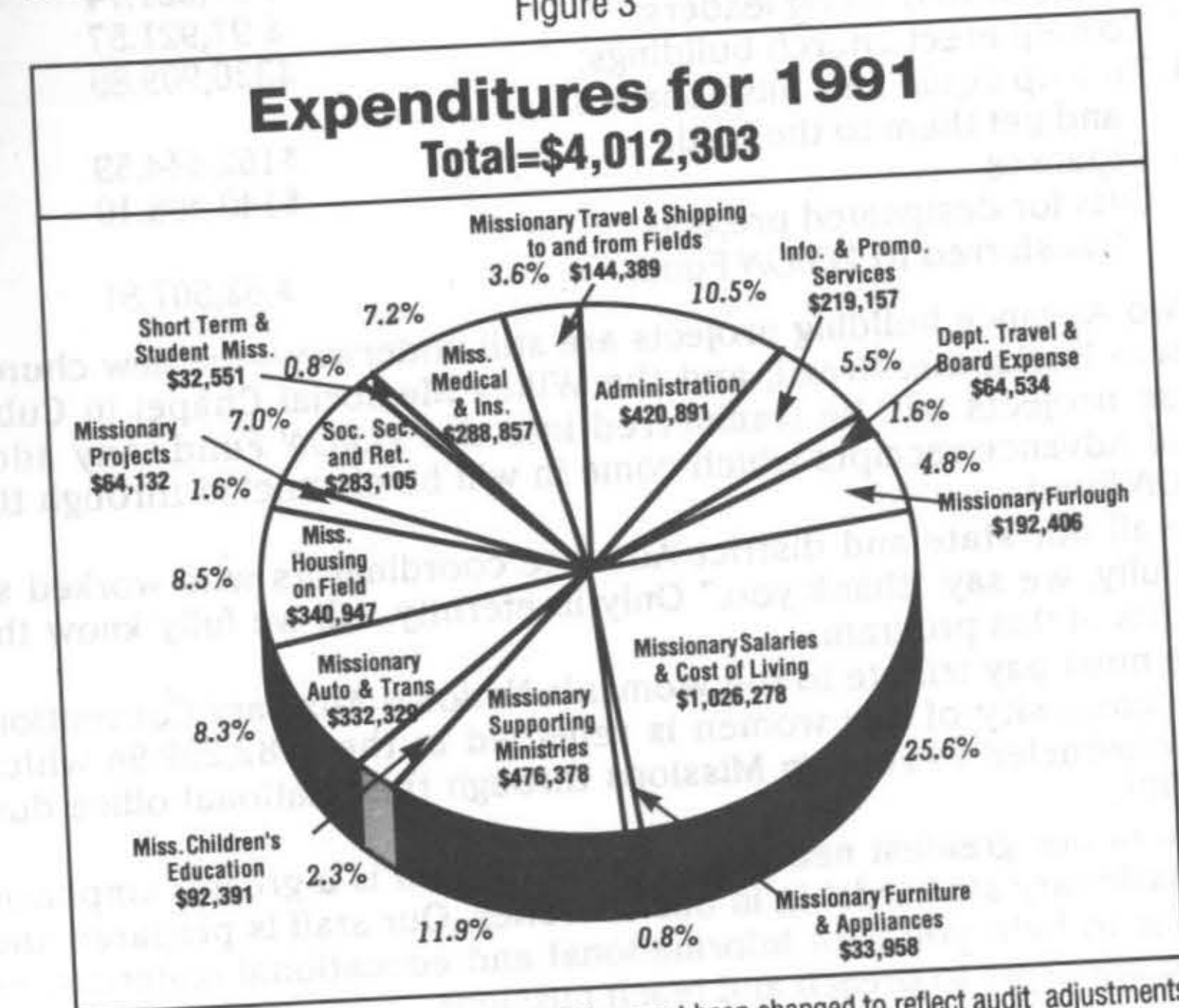
1. A weakened U.S. dollar in many places around the world.
2. Runaway inflation in several fields.
3. Growing ministries overseas which demand greater support from home.

Figure 2

SUMMARY OF 1991 REVENUE AND EXPENSES			
Total Revenue	\$4,428,573		
Total Expenses	4,435,694		
Revenue Over (Under) Expenses	<\$7,121>		
SUMMARY OF BALANCE SHEET AT DECEMBER 31, 1991			
<b>Assets:</b>			
Cash and Investments	\$1,280,199		
Interfund Loan	51,349		
Other Assets	201,503		
			\$1,533,051
<b>Liabilities:</b>			
Interfund Loan	\$51,349		
Other Liabilities	97,962		
			<149,311>
			<b>\$1,383,740</b>
<b>Total Funds Available</b>			
<b>Funds Available:</b>			
Missionary Accounts and ADVANCE Campaign	\$1,310,864		
General Fund and Plant Fund	72,876		
			<b>\$1,383,740</b>

Note: For further information regarding these amounts, see the audited financial statements following.

Figure 3



Note: Total expenditures shown in Figure 3 have not been changed to reflect audit adjustments.



4. Well-deserved increases in salary and benefits to our missionaries.
5. A drop in support from several states.

We commend the following states for exceeding their suggested quotas during 1991: Colorado, Iowa, Idaho, Illinois, Indiana, Kansas, Missouri, Montana, New Mexico, and Tennessee.

We appreciate every one of the 1,715 churches which made contributions to Foreign Missions in 1991. We especially honor the 37 churches which gave more than \$10,000 last year. Another 77 churches gave between \$5,000 and \$10,000 during 1991. You can see the list on display at our booth. Our records show that 109 fewer churches supported our ministry in 1991 than 1990. Since we receive some support from approximately 100 churches which are not affiliated with our National Association, nearly 900 affiliated Free Will Baptist churches sent no offering to Foreign Missions last year. This is a burden and a challenge. Please help us enlist every Free Will Baptist church in fulfilling our Lord's last command.

Our 50th anniversary Advance Celebration is over. Praise God and thank you for helping commemorate 50 years of faithfully taking the gospel to the regions beyond.

Our Advance fund received \$817,213.70 which were disbursed as follows:

1. To provide evangelistic tools:	\$ 27,021.74
2. To assist in training leaders:	\$ 97,921.57
3. To help erect church buildings:	\$326,909.89
4. To help equip new missionaries and get them to the field:	\$162,444.59
5. Expenses	\$140,408.10
6. Gifts for designated projects transferred to <i>VISION</i> Fund.	\$ 62,507.81

Two Advance building projects are still underway—the new church in Belo Horizonte, Brazil, and the Willey Memorial Chapel in Cuba. These projects will be transferred into the *VISION* Fund. Any additional Advance receipts which come in will be channeled through the *VISION* Fund.

To all our state and district Advance coordinators who worked so faithfully, we say "thank you." Only in eternity will we fully know the benefits of this program.

We must pay tribute to the Woman's National Auxiliary Convention. The generosity of our women is reflected in the \$182,299.94 which they channeled to Foreign Missions through their national office during 1991.

One of our greatest needs as a denomination is a greater emphasis on missionary stewardship in our churches. Our staff is prepared and anxious to help you with informational and educational materials, as well as speakers to preach and teach missions.

Again this year, we have compiled a list of churches based on per capita giving. This, too, is on display at our booth.

The board and I appreciate your partnership in getting the gospel to the unreached. We appreciate our home staff as well as our missionaries. Sometimes those who work in the office are taken for granted. However, the missionaries cannot stay on the battlefield overseas without someone maintaining the supply lines here at home. Please consider including something in your budget for our general fund. We request that every church include ten percent with their offering to help cover administrative costs.

Please keep our missionaries and staff on your prayer list. Your prayers and gifts can help open the windows of heaven on Free Will Baptist missionaries and mission churches around the world.

Respectfully submitted,  
R. Eugene Waddell  
General Director





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

### Independent Auditors' Report

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

### Board of Directors of the 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 the Board of Foreign Missions of The National Association of Free Will Baptists as of December 31, 1991, 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, 1990, 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 March 4, 1991.

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 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 Foreign Missions of The National Association of Free Will Baptists as of December 31, 1991, 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.*

May 12, 1992

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

### Balance Sheet

December 31, 1991

(with comparative totals for 1990)

	1991		1990	
	Operating - Unrestricted and Restricted Funds	Plant Fund	Total All Funds	Total All Funds
<b>Assets</b>				
Cash and cash equivalents (note 2)	\$ 697,049	-	697,049	1,246,522
Investments (note 2)	583,150	-	583,150	353,596
Accrued interest receivable	-	-	-	18,792
Accounts receivable from employees and missionaries (note 2)	29,867	-	29,867	24,739
Capitalized lease costs (note 4)	50,776	-	50,776	4,433
Prepaid expenses	8,315	-	8,315	8,698
Equipment, at cost, net of accumulated depreciation (note 5)	-	112,545	112,545	111,040
Due from plant fund (note 3)	51,349	-	51,349	68,466
<b>Total assets</b>	<b>\$ 1,420,506</b>	<b>112,545</b>	<b>1,533,051</b>	<b>1,836,286</b>
<b>Liabilities and Fund Balances</b>				
Accounts payable and accrued expenses	\$ 97,962	-	97,962	74,338
Due to operating fund (note 3)	-	51,349	51,349	68,466
Restricted deferred revenue (note 6):				
Missionary accounts	1,124,089	-	1,124,089	1,353,690
ADVANCE campaign	186,775	-	186,775	259,795
<b>Total liabilities</b>	<b>1,408,826</b>	<b>51,349</b>	<b>1,460,175</b>	<b>1,756,289</b>
<b>Fund balances:</b>				
Unrestricted	11,680	-	11,680	37,423
Net invested in plant	-	61,196	61,196	42,574
<b>Total fund balances</b>	<b>11,680</b>	<b>61,196</b>	<b>72,876</b>	<b>79,997</b>
<b>Total liabilities and fund balances</b>	<b>\$ 1,420,506</b>	<b>112,545</b>	<b>1,533,051</b>	<b>1,836,286</b>

Commitments (note 8)

See accompanying notes to financial statements.



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

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

**Year ended December 31, 1991**

(with comparative totals for 1990)

	1991				1990	
	Operating				Total	
	Restricted				All	
	Unrestricted	Missionary	ADVANCE	Plant	Funds	Funds
	Accounts	Campaign	Fund			
Support and revenue:						
Contributions (note 1a)	\$ 420,830	3,784,198	153,822	-	4,358,850	3,611,380
Investment income	68,600	-	-	-	68,600	91,233
Gain on disposal of plant assets	-	-	-	-	-	5,360
Other	1,123	-	-	-	1,123	28,047
Total support and revenue	490,553	3,784,198	153,822	-	4,428,573	3,736,020
Expenses:						
Informational and promotional	174,904	-	-	-	174,904	199,437
Travel and board	61,491	-	-	-	61,491	68,439
Administrative	467,710	-	-	-	467,710	377,066
Missionaries	-	3,545,635	153,822	-	3,699,457	3,051,239
Depreciation	-	-	-	28,574	28,574	23,551
Loss on disposal of plant assets	-	-	-	3,558	3,558	-
Total expenses	704,105	3,545,635	153,822	32,132	4,435,694	3,719,732
Excess (deficiency) of support and revenue over expenses	(213,552)	238,563	-	(32,132)	(7,121)	16,288
Fund balances, beginning of year	37,423	-	-	42,574	79,997	67,609
Transfers among funds and other changes:						
Loss on decline in market value of common stock investments	-	-	-	-	-	(3,900)
To plant for asset acquisitions, net of dispositions	(33,638)	-	-	33,638	-	-
Repayment of inter-fund borrowing	(17,116)	-	-	17,116	-	-
Informational and promotional material and equipment transfers (note 7)	238,563	(238,563)	-	-	-	-
Fund balances, end of year	\$ 11,680	-	-	61,196	72,876	79,997

See accompanying notes to financial statements

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

**Statement of Cash Flows**

**Year ended December 31, 1991**

(with comparative totals for 1990)

	1991				1990	
	Operating				Total	
	Restricted				All	
	Unrestricted	Missionary	ADVANCE	Plant	Funds	Funds
	Accounts	Campaign	Fund			
Operating cash flows						
Cash received from:						
Contributions	\$ 420,830	3,316,034	80,803	-	3,817,667	3,556,302
Investment income	87,392	-	-	-	87,392	81,046
Other	1,123	-	-	-	1,123	28,047
Cash paid to suppliers and employees	(730,655)	(3,307,072)	(153,823)	-	(4,191,550)	(3,479,564)
Net operating cash flows	(221,310)	8,962	(73,020)	-	(285,368)	185,831
Investing cash flows						
Equipment:						
Purchases of equipment	-	-	-	(43,520)	(43,520)	(39,089)
Proceeds from disposition	-	-	-	8,969	8,969	27,865
	-	-	-	(34,551)	(34,551)	(11,224)
Investments:						
Net change in short-term investments	(229,554)	-	-	-	(229,554)	347,266
Net investing cash flows	(229,554)	-	-	(34,551)	(264,105)	336,042
Net increase (decrease) in cash and cash equivalents	(450,864)	8,962	(73,020)	(34,551)	(549,473)	521,873
Reclassifications	(98,609)	(8,962)	73,020	34,551	-	-
Cash and cash equivalents:						
Beginning of year	1,246,522	-	-	-	1,246,522	724,649
End of year	\$ 697,049	-	-	-	697,049	1,246,522

See accompanying notes to financial statements.



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

## Notes to Financial Statements

December 31, 1991

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

### (1) Summary of Significant Accounting Policies

The major accounting principles and practices followed by the Board of Foreign Missions of the National Association of Free Will Baptists are presented below to assist the reader in evaluating the financial statements. The financial statements are presented in accordance with standards recommended in "Audits of Certain Nonprofit 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 in funds that are in accordance with activities or objectives specified.

- 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 revenue during the period they are expended for their restricted purpose.
- 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 using the straight line method.

#### Income Taxes

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

#### Investments

Investments are stated at the lower of cost or market.

#### 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.

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

## Notes to Financial Statements, Continued

### (2) Summary of Significant Concentrations of Financial Instruments

As of December 31, 1991, the Board had deposits with financial institutions and the Board of Retirement and Insurance of the National Association of Free Will Baptists. The following is summary of those deposits and the corresponding risk of accounting loss:

	Account Balance	Amount Insured / Secured	Amount of Accounting Risk of Loss
Demand deposit accounts with financial institutions	\$ 2,205	-	2,205
Interest bearing deposit accounts with financial institutions	683,770	357,850	325,920
Money market accounts held by investment bankers	11,074	11,074	-
Total cash and cash equivalents	697,049	368,924	328,125
Certificates of deposit with financial institutions - maturity of greater than three months	30,000	-	30,000
Deposits held in trust by a financial institution	208,492	100,000	108,492
Interest bearing deposits on account with the Board of Retirement and Insurance of the National Association of Free Will Baptists	12,114	-	12,114
Money market accounts held by investment bankers	331,894	150,827	181,067
Common stock	650	-	650
Total investments	583,150	250,827	332,323
Accounts receivable from employees and missionaries	29,867	-	29,867
Total	\$ 1,310,066	619,751	690,315

As of December 31, 1991, the fair value of investments approximates the cost of the investments. In addition, all receivables from employees and missionaries are unsecured with various repayment terms.

### (3) Inter-fund Borrowing

As of December 31, 1991, the plant fund had an outstanding debt to the operating fund of \$51,349.

### (4) Capitalized Lease Payments

The National Association of Free Will Baptists has purchased an office building to house various departments and agencies of the denomination. The Board entered into an agreement to lease space in this new building and further agreed to contribute to the debt service costs during the construction period and to continue until debt has been retired. Through the construction period costs amounting to \$65,844 were capitalized. These costs will be amortized against operations over a five year period. During 1991, \$15,068 was charged against operations leaving a resultant balance of \$50,776.



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

Notes to Financial Statements, Continued

**(5) Plant Funds**

A summary of plant fund assets is as follows:

Office furniture and equipment	\$ 29,626
Cameras and projectors	46,974
Automobiles	33,463
Computer equipment	72,194
	<u>182,257</u>
Less: accumulated depreciation	69,712
Net invested in plant	<u>\$ 112,545</u>

Depreciation expense, computed utilizing the straight line method amounted to \$28,574.

**(6) Restricted Deferred Revenue**

Changes in restricted deferred revenue is as follows:

	Missionary Accounts	ADVANCE Campaign	Total
Balance, December 31, 1990	\$ 1,353,690	259,795	1,613,485
Contributions	3,316,034	80,803	3,396,837
Funds available	4,669,724	340,598	5,010,322
Expenses and campaign expenditures	3,545,635	153,823	3,699,458
Balance, December 31, 1991	<u>\$ 1,124,089</u>	<u>186,775</u>	<u>1,310,864</u>

**(7) Informational 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.

**(8) Commitments**

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 \$35,210 in 1991 and \$56,940 in 1990. 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.



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

**Independent Auditors' Report on  
Supplementary Data**

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

Our report on our audit of the basic financial statements of the Board of Foreign Missions of the National Association of Free Will Baptists for 1991 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.*

May 12, 1992

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761 Old Hickory Boulevard  
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Brentwood, TN 37027  
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Schedule 1

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

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

Year ended December 31, 1991

(with comparative totals for 1990)

	1991			1990	
	Restricted		Total	Total	
	Unrestricted	Missionary Accounts	ADVANCE Campaign	All Funds	All Funds
Support and revenue:					
Contributions	\$ 420,830	3,316,034	80,803	3,817,667	3,556,302
Investment income	68,600	-	-	68,600	91,233
Gain on disposal of plant assets	-	-	-	-	5,360
Other	1,123	-	-	1,123	28,047
Total support and revenue	<u>\$ 490,553</u>	<u>3,316,034</u>	<u>80,803</u>	<u>3,887,390</u>	<u>3,680,942</u>



Schedule 2

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

Schedule of Unrestricted Fund Expenses

Year ended December 31, 1991

(with comparative figures for 1990)

<u>Unrestricted fund expenses</u>	1991	1990
<b>Informational and promotional:</b>		
Video and audio visual	\$ 6,617	6,505
Heartbeat	42,034	45,770
Postage	55,376	61,424
Data processing	10,369	10,321
Publicity	38,283	45,819
Telephone	9,424	8,572
Dues	100	400
Paper and supplies	8,314	5,168
Retreat	2,408	3,187
Debriefing	259	517
Tracts and books	1,364	1,455
WNAC fundraising	356	-
Secretarial	-	10,299
	<u>174,904</u>	<u>199,437</u>
<b>Travel and board:</b>		
Department auto	10,614	4,577
Board members	16,074	15,069
Board members - overseas travel	-	7,374
Honorariums	-	1,055
Department travel	34,089	39,860
Traveler's insurance	714	504
	<u>61,491</u>	<u>68,439</u>
<b>Administrative:</b>		
Salaries	216,705	188,116
Housing	60,720	57,420
Social security	22,481	25,988
Employer payroll taxes	12,577	11,044
Retirement	6,300	4,690
Hospitalization	55,763	46,485
Auditing	3,750	3,500
Office rent	24,623	32,376
New building expenses	47,938	-
Office equipment	1,874	500
Maintenance of office equipment	1,200	376
Office supplies	3,066	1,676
Estate expenses	1,888	-
Miscellaneous	8,825	4,895
	<u>467,710</u>	<u>377,066</u>
<b>Total unrestricted fund expenses</b>	<u>\$ 704,105</u>	<u>644,942</u>

Schedule 3

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

Schedule of Restricted Fund Expenses

Year ended December 31, 1991

(with comparative figures for 1990)

<u>Restricted fund expenses</u>	1991	1990
<b>Missionaries - Foreign Fields:</b>		
Ivory Coast	\$ 967,750	860,493
France	434,872	386,184
India	125,043	147,690
Brazil	536,832	434,424
Japan	493,613	419,495
Panama	164,765	89,852
Spain	465,137	419,993
Uruguay	262,996	183,558
Summer missionaries	28,388	10,610
Short-term missionaries	321	21,088
Other projects	65,897	47,292
Special investigative committee	21	26
	<u>3,545,635</u>	<u>3,020,705</u>
 Maintenance fees transferred to unrestricted funds for information and promotional materials	 (238,563)	 (221,676)
	<u>3,307,072</u>	<u>2,799,029</u>
<b>ADVANCE campaign expenditures:</b>		
General expenses	-	2,136
Project expenses	153,822	28,398
	<u>153,822</u>	<u>30,534</u>
 Net ADVANCE campaign expenses	 153,822	 30,534
<b>Total restricted fund expenses</b>	<u>\$ 3,460,894</u>	<u>2,829,563</u>



## 1993 Budget of Expense

### Foreign Fields\*

Africa .....	\$1,254,330.00
Brazil .....	649,541.00
France .....	480,419.00
India .....	122,111.00
Japan .....	465,749.00
Panama .....	114,182.00
Spain .....	513,918.00
Uruguay .....	233,710.00
Short-term missionaries .....	10,000.00
Student missionaries .....	25,000.00
Team Uruguay .....	17,000.00
Retired missionaries .....	6,804.00

Foreign Fields Total .....\$3,892,764.00

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

### Informational and Promotional Fund

Video .....	4,550.00
Audiovisuals, Films .....	4,250.00
Equipment .....	16,300.00
Heartbeat Magazine .....	37,600.00
Postage .....	60,000.00
Data Processing .....	23,000.00
Publicity Materials .....	54,234.00
Telephone .....	9,500.00
Services and Dues .....	175.00
Paper Supplies .....	2,000.00
Books and Subscriptions .....	1,000.00
Retreat and Debriefing Sessions .....	2,640.00
Miscellaneous Fund-raising Projects .....	37,200.00
Information/Promotion Personnel .....	40,500.00

Total .....\$ 292,949.00

### Less Information and Promotion

Transfers .....(272,017.00)

Information and Promotion Total.....\$20,932.00

### Travel and Board

Department Auto .....	1,200.00
Department Travel .....	35,000.00
Traveler's Insurance.....	600.00
Board Members .....	13,500.00

Travel and Board Total.....\$ 50,300.00

### Administrative

Salaries .....	172,916.00
Administrative Housing .....	55,800.00
Administrative Soc. Sec. ....	23,161.00
Health Insurance .....	42,421.00
Retirement .....	5,820.00
Supplemental Retirement .....	1,800.00
Auditing .....	4,000.00
Interest Expense on New Building.....	40,000.00
Office Rent .....	55,000.00
Maintenance of Office Equipment .....	1,000.00
Office Supplies .....	2,500.00
Miscellaneous.....	3,000.00
Employer Payroll Taxes .....	7,918.00

Administrative Total .....\$ 415,336.00

Total Regular Foreign Missions Budget.....\$4,379,332.00

On the chart on page 144—

### Northeast Association:

Maine  
New Hampshire  
Rhode Island

### Northwest Association:

Alaska  
Oregon  
Washington



**1993 State Goals  
With 1991 Comparisons**

State	1991 Goal	1991 Actual	1993 Goal
Alabama	\$ 185,000	\$ 151,741	\$ 186,000
Arizona	6,200	2,883	6,200
Arkansas	218,000	187,855	218,000
California	85,000	72,475	89,000
Colorado	5,000	5,358	6,800
Florida	95,000	58,053	92,000
Georgia	185,000	134,194	179,000
Hawaii	4,000	1,746	4,000
Idaho	1,200	1,650	2,000
Illinois	125,000	154,377	125,000
Indiana	43,000	47,329	55,000
Iowa	2,000	2,618	3,000
Kansas	19,000	23,367	27,000
Kentucky	90,000	64,015	82,000
Louisiana	300	275	300
Maryland	23,000	21,837	30,000
Michigan	150,000	110,879	155,000
Mississippi	66,000	61,027	72,000
Missouri	308,000	383,664	413,000
Montana	1,000	1,539	2,000
Nebraska	1,500	680	1,500
New Jersey	-0-	515	1,000
New Mexico	1,000	1,719	2,000
Northeast Assn.	5,200	3,654	5,000
Northwest Assn.	7,500	4,507	8,000
North Carolina	513,000	487,818	535,000
Ohio	142,000	112,007	133,000
Oklahoma	439,000	375,875	432,000
Pennsylvania	2,900	640	-0-
South Carolina	214,000	192,640	227,000
South Dakota	-0-	180	500
Tennessee	568,000	584,643	650,000
Texas	129,000	120,186	138,000
Virginia	155,000	118,755	144,000
Virgin Islands	3,000	1,163	2,500
West Virginia	85,000	66,882	87,000
W.N.A.C.		121,349	120,000
Wyoming		240	500
Miscellaneous	102,059	122,552	145,032
<b>TOTALS</b>	<b>\$3,979,859</b>	<b>\$3,802,887</b>	<b>\$4,379,332</b>

**Sunday School and Church Training Report**

Last year I had to report to you the sizeable deficit we had in our operation. As a result of the deficit we had to implement an austerity program. I am pleased to report to you that the austerity program has been working. We have been able to accomplish a turn-around this year.

Our revenues exceeded our expenses by \$83,000.00. We sold a portion of our land to the State of Tennessee for the right-of-way of the Harding Place extension. This price was \$103,695.00. After the expenses of the Youth Department our total excess revenues were \$143,512.00.

We have been able to reduce our indebtedness by \$226,157.00 during this past fiscal year. We will continue to work on our indebtedness and we should be able to reduce the balance a great deal more during this next fiscal year.

We also improved our cash-in-the-bank situation by some \$104,726.00 this past year.

One of the best ways you can help us is by purchasing our literature. Over the years we have striven to improve our literature and we continue to do so. Recently we conducted a survey to determine your likes and dislikes about our literature. Here are the results of our survey:

Total Churches Responded: 118 Total Surveys Received: 450

SURVEY (Age Group)	Just Right	Too Elementary	Over Their Heads	Percentage	Complimentary	Constructive Criticism
Adult .....	135	5	13	87%	105	50
College/Career .....	16	1	1	88%	11	6
High Teen .....	28	7	2	68%	19	8
Junior high .....	29	2	4	80%	18	7
Juniors .....	52	5	3	85%	30	12
Primaries .....	54	5	3	86%	41	14
Preschool .....	39	5	8	67%	30	19
Nursery .....	22	0	8	64%	16	5
Cradle Roll .....	1	0	2	33%	0	2
<b>Totals .....</b>	<b>450</b>	<b>376</b>	<b>30</b>	<b>44</b>	<b>199</b>	<b>123</b>

Remember too, that our literature champions our Free Will Baptist doctrine and church government. Generic literature does not. Even if you buy generic literature through one of our bookstores, you are taking all of your support away from us. In order for us to survive and thrive, we must have your continued support!

Thank you for letting me serve you for the past thirty years as the Director of your publishing house.

Yours in His service,  
Randall House Publications  
Dr. Roger C. Reeds, General Director



**SUNDAY SCHOOL AND CHURCH  
TRAINING BOARD AND  
RANDALL HOUSE PUBLICATIONS**

**Financial Statements**

February 29, 1992 and February 28, 1991

(With Independent Auditors' Report Thereon)

**SUNDAY SCHOOL AND CHURCH TRAINING BOARD  
AND RANDALL HOUSE PUBLICATIONS**

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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  
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We have audited the balance sheets of Sunday School and Church Training Board and Randall House Publications as of February 29, 1992 and February 28, 1991, 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 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 Sunday School and Church Training Board and Randall House Publications as of February 29, 1992 and February 28, 1991, 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 22, 1992



**SUNDAY SCHOOL AND CHURCH TRAINING BOARD  
AND RANDALL HOUSE PUBLICATIONS**

**Balance Sheets**

February 29, 1992 and February 28, 1991

<u>Assets</u>	<u>1992</u>	<u>1991</u>
Current assets:		
Cash and interest bearing deposits	\$ 109,317	4,591
Accounts receivable: (note 9)		
Trade, net of allowance for doubtful accounts		
of \$7,000 in 1992 and 1991	188,388	192,792
Employees and other	940	1,425
Total receivables	189,328	194,217
Inventory, at lower of cost (first-in, first-out method) or market (note 8)	396,710	357,685
Deferred charges and prepaid expenses	33,913	27,345
Total current assets	729,268	583,838
Property, plant and equipment and capitalized leases (notes 2 and 3):		
Land		
Building	140,341	144,947
Printing service equipment	649,308	642,505
Office and administrative equipment	405,885	506,514
Automobiles and trucks	367,959	370,046
	51,698	95,790
Less accumulated depreciation and amortization	1,615,191	1,759,802
	979,042	975,757
Net property, plant and equipment and capitalized leases	636,149	784,045
Other assets:		
Inventory, at lower of cost (first-in, first-out method) or market (note 8)	480,643	560,822
	\$ 1,846,060	1,928,705
<u>Liabilities and Fund Balance (note 11)</u>		
Current liabilities:		
Notes payable (note 3)	\$ 190,000	267,029
Cash overdraft	-	125,657
Current installments of long-term debt and capitalized lease obligations (note 3)	67,486	107,661
Accounts payable	406,830	275,896
Accrued expenses	25,617	25,884
Due to affiliated organization (note 7)	27,019	64,033
Total current liabilities	716,952	866,160
Long-term debt and capitalized lease obligations (note 3)	236,654	313,603
Fund balance (notes 10 and 11)	892,454	748,942
Commitments (notes 4,5 and 7)	\$ 1,846,060	1,928,705

See accompanying notes to financial statements.

**SUNDAY SCHOOL AND CHURCH TRAINING BOARD  
AND RANDALL HOUSE PUBLICATIONS**

**Statements of Activity and Changes in Fund Balance**

Years ended February 29, 1992 and February 28, 1991

	<u>1992</u>	<u>1991</u>
Revenues:		
Net sales:	\$ 1,770,978	1,694,503
Curriculum	105,295	93,873
Randall House books	31,637	25,789
Merchandise	34,460	96,915
Bulletins	7,906	8,234
Vacation Bible School	128,917	145,869
Bookstore	10,557	3,195
Printing	84,210	78,582
Other sales	2,173,960	2,146,960
Net sales	87,440	77,477
Freight and handling	5,586	6,849
Other income	6,657	6,463
Commission income on hymnal sales (note 7)	2,273,643	2,237,749
Expenses:		
Cost of sales:		
Inventory at beginning of year	918,507	886,757
Merchandise purchases	173,464	267,834
Depreciation	37,729	49,879
Editorial and printing preparation	337,911	386,315
Printing production	635,848	578,889
Spanish department	39,475	68,146
	2,142,934	2,237,820
Less inventory at end of year	877,353	918,507
	1,265,581	1,319,313
Selling, general and administrative:		
Administrative	129,493	96,088
Bookstore	55,196	96,420
Bookkeeping	103,782	152,689
Building	136,346	142,496
Sales and promotion	105,217	144,133
Shipping	122,524	135,227
General	78,734	66,131
Depreciation	92,183	96,577
Interest expense, including finance charges	101,546	96,826
	925,021	1,026,587
Total expenses	2,190,602	2,345,900
Excess of revenues over (under) expenses from operations	83,042	(108,151)
Gain on disposition of land (note 12)	103,695	-
Youth Department (note 6)	(43,225)	(81,182)
Excess of revenues over (under) expenses (notes 10 and 11)	143,512	(189,333)
Fund balance, beginning of year	748,942	938,275
Fund balance, end of year as restated (note 10)	\$ 892,454	748,942

See accompanying notes to financial statements.



**SUNDAY SCHOOL AND CHURCH TRAINING BOARD  
AND RANDALL HOUSE PUBLICATIONS**

**Statements of Cash Flows**

Years ended February 29, 1992 and February 28, 1991

	1992	1991
<b>Cash Flows from Operating Activities</b>		
Excess of revenues over (under) expenses	\$ 143,512	(189,333)
Adjustments to reconcile net earnings to net cash provided (used) by operating activities		
Depreciation and amortization	129,912	146,456
(Gain) loss on disposition of assets	(107,269)	9,537
(Increase) decrease in:		
Receivables	4,889	6,120
Inventories	41,154	(31,750)
Deferred charges and prepaid expenses	(6,568)	(8,980)
Increase (decrease) in:		
Accounts payable	130,934	107,630
Accrued expenses	(267)	(16,290)
Due from affiliated organization	(37,014)	(41,671)
Net cash provided (used) by operating activities	299,283	(18,281)
<b>Cash Flows from Investing Activities</b>		
Purchase of equipment	(6,803)	(12,681)
Proceeds from disposition of assets	132,056	-
Net cash provided (used) by investing activities	125,253	(12,681)
<b>Cash Flows from Financing Activities</b>		
Proceeds from acquisition of debt	300,000	-
Repayments of debt	(494,153)	(131,808)
Net cash used by financing activities	(194,153)	(131,808)
Net increase (decrease) in cash	230,383	(162,770)
(Cash overdraft) and cash at beginning of year	(121,066)	41,704
(Cash overdraft) and cash at end of year	\$ 109,317	(121,066)
<b>Supplemental disclosures:</b>		
Interest, including finance charges paid	\$ 100,648	96,826
Non-cash investing and financing transactions:		
Acquisition of equipment	\$ -	102,459
Installment indebtedness incurred	\$ -	102,459

See accompanying notes to financial statements.

**SUNDAY SCHOOL AND CHURCH TRAINING BOARD  
AND RANDALL HOUSE PUBLICATIONS**

**Notes to Financial Statements**

February 29, 1992 and February 28, 1991

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

**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 of three months or less 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 \$129,912 in 1992 and \$146,456 in 1991.

Components of capitalized leases are as follows:

	1992	1991
Printing service equipment	\$ 127,250	227,879
Office and administrative equipment	140,446	140,446
	267,696	368,325
Less accumulated amortization	139,577	177,459
	\$ 128,119	190,866



**SUNDAY SCHOOL AND CHURCH TRAINING BOARD  
AND RANDALL HOUSE PUBLICATIONS**

**Notes to Financial Statements, continued**

**(3) Notes Payable, Long-term Debt and Capitalized Lease Obligations**

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

	1992	1991
Notes payable:		
Note payable to bank - 9.75% unsecured.	\$ -	267,029
Note payable to Board of Retirement and Insurance of the National Association of Free Will Baptists at 2% above bank prime (see below for security agreement).		
Long-term debt:	\$ 190,000	-
13.5% equipment obligations, maturing through December 1995 payable monthly \$844 including interest, secured by related equipment.		
11.5% unsecured installment note.	\$ 17,945	53,798
11.5% installment obligation payable to the Board of Retirement and Insurance of the National Association of Free Will Baptists, payable in monthly installments of \$2,461 including interest, through 2001, secured by first mortgage lien against all real property and improvements, and a first security interest in all accounts receivable, inventory, equipment and trade fixtures.	-	4,843
Total long-term debt	167,713	164,751
Capital lease obligations: 9.1% to 16.8% obligations under capital leases payable monthly \$6,126 - see note 2	185,658	223,392
	118,482	197,872
Less current maturities of long-term debt and capital lease obligations	304,140	421,264
	67,486	107,661
	\$ 236,654	313,603

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 maturities of long term debt and future minimum lease payments under capital leases as of February 29, 1992.

	Long-Term Debt	Capital Leases
1993	\$ 17,631	62,679
1994	15,572	47,804
1995	17,528	19,223
1996	18,939	11,852
1997	17,075	-
1998	19,145	-
1999 and thereafter	79,768	-
Total maturities of long-term debt	\$ 185,658	141,558
Less amount representing interest		23,076
Present value of net minimum lease payments	\$ 118,482	

**SUNDAY SCHOOL AND CHURCH TRAINING BOARD  
AND RANDALL HOUSE PUBLICATIONS**

**Notes to Financial Statements, continued**

**(4) Operating Leases**

The Board leases certain equipment under operating leases. Rent expense under such operating leases amounted to \$29,185 for the year ended February 29, 1992.

Minimum annual rentals under noncancelable operating leases are as follows:

1993	\$ 16,859
1994	11,997
1995	84
	\$ 28,940

**(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 \$20,145 in 1992 and \$20,259 in 1991. 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:

	1992	1991
Revenue from conferences and related services	\$ 75,084	42,624
Expenditures for conferences and related services	51,921	47,878
General and administrative expenses	66,388	75,928
Total expenditures	118,309	123,806
Excess of expenses over revenue	\$ (43,225)	(81,182)

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

The Board has agreed to warehouse and distribute hymnals for the Executive Office 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 29, 1992 the Board was warehousing approximately 18,800 hymnals with an estimated replacement value of \$175,000. The following summarizes the transactions under this agreement as of February 29, 1992:

	Year ended February 29, 1992	Since Inception
Amount due to Executive Office at beginning of period	\$ 64,033	-
Total sales of hymnals	89,643	759,761
Less total commissions earned	(6,657)	(67,742)
Less remittances made to the Executive Office	(120,000)	(665,000)
Amount due to Executive Office at end of period	\$ 27,019	27,019



**SUNDAY SCHOOL AND CHURCH TRAINING BOARD  
AND RANDALL HOUSE PUBLICATIONS**

Notes to Financial Statements, continued

**(8) Inventory**

Inventory consists of denomination literature and materials a portion of which will not be sold within one year. These long-term inventory items consist of literature which will be used on a cycle basis ranging from two years to seven years and published books. The following summarizes the inventory by major type between that which is classified as current as compared to long-term as of February 29, 1992.

	Current Asset	Long-term Asset
Bookstore merchandise	\$ 43,598	-
Printing production and preparation raw materials	30,797	-
Work in process	67,311	-
Finished literature:		
Summer literature		
Shipping miscellaneous	48,698	-
Lifequest material	96,306	-
Randall House Books and merchandise	5,000	47,027
Spanish curriculum	65,000	128,162
	40,000	355,454
Allowance for obsolescence	396,710	530,643
Total inventory	-	50,000
	<u>\$ 396,710</u>	<u>480,643</u>

**(9) Concentration of Credit Risk**

The Board is a distributor of bible based sunday school and church training curriculum, and other denominational publications. The Board extends credit to its customers which consist primarily of Free Will Baptist churches and religious bookstores. These accounts are not collateralized and are subject to accounting risk of loss amounting to the outstanding balance at any point in time.

**(10) Restatement of Fund Balance - Accounting Error**

The financial statements as of and for the period ended February 28, 1991 have been restated due to an error in depreciating property held under a certain capitalized lease. This property was depreciated using a life in excess of the lease term. The effect of the restatement is to increase the excess of expenses over revenues by \$10,062. The following table summarizes the restatement by financial statement classification:

	As Originally Issued	After Restatement
Accumulated depreciation	\$ 934,667	975,757
Fund Balance (beginning of period)	\$ 969,302	938,275
Excess of revenues over (under) expenses	\$ (179,271)	(189,333)

**SUNDAY SCHOOL AND CHURCH TRAINING BOARD  
AND RANDALL HOUSE PUBLICATIONS**

Notes to Financial Statements, continued

**(11) Liquidity and Operations**

For the year ended February 28, 1991, the Board's expenses substantially exceeded revenues. Further, the Board had increased its leverage through increases in trade accounts payable and cash overdrafts in order to sustain operations. These adverse conditions were caused by a decline in sales of curriculum and from the continued losses of the bookstore operations, the Youth department (see note 6) and the Spanish department (editorial department costs and the excess of production costs over sales value of the merchandise).

In order to continue operations of the Board, management implemented the following plan to mitigate the adverse conditions described above:

- 1> A curriculum price increase has been put into effect.
- 2> The Bookstore operation has been moved from a retail center into the Randall House facility.
- 3> The Board approved at its semi annual meeting to allow the Youth department to solicit funds to finance their budget.
- 4> The Spanish curriculum project has been completed. This project required the publication of curriculum material quarterly for a seven year period. The curriculum will be used and recycled over seven year periods.
- 5> The Board of Directors mandated a 25% reduction in personnel.
- 6> State of Tennessee acquired the right of way to construct a roadway through the Board's property. (see note 12)
- 7> An inventory reduction sale was held at the National Convention in July 1991.
- 8> The Board of Directors of the Board of Retirement and Insurance of the National Association of Free Will Baptists extended to the Board a line of credit amounting to a maximum of \$300,000 and refinanced the outstanding balance due to the Board of Retirement -see note 3 for details.

**(12) Disposition of Property**

During the year ended February 29, 1992, the Board received \$108,300 from the State of Tennessee for the sale of approximately one quarter of an acre of land. (see note 11 -part 6)



**Budget 1993-94  
A Cost Comparison Report  
1992**

	SP	GL	ST	**UGP	AY	DCC	RHP
Nursery Teacher	3.60	3.49	3.50		3.50	3.50	3.30
Teacher's Resource Pkt	8.25	7.99	8.50		8.25	8.25	8.95
Pupil's Handwork	1.90	1.79	1.80		1.80	1.80	1.75
Bible Lesson Cards	1.75				1.85	1.85	1.75
Preschool Teacher	3.60	3.49	3.50	1.30	3.50	3.50	3.30
Teacher's Resource Pkt	8.25	7.99	8.50		8.25	8.25	8.95
Preschool Student	1.90	1.79	1.80	1.15	1.80	1.80	1.75
Preschool Workbook	1.90				1.85	1.75	
Picture Lesson Cards					1.85	1.60	
Primary Teacher	3.60	3.49	3.50	1.30	3.50	3.50	3.30
Visual Packet	8.25	7.99	8.50		8.25	8.25	8.95
Primary Student	1.90	1.79	1.80	1.15	1.85	1.85	1.75
Primary Workbook				1.10	1.80	1.80	1.75
*Memory Verse Packet							8.95
Junior Teacher	3.60	3.49	3.50	1.30	2.75	3.50	3.30
Visual Packet	8.25	7.99	8.50	5.75		8.25	8.95
Junior Student	1.90	1.79	1.85	1.35	2.15	1.85	1.75
Junior Workbook					2.15	1.85	1.75
Teen Teacher	3.60	14.99	3.50	1.40	3.40	3.50	3.30
Visual Packet	8.25		8.50			8.25	8.95
Teen Student	1.90		2.75	1.35	2.15	1.90	1.75
*Teen Workbook							1.75
High Teen Teacher	3.60	14.99	3.50	1.60	3.40	3.50	3.30
Visual Packet	8.25		8.50			8.25	8.95
High Teen Student	1.90	5.99	2.75	1.35	2.15	1.90	1.75
*High Teen Workbook							1.75
Bible Teacher	3.65			1.60	3.40		3.30
Visual Packet	9.95						
Challenge (Young Adult)	1.90				2.15		1.75
Bible Teacher	3.65	14.99	3.50	2.95	3.40	3.50	3.30
Bible Scholar	1.90	7.99	1.95	1.50	2.30	1.95	1.75
Bible Scholar (Lge Prt)	2.75		2.80		2.95	2.50	1.95
Visual Packet	9.95		8.50			8.25	
Visitor's Lesson Lflt					2.05	1.80	1.75

SP = Scripture Press  
AY = Free Will Baptist Press  
RHP = Randall House Publications  
DCC = David C. Cook

\*\*UGP = Union Gospel Press  
GL = Gospel Light  
ST = Standard

\*\*In order for a price comparison to be accurate one needs to make a visual comparison. For instance it may appear that Union Gospel Press has lower prices than us or others but they generally run quite a few pages shorter in their publications.

\*Only available from Randall House.

Note: Some of these companies base their materials on the International Lesson outlines which are owned and controlled by the National Council of Churches.

**Budget for December 1, 1992—November 30, 1993**

**Sunday School Literature**

*Yearly Quantities*

5,676	Nursery Teacher	@ 3.35	19,014.60
5,324	Nursery Flannelgraph	@ 8.95	47,649.80
3,288	Nursery Teaching Pictures	@ 8.95	29,427.60
24,916	Make N Do (Handwork)	@ 1.80	44,848.80
21,008	My Bible Lesson Cards	@ 1.80	37,814.40
9,088	Preschool Teacher	@ 3.35	30,176.80
26,088	Preschool Student	@ 1.80	46,958.40
43,400	Preschool Companion	@ 1.80	78,120.00
30,496	Picture Lesson Cards	@ 1.65	50,318.40
8,128	Bible Times (Take Home Paper)	@ 1.80	14,630.40
11,116	Primary Teacher	@ 3.35	37,238.60
50,364	Primary Quarterly	@ 1.80	90,655.20
55,296	Primary Companion	@ 1.80	99,532.80
9,092	Primary Days	@ 1.80	16,365.60
4,624	Show N Tell Flannelgraph	@ 8.95	41,384.80
4,064	Show N Tell Pictures	@ 8.95	36,372.80
3,840	Memory Verse Packet	@ 8.95	34,368.00
13,104	Junior Teacher	@ 3.35	43,898.40
67,408	Junior Student	@ 1.80	121,334.40
59,808	Junior Companion	@ 1.80	107,654.40
8,876	Junior Counselor	@ 1.80	15,976.80
6,160	Turning Point Teacher	@ 3.35	20,636.00
1,600	Turning Point Poster Pak	@ 8.95	14,320.00
35,000	Turning Point Student	@ 1.80	63,000.00
13,284	Turning Point Handouts	@ 1.80	23,911.20
7,532	Horizon Teacher	@ 3.35	25,232.20
1,592	Horizon Poster Packet	@ 8.95	14,248.40
47,764	Horizon Pupil	@ 1.80	85,975.20
12,540	Horizon Handouts	@ 1.80	22,572.00
10,096	Teen Power	@ 1.80	18,172.80
13,092	Bible Challenge	@ 1.80	23,565.60
4,284	Power For Living (Take Home Paper)	@ 1.80	7,711.20
37,836	Bible Teacher	@ 3.50	132,426.00
186,212	Bible Scholar	@ 1.80	335,181.60
148,912	Bible Scholar LP	@ 1.95	290,378.40
23,500	Visitor's Lesson Leaflets	@ 1.80	42,300.00
9,412	Depth	@ 1.80	16,941.60
1,024,280			\$2,180,313.20



### C.T.S. Literature

444 Helpers Leaders Guide	@ 3.40	1,509.60
1,604 Helpers Packet	@ 3.40	5,453.60
610 Discoverers Leaders Guide	@ 3.40	2,074.00
2,900 Discoverers Packet	@ 4.40	12,760.00
1,116 Learner Leader	@ 3.40	3,794.40
3,192 Learner Student	@ 1.95	6,224.40
1,040 Juniors Leaders Guide	@ 3.40	3,536.00
5,780 Junior Adventurer	@ 1.95	11,271.00
480 LifeQuest Leader	@ 17.95	8,616.00
3,796 LifeQuest Student	@ 1.95	7,402.20
4,040 LifeLine	@ 1.80	7,272.00
816 Focus Leader	@ 3.40	2,774.40
12,012 Focus	@ 1.95	23,423.40
37,830		96,111.00

1,062,554 \$2,276,424.20

Less Discount to Bookstores 360,000.00  
\$1,916,424.20

### Other Sales and Income

Spanish curriculum	\$ 44,000.00
RHP Books	40,000.00
Merchandise	65,000.00
Bulletin Service	20,000.00
Vacation Bible School	8,000.00
Bookstore	130,000.00
Printing	8,000.00
Postage & Freight	80,000.00
Youth Ministries	80,000.00
Miscellaneous Income	10,000.00
	\$ 485,000.00

TOTAL ALL INCOME \$2,401,424.20

### EXPENSES

Editorial	\$ 83,774.00
Salaries	2,000.00
Travel	16,000.00
Housing	13,500.00
FICA	1,000.00
Supplies	2,000.00
Royalties	38,000.00
Writer's Fees	1,400.00
Retirement	4,800.00
Insurance	800.00
Postage	5,000.00
Curriculum Development	800.00
Telephone	800.00
Miscellaneous	\$ 169,874.00

Preparation	\$ 88,116.00
Salaries	500.00
Travel	4,200.00
Supplies	1,000.00
Equipment Maintenance	500.00
Equipment Rental	8,000.00
Art Services	500.00
Postage	500.00
Telephone	6,700.00
FICA	600.00
Retirement	7,400.00
Insurance	500.00
Miscellaneous	\$ 118,516.00

Production	\$ 170,578.00
Salaries	1,000.00
Travel	10,000.00
Equipment Maintenance	20,000.00
Supplies	8,000.00
Ink	180,000.00
Outside Printing	4,500.00
Negatives	180,000.00
Stock	12,500.00
Plates	500.00
Telephone	13,000.00
FICA	1,800.00
Retirement	15,000.00
Insurance	1,000.00
Miscellaneous	\$ 617,878.00



# Spanish

Salaries	\$ 13,520.00
FICA	1,040.00
Retirement	1,150.00
Insurance	2,400.00
Miscellaneous	500.00

\$ 18,610.00

# Administration

Salaries	\$ 56,300.00
Housing and Utilities	15,000.00
Travel	4,000.00
Automobile Lease	4,800.00
Supplies	500.00
Postage	1,000.00
Telephone	1,000.00
FICA	11,000.00
Retirement	2,000.00
Insurance	6,000.00
Miscellaneous	500.00

\$ 102,100.00

# Sales

Salaries	\$ 25,255.00
Housing	9,200.00
Travel and Promotion	15,000.00
Supplies	800.00
Advertising	7,000.00
Postage	4,000.00
Telephone	500.00
FICA	5,200.00
Insurance	4,500.00
Retirement	1,200.00
Miscellaneous	1,000.00

\$ 73,655.00

# Bookkeeping and Order Department

Salaries	\$ 92,676.00
Travel	300.00
Supplies	4,500.00
Equipment Maintenance	4,500.00
Postage	6,500.00
Telephone	11,000.00
FICA	6,500.00
Retirement	2,000.00
Insurance	9,000.00
Miscellaneous	1,000.00

\$ 137,976.00

# Shipping

Salaries	\$ 50,726.00
Travel	500.00
Supplies	7,500.00
Equipment Maintenance	600.00
Equipment Rental	600.00
Postage and Freight	65,000.00
Telephone	700.00
FICA	3,900.00
Retirement	1,600.00
Insurance	4,800.00
Miscellaneous	500.00

\$ 136,426.00

# Bookstore

Salaries	\$ 36,200.00
Travel	500.00
Supplies	400.00
Equipment Maintenance	400.00
Equipment Rental	800.00
Postage	900.00
Advertising	4,300.00
FICA	2,715.00
Retirement	2,200.00
Insurance	4,300.00
Miscellaneous	500.00

\$ 53,215.00

# Building

Salaries	\$ 41,120.00
Travel	500.00
Supplies	5,200.00
Building Maintenance	8,000.00
Utilities	37,000.00
Building Insurance	21,000.00
Telephone	4,200.00
FICA	3,200.00
Retirement	1,600.00
Insurance	6,800.00
Miscellaneous	500.00

\$ 129,120.00

# Youth

Salaries	\$ 26,200.00
Travel	4,200.00
Supplies	1,000.00
NYC	22,000.00



Truth and Peace	18,000.00
YET	3,000.00
Postage	2,000.00
Telephone	700.00
FICA	2,800.00
Retirement	2,700.00
Insurance	6,700.00
Miscellaneous	500.00
	<u>\$ 89,800.00</u>

General	
Depreciation	\$ 97,000.00
Board Travel	14,000.00
Equipment Maintenance	4,000.00
Equipment Rental	4,000.00
Interest Expense	60,000.00
Legal and Auditing	15,000.00
Installment Notes:	
Board of Retirement	31,680.00
Press	20,844.00
Personal Computers	994.00
Copying Machines	6,858.00
Folder	6,528.00
Telephone System	12,924.00
Scanner	4,176.00
Honda Wagon	3,924.00
Ford Pick-up	4,752.00
	<u>\$ 92,680.00</u>
Taxes	7,000.00
Miscellaneous	10,000.00
	<u>303,680.00</u>

Total Expenses \$1,950,850.00

TOTAL INCOME	2,401,424.20
TOTAL EXPENSES	<u>1,950,850.00</u>
	450,574.20

DEBT RETIREMENT	
To Board of Retirement	100,000.00
Reduction of Accounts Payables	<u>100,000.00</u>
WORKING CAPITAL	<u>\$ 250,574.20</u>

## Sunday School and Church Training Board A Summary of the Minutes

The Board of Sunday School and Church Training of the National Association of Free Will Baptists met December 4-5, 1991 and April 27-28, 1992 in Nashville Tennessee.

The primary activities of the Board may be summarized as follows:

1. The financial status of Randall House commanded the focus of the Board. Attention was given to operating procedures, human resources, and efficiency in the workplace. The Board commends Dr. Reeds and his staff for making an appropriate response to the financial condition of the department and for quickly resolving the matter.
2. The Board received the resignation of Mr. Jim Lauthern. Mr. Lauthern is to be commended for his meritorious service to the Department of Youth Ministries and to the youth of our denomination.
3. The Board received the resignation of Dr. Roger Reeds. His resignation will be effective December 31, 1994. Dr. Reeds has provided exemplary leadership for our denomination and deserves our sincere gratitude.
4. The Board is organizing the search process to fill the vacancy that will be created by Dr. Reed's resignation. The Board desires the prayers and counsel of the denomination as it seeks a worthy successor who will provide visionary leadership to our movement.



## 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 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.

Bob Hill, a graduate of the Institute For Creation Research, will conduct a seminar on "The Age of the Earth" at this year's convention. If we are to minister to people in the 1990's, it is a must that we learn how to deal with the new issues that are confronting us.

Leroy Forlines, Chairman

### Financial Report

Balance in Bank, January 1, 1991 .....\$411.02

#### INCOME:

##### Gifts:

Alabama.....	\$ 1.42
Arkansas.....	145.19
Arizona.....	.40
California.....	24.11
Florida.....	35.45
Georgia.....	29.45
Illinois.....	46.61
Indiana.....	147.51
Kansas.....	1.46
Kentucky.....	5.28
Maryland.....	10.68
Michigan.....	26.21
Mississippi.....	11.34
Missouri.....	189.60
North Carolina.....	33.42
New Mexico.....	.16
Ohio.....	55.98
Oklahoma.....	207.61
South Carolina.....	3.10

Tennessee.....	85.59
Texas.....	22.01
Virginia.....	1.41
Washington (Northwest).....	.51
West Virginia.....	145.77
Canada.....	.23
Miscellaneous Gifts.....	120.00
Special Ministries Offering.....	85.00
Total Gifts.....	1,435.50
Misc. income (booth re-imbursement).....	274.91
Sales of Literature.....	321.57
Refund on Nat'l. Assoc. Booth Expense.....	50.00
Interest on Bank Account.....	28.13
	<u>2,110.11</u>
TOTAL INCOME AND BALANCE.....	\$2,521.13

#### EXPENDITURES:

Salary/Bookkeeping.....	200.00
Nat'l. Assoc. Booth Expense.....	729.00
Digest of Reports.....	78.34
Annual Meeting Expense.....	736.28
Bank Service Charge.....	96.00
National Assoc. Seminar Speaker Expense.....	100.00
	<u>1,939.62</u>
TOTAL EXPENDITURES.....	1,939.62

Balance in Bank, December 31, 1991 ..... \$ 581.51

Leroy Forlines, Chairman

Dari Goodfellow, Bookkeeper

### 1993 Recommended Budget

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



## Radio and Television Commission Report

The Free Will Baptist Radio/Television Commission has been charged to use the media to win the lost to Christ and strengthen the saved who are in the church. We are also to encourage active involvement in Free Will Baptist churches across our nation.

To fulfill this responsibility, the Commission has, for the past six years, produced a forceful 15-minute radio broadcast. As Jim Vallance opens the broadcast with a musical selection from one of our Free Will Baptist musicians, he then turns the microphone over to the Rev. Bob Shockey, speaker for Victorious Faith. The program moves briskly with compassionate preaching with an urgent invitation to respond to the call of Christ.

We are currently exploring the possibility of producing radio spot announcements and 3 to 5 minute messages for radio stations across the country and should be ready for use in a short time.

The Radio/Television Commission has no building. We have no full-time employees and the only funds we have are donated by Free Will Baptists. To be quite frank the amount of support that we receive at this time is not sufficient to allow us to develop a well-rounded media ministry and yet we are committed to using the media to preach the Gospel.

I would like to make some suggestions to our pastors and churches that would help us in our responsibility to our Lord and Free Will Baptists.

1. I would like to encourage our churches to buy radio time in their areas of service.
2. Perhaps churches that are on the radio daily could give us one day a week.
3. If a church has a 30 minute program they could share 15 minutes with us once a week.
4. Churches could use our tapes before and during revival time.
5. Pastors could substitute their radio time with our tapes during vacation time.
6. Churches who want special tapes made could call and we will produce special services or advertisement tapes.
7. We would be glad to send tapes that help explain Free Will Baptist doctrine and our belief.

We would like to challenge every FWB pastor and leader within our fellowship to please make room for us in your system of giving. Please put us in your church and state budgets. Give a gift at the convention and let God use you to spread the gospel—until He comes!

Bob Shockey, Chairman

## Financial Statement 1991

Beginning Balance	\$4,517.63
Income	
Gifts, Co-op, Designated,	1,960.57
Interest	\$6,478.20
Ending Balance	
Expenditures	200.00
Bookkeeping	133.33
Convention Expense	271.68
Equipment	44.40
Service fees	\$649.41
Total	

## Proposed Budget 1993

Income	\$2,500.00
Co-op	8,400.00
Gifts	\$10,900.00
Total	
Expenses	2,000.00
Promotion	500.00
Commission Expenses	200.00
Bookkeeper	200.00
Other help	1,800.00
Production costs	500.00
Supplies	1,000.00
Postage	500.00
Eqpt/Maint.	250.00
Telephone	600.00
Printing	500.00
Convention Booth	150.00
Digest of Reports	200.00
Convention Materials	2,500.00
Broadcast time	\$10,900.00
Total	



## Music Commission Report

The Music Commission is charged with the responsibility of encouraging, educating and enlarging the ministry of music in our denomination. This is accomplished through three avenues of service:

(1) Encouraging our own musicians to develop the musical talent God has given them. Free Will Baptists are actively involved in local, state and national music competitions, worship and praise ministries, revival and camp ministries, and small group music ministry teams. The Music Commission seeks to find creative ways to encourage more participation and development in these important areas of service.

(2) Educating our people in music ministry, music methods, fundamentals, performances, and concepts of worship. All four Free Will Baptist colleges place a major emphasis on music. Three of the colleges offer undergraduate baccalaureate degrees in church music. Hundreds of Free Will Baptist children are studying private piano, voice and any number of band or orchestra instruments. We have more and more of our group finishing graduate degree programs. The Music Commission wants more Free Will Baptist young people to capture the vision and joy of developing their music skills to the glory of God.

(3) Enlarging our ministry. There are thousands of Free Will Baptists singing in hundreds of local church choirs. Every Sunday they join together in song to the Lord. The Music Commission's vision is to see every Free Will Baptist church afforded the opportunity for music growth and ministry in worship, praise, evangelism, edification and exhortation.

This year the commission has established a 10-year growth plan. We will present our plan at the July 1992 national convention in Indianapolis. This plan includes, among other things, local and national music workshops, music camps, publishing and recording opportunities, and music education opportunities for our Christian schools, colleges and young people. If the Lord continues to direct our efforts, the opportunity for a broad, effective ministry of music by our people will become reality.

We are funded by the national Cooperative giving program. Last year we received through the Cooperative Plan of Support \$909.80. Further gifts may be sent to the Executive Office in Nashville and designated to the Music Commission.

Vernon Whaley, Chairman

January - December, 1991

\$ 980.97

Beginning Balance

Income

\$821.42

Co-op

32.15

Fellowship Church, Nashville, TN

10.76

Grace Church, Johnson City, TN

178.80

Missouri State Association

85.00

National Ministries Offering

\$971.78

Total Income

Expenses

\$180.75

National Convention

27.96

Bank Charges

(\$208.71)

Total Expenses

\$1,744.04

Ending Balance

1993 Budget

\$ 225.00

Board Expense

100.00

Postage

300.00

Telephone

75.00

Digest of Reports

150.00

National Convention Booth Materials

150.00

Speakers

500.00

Music Conference

\$1,600.00

Total Budget



## 1992 Historical Commission Report

Commission members agreed to write 25 historical sketches for 1992-93 Free Will Baptist Bulletin Service sponsored by Randall House Publications. Each member will prepare material for bulletin back covers. Jack Williams will edit the 25 articles.

The Commission continues to make available copies of the *50-Year Record*, published in 1988. Some 200 copies are available at \$2.00 each.

## 1991 Financial Report

Balance on hand, January 1, 1991 ..... \$10,938.69

### Income for 1991:

Co-op gifts (designated & undesignated):	1,188.54
Interest (First American Bank, Nashville):	674.98
National Ministries Offering:	85.00
Sales ( <i>50 Year Record</i> ):	364.00
	<hr/>
	+ 2,312.52

### Expenditures for 1991:

Commission travel:	224.00
Executive Office ( <i>Digest</i> Fee)	39.17
Executive Office (All-Boards Conf.)	19.83
	<hr/>
	- 283.00

Balance on hand, December 31, 1991 ..... \$12,968.21

## 1993 Budget

### Income

Gifts (Designated and Co-op Plan)	\$1,400.00
Interest (First American Bank)	800.00
Miscellaneous	150.00
	<hr/>
Total	\$2,350.00

### Expenses

Books and Materials for Historical Collection	\$1,500.00
Executive Office ( <i>Digest</i> fees)	200.00
Other Historical Projects	650.00
	<hr/>
Total	\$2,350.00

# Minutes of the Fifty-Seventh Annual Session of the Woman's National Auxiliary Convention of the National Association of Free Will Baptists when convened in Indianapolis, Indiana July 21, 1992



## WNAC Officers 1992-1993

### President

Mrs. Mary Neal  
138 N. 24th St.  
New Castle, IN 47362

### Vice President

Mrs. Delois Loveless  
4970 Botsford Drive  
Columbus, OH 43232

### Secretary

Mrs. Jo Ann Wood  
2332 S. Nogales  
Tulsa, OK 74107

### Executive Secretary-Treasurer

Mary Ruth Wisehart  
P.O. Box 5002  
Antioch, TN 37011-5002

### Members at Large

Mrs. Everyl Getz  
4304 N. 3rd  
McAllen, TX 78504

Mrs. Gwen Hendrix  
88 Blackstock Road  
Inman, SC 29349

Mrs. Pam Wood  
106 S. Third Street  
Campbell, CA 95008

## State Delegates

### Alabama

Paulette Scott, Fran Powers, Elwanda Oakes, Linda Blanchard, Theresa Petty, Jean McCraney, Rhett Butler, Betty Coxwell, Nancy Mayhall, Katherine Houston, Florence Waldrop

### Arkansas

Debbie Scott, Glenda Wilson, LaDonna Freeman, Alene Coffman, Melba Henderson, Terri Scott, Flora Leckbee, Joyce Little, Genelle Scott, Shirley Johnson

### California

Nora McCarty, Lori Rolen, Donna Smith, Kathy McLelland, Mary Brown

### Colorado

Rosalie Thomas

### Florida

Peggy Hutto, Eleanor Cutler, Sammie Montgomery, Diana Bryant, Cheri Ham, Paula Ryals, Lynda Blanchard

### Georgia

Donna Dollar, Sherrie Bailey, Gail Smith, Belyn Pierce, Edwina Drinkwater, Janice Temples, Barbara Fletcher, Ann Murphy, Rachel Horne, Shirley Kimbrel, Geraldine Waid, Barbara Dunbar, Fleda Snow

### Illinois

Gail Matthews, Sandy Hollis, Pat Robertson, Suzanne Lewis, Linda Cook, Christina Taylor, Peggy Outland, Peggy Clyatt, Vickie Hollis

### Indiana

Penny Doss, Flo Gosser, Mamie Cloer, Lena Grice, Helen Phipps, Opal Tatum, Sheila Dickerson, Marlana Denney, Tammy Harvey, Kathy Phillips, Wanda Reynolds, Mary Ann Lane, Dorothy Jackson, Rosemary Goins

### Kentucky

Lillian Conley, Jewel Lee

### Maryland

Marian Reece, Lottie Horton, Karen Southwell, Gladys Turnbough

### Michigan

Pam West, Wanda Glisson, Maria Hughes, Mary Johnson, Louise Bird, Teresa Brown, Nancy Cole

### Mississippi

Hope VanWinkle, Eva House, Inez Armstrong

### Missouri

Rose Mertz, Betty Reeves, Shirley Jackson, Phyllis Virtue, Eugene Dobson, Wanda Keith, Diane Anderson, Jewel Spurgeon, Sue Cook, Fran Adams, Leola Ames, Janet Bailey, Sandra Skiles, Elaine Skiles, Patsy Griffin

### New Mexico

Peggy Adkisson

### North Carolina

Joann King, Anne Truett, Maurine Lee, Earlene Smith, Velma Brown, Diane Thomas, Jewel Andrews, Janice Cason, Rita Rackley, Betty Hill, Faye Nations, Barbara Anderson, Flora Morgan, Linda Hughes

### Ohio

Shirley Sharpston, Annalee Sparks, Rose Ferguson, Helen Sargent, Betty Frisbee, Betty Ashby, Clara Widdig, Amanda Keener, Janice Grant, Barbara Chaffin, Geraldine Beal, Barbara McArthur

### Oklahoma

Mary Alice Bridgman, Debbie Burden, Donelle Wilson, Norma Wilson, Judy Smith, Jean Marie Rogers, Linda Bigger, Marguerite Kern, Sherri Sloan, Novalene Burgess, Geneva Walker, Marguerite Hearod



**South Carolina**

Faye Hanna, Jan Ebird, Molly Gibson, Ettaphine McKnight, Lynn Pittman,  
Jean Hanna, Carolyn Wilhide, Sherry Carter, Melanie Miller

**Tennessee**

Marjorie Workman, Cleo Pursell, Ellen Carmack, Pearl Morgan, Maxine  
Wagner, Varnell Gorenflo, Alice Woolsey, Debbie Mitchell, Fannie Mae  
Harris, Arlene Farley

**Texas**

Kathleen Sutton, Ruth Jennische, Janet Shrewsbury

**Virginia**

Donna Crabtree, Lorri Johnson

**West Virginia**

Susie Elliott, Myrtle Samms, Liz Tolliver, Barbara Samms, Mary Myers,  
Sheila Williams

**Arizona District**

Debe Taylor

**Rocky Mountain District**

Glenda Delcore, Joyce Johnson

**Iowa**

Patty Davis

**Registered Delegates from Local Auxiliaries****Arizona**

Linda Harvey

**Arkansas**

Lisa Barnett, Betty Cope, Glyndene Deaton, Barbara McArthur, Eileen  
Moore, Darla Trimble, LaJean Wilson, Sharon Eagans, Shirley Sawrie, Janet  
Gandy, Bentrena Johnson, Marilyn Wilson, Cindy Ellis, Sue Patton, Vicki  
Hubbard

**California**

Anita Crank

**Florida**

Donna Williford, Christine Bolta

**Georgia**

Gwendolyn Brooks, Shirley Hutchinson, Betty Henderson, Susan Waters,  
Latrell McDowell

**Hawaii**

Helen Holland

**Illinois**

Martha Pearce, Brenda Martin

**Indiana**

Loretta Trogon

**Kentucky**

Lou Walker

**Michigan**

Darlene Clay, Doretta Tolbert, Darlene Spry

**Mississippi**

Barbara Smith, Ginger Lake, Janice House, Lou Bullard

**Missouri**

Tamme Daniels, Fawn Middleton, Patsy Braddy, Cynthia Fry, Debi Paramore,  
Vivian Burton, Dianne Naumann

**Nebraska**

Wanda McClary

**North Carolina**

Helen Parker, Peggy Bryant, Margaret Zegelian, Peggy Blankenship, Delilah  
Scott, Faye Corey, Betty Wiggs, Evelyn Hutchinson, Deborah Melton, Anne  
Truett, Tobianne Stout, Kathy Simmons

**Ohio**

Evelyn Miller, Martha Bussey, Angie Dooley

**Oklahoma**

Becky Massey, Lisa Morgan, Wilma Wefer, Tommie Ann Sharry, Leona  
Mayfield, Brenda Conyers, Barbara Thompson

**South Carolina**

Mary Miller, Patty Newton, Patsy Hyman

**Tennessee**

Faith Anderson, Naomi Olsan, Laura Beem, Kathey Crowe, June Trimble,  
Ruthann Hall, Blanche Love, Joy Hayley, Linda Ellis, Elizabeth Hodges, Avis  
Sublette, Bobbie Counts, Ruby Southerland, Jena Simpson, Mildred Daniel,  
Regina Smith, Robyn Birdsall, Lari Harrison

**Texas**

Charlene Denman, Mabel Willey



**Virgin Islands**  
Barbara Dail

**Virginia**  
Beverly Riggs, Gaye Sutton

**West Virginia**  
Diana Cox

**Theme:** "Teachers of Good Things"  
**Scripture:** Titus 2:3-5  
**Hymn:** "Lord, Speak to Me"  
**Music Coordinator:** Angie Deel  
**Organist:** Carol Reid  
**Pianist:** Susan Forlines  
**Registration Chairman:** Helen Phipps

### **Tuesday Morning, July 21, 1992**

The fifty-seventh annual session of the Woman's National Auxiliary Convention convened in the Indiana Convention Center, Indianapolis, Indiana, at 9:00 A.M. The session was called to order by President Mary Neal, reading Titus 2:3-5 and giving a short welcome from the women of Indiana. Angie Deel led in the singing of several songs; "O Worship The King," "King of Kings," "Because He Lives," and "Lord, Speak To Me."

Jean Deeds, missionary to Brazil, led the morning devotion using the scriptures Psalm 34:1-8 and Psalm 51. She stressed the importance of being teachers of good things in all areas. Our pupils are all of those we come in contact with. The devotion closed in prayer led by Jean Deeds. Special music entitled "Unmerited Favor of God" was presented by Reverend Randy Riggs and family.

Indiana Vice President, Loretta Trogon, extended a warm welcome to everyone.

Lorene Miley presented the National Creative Arts Contest Awards as Gwen Hendrix read the list of winners. (See reports)

The Credential Committee report was given by Delois Loveless 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 reports)

The Executive Secretary-Treasurer's report was given by Dr. Mary Ruth Wisheart. 10,224 members reported with 116 Actionette members. She introduced the 1993 theme, "The Grace of Giving." Motion carried to accept the report.

Dr. Wisheart presented a gift to Peggy Outland in appreciation for 12 years service on the Executive Committee.

June Rolen, chairman of the Study Committee, gave a report. She asked the committee to stand as they were introduced and encouraged anyone

with questions to feel free to ask them. The committee consists of six women, June Rolen, Diana Bryant, Marguerite Kern, Peggy Outland, Diane Thomas, and Dr. Mary Ruth Wisheart. Changes will be voted on in 1993.

The Resolution Committee report was read by Marguerite Kern. Motion carried to receive the report and adopt item by item. (See reports)

The Appreciation Committee report was read by Hope VanWinkle. Motion carried to receive the report. (See reports)

The convention recessed for a short break.

### **Tuesday Morning Worship Service**

At 11:10 the convention reconvened in the convention center for the WNAC missionary service. Angie Deel led in the singing of "Great Is Thy Faithfulness." Everyl Getz led in the offertory prayer. Special music was presented by Camille Scott, "Embrace The Cross," accompanied on the piano by her daughter, Kimberly.

President Mary Neal introduced Steve Riggs, missionary to France, for the message. He began by quoting from Abraham Lincoln, "I have many times been driven to my knees when I had no place else to go." The theme of his message was "The Importance of Prayer." Scriptures used were as follows: I Thessalonians 5:24-25, Matthew 9:37-38, Acts 13:2-3, Acts 28:31, II Thessalonians 3:1 and Ephesians 6:18-19. He spoke of living in a world of change. Prayer was needed in 1935 when Laura Barnard left for the mission field, and is still needed for our missionaries today. He asked the question, "What could God do if 1,000 women prayed for God to send out men to the harvest?" He concluded his message by saying, "Only God can place the burden on a man's heart, and only God can thrust him out."

Announcements were made and we were dismissed in prayer by Gwen Hendrix.

### **Tuesday Afternoon, 1:30 P.M.**

The afternoon session opened with singing a medley of songs, "Something About That Name," "Breathe On me" and "I Have Decided to Follow Jesus," led by Angie Deel. Special music was presented by Rejoice from Free Will Baptist Bible College.

A special tribute was given to Sister Laura Belle Barnard by Trula Cronk, former missionary to India, and Mary Ruth Wisheart, Executive Secretary-Treasurer.

The Indiana State Woman's Auxiliary President, Mary Neal, presented Dr. Mary Ruth Wisheart with a glass vase made in Indiana.

Prayer by Jo Ann Wood. Special missionary feature was presented by Pam Wood entitled "Everything You Always Wanted to Know About Missionaries but Were Afraid to Ask." Missionaries interviewed were Sarah Malone, China; Nancy Hughes, Brazil; Kim Zegelian, Germany; and David and Pam Potete, Home Missionaries to Chicago, Illinois.

Registration Committee report was given by Helen Phipps. Motion carried to receive the report. (See reports)

Adjournment



## WNAC Fellowship Dinner

The WNAC Fellowship Dinner was held in the Indiana Convention Center 500 Ballroom at 5:00 P.M. Trula Cronk was our speaker. She began by reading "You're Only Old Once" by Dr. Seuss. She spoke of our getting older but there is no place to stop in the service of the Lord. We were all challenged by her message. The invocation was given by Lynn Wood and the benediction by Earl Hendrix.

Respectfully submitted,  
Jo Ann Wood, Secretary

## Called Meeting of the WNAC Executive Committee, December 4, 1991

The WNAC Executive Committee attended the Stewardship Summit at the Doubletree Hotel In Nashville, Tennessee, December 2-3, 1991.

The committee met for their business session Wednesday morning, December 4, 1991, in the WNAC conference room in the new office complex. Pam Wood gave the devotion using Nehemiah 1:3-11, with "Leadership" as the theme. She spoke of leaders in our nation such as J. F. Kennedy & Magic Johnson, and the effect these men have had on our society and then the influence Nehemiah had on the people of his day. Then she challenged us to be godly leaders, as was Nehemiah. We then knelt in prayer thanking God for His goodness to us, and asking His direction and wisdom in our meeting.

Members present were Mary Neal, Delois Loveless, Everyl Getz, Dr. Mary Wisheart, Gwen Hendrix, Pam Wood and Jo Ann Wood. Minutes of the last meeting were read by Jo Ann Wood.

Dr. Wisheart was recognized for the report from the Executive Secretary-Treasurer. The following were given for information.

1. \$37,028.95 total received for the Eunice Edwards Fund. Of that amount, \$35,000 has gone to the building in Villalba, Spain.
2. \$23,206.88 total received for Laura Belle Barnard World Mission Offering.
3. \$7,141.31 received for office furniture.
4. Memorial Student Loan Fund has \$40,353.14 available for loans and \$52,661.67 in outstanding loans. This year two loans were made amounting to \$2,150. The collection agency has forwarded to us \$1,512.33.
5. 13,153 subscriptions for *Co-Laborer* magazine for January-February of this year. This is down from last year. This loss is chiefly from cutting back on subscriptions rather than group cancellations.
6. 46 packets were sent to new or reorganizing Auxiliaries since January. In the same period 16 Auxiliaries notified us that they have disbanded.
7. 32 letters have been received relating to the 5%. All were answered with the assurance that the Executive Committee would consider

carefully and prayerfully both the needs of WNAC and the desires of our women. Several suggestions were made for raising money needed for the general fund.

Motion carried to receive report as information.

Discussed the following concerning making a gift goal chart for each state. These will be placed in the State Presidents and State Field Workers packets and discussed in this meeting. Dr. Mary Wisheart will make the chart.

We discussed changing the wording on the 5% from information and promotion to administrative fee. This will help clarify the 5%.

The budget for 1993 was presented. Motion carried to accept the budget in the amount of \$191,150 to be presented to WNAC in July, 1992. Dr. Wisheart was given the authority to make changes should they become necessary before the July meeting of the committee.

1. A Christmas bonus for each employee was discussed. Motion carried to give a bonus and the amount to be determined by Dr. Wisheart.
2. Motion carried to place all gifts received in memory of or in honor of a person in the WNAC Endowment Fund in the Free Will Baptist Foundation.
3. Motion carried to pay WNAC staff expenses to the National Convention and the National Retreat with food allowance to be approved by the Executive Secretary.
4. Motion carried to approve auditor Michael Johnston for 1991.
5. Motion carried to dispose of financial records that are not necessary.

The government and auditor will advise in this matter.

Final plans were made for the WNAC meeting to be held July, 1992, in Indianapolis, Indiana. The theme will be "Teachers of Good Things." The following were chosen to fill positions on the program: Music Coordinator, Angie Deel; devotion, Jean Deeds; welcome, Loretta Trogdon; missionary service speaker, Ron Moore. Special feature for the afternoon session to be presented by Pam Wood, using the thought, Sharing & Caring. We will have a missionary panel.

The WNAC mini-seminar was planned. The following topics and speakers were chosen:

1. Teachers of Good Things—a panel of ministers' wives with Jo Ann Wood presiding
2. Women's Priorities—a general seminar with Mary Neal presiding
- WNAC Fellowship dinner—first, second and third choices were selected
- Invocation—Lynn Wood
- Benediction—Earl Hendrix

The State Presidents and Field Workers meeting was planned, with Dr. Mary Wisheart presiding. June Rolen, chairman of the Study Committee, will be asked to assist Dr. Wisheart. She will be presenting, "where we are, and what has been done." This will be an open forum type meeting.

Final plans were made for the 1992 retreat. The theme will be "Tomorrow's Wonders." Seminar speakers are as follows:

Preparing Children for Tomorrow—Ruth Mullen (Values, commitments, reliance on the Word)



Homes for Tomorrow—Lorene Miley (Husband-wife relationships)  
 Tomorrow's Challenges—Geri Baker (Social problems)  
 Changing Our World for Tomorrow—Kathy Henderson (What can a woman do?)  
 The Church of Tomorrow—Debe Taylor (A woman's place)  
 Tomorrow's Woman—Rudene Kennedy (My role as a woman in my world)  
 Leaders for Tomorrow—Delois Loveless (Who will lead the way? Will you lead the way?)  
 Missions Tomorrow—Amy Robinson (The field is the world, The unchanging message. The changing methods)  
 Stewardship for Tomorrow—Vernie Hersey (Trusts, wills, estates. How can I keep on giving? Financial accountability.)  
 Leaving a Heritage for Tomorrow—June Rolen (Living today so that tomorrow I'll be remembered as...)  
 Musicians: Coordinator-Beverly Welch  
 Devotional Speaker: Angela Trotter  
 Monologue: Laura Thigpen  
 Speaker: Laura Thigpen  
 Retreat program and budget approved.  
 Study committee report will be mailed to each officer by Dr. Wisehart.  
 Closed in prayer by Delois Loveless.

### Annual Meeting of the Executive Committee, July 20, 1992

The Executive Committee met July 20, 1992, in the Omni Severin Hotel for breakfast. At 9:00 A.M. they met in Salon-B of the Omni Severin Hotel for their meeting. Devotion and prayer by Everyl Getz. Members present were Mary Neal, Gwen Hendrix, Pam Wood, Everyl Getz, Delois Loveless, Jo Ann Wood, and Dr. Mary Ruth Wisehart. They discussed seminars being held that afternoon and planned recognition service for Mrs. Peggy Outland for 12 years service on the Executive Committee. She will be presented with a thimble and gift certificate.

Report was given by Mary Ruth Wisehart. Committee asked that she read this report to the body on Tuesday.

1. Committee approved the request that Anne Worthington represent WNAC at the International Fellowship in Panama. She will be attending with her husband and this will be at no expense to WNAC. Representatives from all mission fields will be present. We felt this would be a good opportunity for WNAC to be represented should there be women attending.
2. Discussion of 5%. After much discussion Delois Loveless worded the resolution to be given to Marguerite Kern, chairman of the Resolution Committee. Motion carried to submit the following resolution:

Whereas the Executive Committee feels that the 5% administration fee has caused some disunity among us and whereas our desire is that all of our women be united, be it resolved that in lieu of the 5%

- administrative fee each local auxiliary support the WNAC office with a minimum of \$10 per month for one year.
  3. A new auditor, Thoni-Hinton & Warren, was hired.
  4. The National retreat was discussed. Officers were asked to arrive on Thursday, September 17, 1992, by 3:00 P.M. if possible.
  5. WNAC banquet for 1993 was discussed. Motion carried for Dr. Wisehart to contact Darlene Spangler for 1993 WNAC banquet, if Mrs. Spangler is not available that we contact Marci Ellison or Lorene Miley in that order.
  6. Plans are being made for honoring Lorene Miley for her years of service as editor of *Co-Laborer* magazine.
  7. Motion carried that we ask for a date for 1996 retreat at Ridgecrest, North Carolina.
  8. Motion carried to lease purchase desk top publishing. The present equipment is owned by Lorene Miley who will be leaving in December, 1992.
  9. Report of the Study Committee will be presented to the convention in Louisville, Kentucky, in 1993 by June Rolen, chairman.
- Next Executive Committee meeting will be December 7-9, 1992, in Nashville, Tennessee. Dismissed with prayer.

Respectfully submitted,  
 Jo Ann Wood, Secretary



### Report of the Study Committee

For three years we have reviewed our structure, evaluated your comments, analyzed the needs and feasibility of change and will print in *Co-Laborer* magazine the suggested changes to be approved or disapproved by you at the convention in Louisville, Kentucky in 1993.

Respectfully submitted,  
June Rolen-chairperson (California)  
Diana Bryant (Florida)  
Marguerite Kern (Oklahoma)  
Peggy Outland (Illinois)  
Diane Thomas (North Carolina)  
Mary R. Wisheart (Tennessee)

### Report of the Appreciation Committee

We the Appreciation Committee submit the following recommendations:

1. That we give a rising vote of thanks to President Mary Neal, to Vice President Loretta Trogden and her husband, Don, and to the Indiana Woman's Auxiliary Convention for arranging the WNAC registration, the Executive luncheon, banquet favors, table decorations, and the many things they have done to make our fifty-seventh session a blessing.
2. That we express our thanks to our missionary speakers, Jean Deeds and Steve Riggs, to our seminar speakers, June Critcher, Jo Ann Wood, Teresa Runion, Sandra Atwood, Winona Riggs and Barbara Bilby, and also to Pam Wood and missionaries, David and Pam Potete, Kim Zegelian, Nancy Hughes and Sarah Malone, for the special presentation Tuesday afternoon.
3. That we express our appreciation to Trula Cronk for speaking at our Banquet and to the Executive Committee for planning our convention program, for the Leadership Packets, and also for providing the seminar, "A Woman's Priorities," and the Minister's Wives Fellowship, "Teachers of Good Things."
4. That we express our appreciation to the vocalists, Randy and Beverly Riggs and children, Camille Scott, and Rejoice ensemble from Free Will Baptist Bible College, to the musicians, Carol Reid and Susan Forlines, and to Angie Deel, music coordinator.

Respectfully submitted,  
Hope Van Winkle, Chairperson (Mississippi)  
Jan Efird (South Carolina)  
Paulette Scott (Alabama)  
Lillian Conley (Kentucky)

### Report of the Resolutions Committee

Be it resolved:

1. That WNAC make available from the Foreign Student Scholarship Fund \$1,000 for the Brazilian student, Silvestre de Silverira Pinto Neto, recommended by Brazilian missionaries and the director of Foreign Missions.
2. That WNAC plan a retreat at Glorieta, New Mexico Baptist Conference Center for the fall of 1995, and, if that retreat attracts sufficient numbers, that it continue in odd years and the retreat at Ridgecrest continue in the even years.
3. That Auxiliaries support the \$1 Million More by '94 campaign in any way that they can in our local, district and state work, since retiring the debt on the building will help national agencies.
4. Whereas the Executive Committee feels that the 5% administration fee has caused some disunity among us and whereas our desire is that all of our women be united, be it resolved that in lieu of the 5% administrative fee each local Auxiliary support the WNAC office with a minimum of \$10 per month for one year.  
MSC to amend resolution #4 by deleting "for one year."

Respectfully submitted,  
Marguerite Kern-chairperson (Oklahoma)  
Marilyn Irvin (Illinois)  
Marjorie Workman (Tennessee)  
Karen Owen (Florida)

### 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, 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: Arizona, Northwest, Rocky Mountain.

The following local Auxiliaries have submitted reports and paid dues: Hawaii (Waipahu), Iowa (Riverview, Bettendorf), Nebraska (Maranatha, Omaha), New Hampshire (First, New Durham), Virgin Islands.

Reports and dues received from 22 states, 3 districts and 5 locals. (see reports)

Respectfully submitted,  
Delois Loveless-chairperson (Ohio)  
Debbie Burden (Oklahoma)  
Linda Harvey (Arizona)  
Debbie Scott (Arkansas)  
Ann Truett (North Carolina)



## Report of the WNAC Registration Committee July, 1992

We your Registration Committee submit the following report:

### NUMBER OF PERSONS REGISTERED:

WNAC Officers .....	7
Missionaries from 6 countries .....	30
Standing Delegates (State Presidents & Field Workers) .....	19
Elected Delegates, State, District, & Local .....	155
Local Delegates paying representation fee of \$3 .....	96
Ministers and Visitors .....	732
Total Registered .....	1,039
Alabama .....	15
Arkansas .....	25
California .....	6
Florida .....	9
Georgia .....	18
Illinois .....	11
Indiana .....	15
Kansas .....	0
Kentucky .....	3
Maryland .....	4
Michigan .....	10
Mississippi .....	4
Missouri .....	22
New Mexico .....	1
North Carolina .....	26
Ohio .....	15
Oklahoma .....	21
South Carolina .....	12
Tennessee .....	28
Texas .....	5
Virginia .....	4
West Virginia .....	7
Arizona District .....	2
Northwest District (Washington, Oregon, British Columbia) .....	2
Rocky Mountain District (Colorado) .....	1
Canada (Plaster Rock—Local) .....	0
Hawaii (Waipahu—Local) .....	1
Idaho (First-Rupert—Local) .....	0
Iowa (Riverview-Bettendorf—Local) .....	1
Montana (Local) .....	0
Nebraska (Maranatha-Omaha—Local) .....	0
New Hampshire (First-New Durham—Local) .....	0
Virgin Islands (Local) .....	1

Respectfully submitted,  
Helen Phipps-chairperson (Indiana)  
Tammy Harvey (Indiana)  
Mary Ann Love (Indiana)  
Rosemary Goins (Indiana)

## Creative Arts Contest 1991-1992

111 women from 23 states submitted 283 entries

### ARTICLES—72 entries

First, Alice Grant, Lancaster, OH  
Second, Sharon Theis, Grand Blanc, MI  
Third, Pam Jones, Harrison, AR  
Fourth, Glenna Price, Leroy, WV  
Fourth, Pearl Mitchell, Phenix City, AL

### PLAYS—15 entries

First, Sue Winchester, St. Louis, MO  
Second, Patricia Sanders, Cordova, AL  
Third, Sara Kilgore, Limestone, TN  
Fourth, LaCrecia McFaddin, Sweetwater, TN

### POETRY—151 entries

First, Judy Ridgway, Pine Bluff, AR  
Second, Linda Sligh, Smithville, MS  
Third, Teresa Sergent, Wise, VA  
Fourth, Vicki Turner, Cartersville, MO

### PROGRAMS—35 entries

First, Barbara Eubanks, Sesser, IL  
Second, Connie Crum, Ashland, KY  
Third, Becky Gwartney, Flat River, MO  
Fourth, Odessa Ledlow, Detroit, AL



## WNAC Annual Report, 1992

Organization	Districts	Locals	Auxiliary Members	Actionettes	Actionette Members
Alabama	8	43	455	2	8
Arkansas	12	86	1,061		
California	4	32	319	1	12
Florida	6	20	210		
Georgia	10	61	616	3	25
Illinois	2	27	282	1	8
Indiana	1	7	112		
Kansas	2	5	47	1	4
Kentucky	5	21	291		
Maryland	2	10	114		
Michigan	5	30	271		
Mississippi	4	34	275		
Missouri	8	65	827	1	8
New Mexico	2	3	18		
North Carolina	7	59	1,010	1	8
Ohio	4	30	324	2	23
Oklahoma	13	107	1,209	1	20
South Carolina	4	48	682		
Tennessee	3	54	1,255		
Texas	3	22	263		
Virginia	3	19	271		
West Virginia	2	9	160		
<b>Districts</b>					
Arizona (district)	1	4	32		
Northwest (OR, WA)	1	4	31		
Rocky Mountain (CO)	1	5	38		
<b>Locals</b>					
Canada					
Hawaii (Waipahu)		1	9		
Idaho (Rupert 1st)					
Iowa (Riverview, Bettendorf)	1		7		
Montana (Billings)					
Nebraska (Maranatha, Omaha)	1		7		
New Hampshire (New Durham 1st)	1		13		
Virgin Islands		1	15		
Wyoming					
<b>Totals</b>	113	810	10,224	13	116

## Woman's National Auxiliary Convention Report

In 1992 we are using as our theme "Teachers of Good Things." We encourage Auxiliaries to reach more younger women. In 1991 we had 53 new Auxiliaries organized and 12 disbanded. Since January of 1992, we have sent out materials to 31 new or reorganizing Auxiliaries and 2 Auxiliaries disbanded. Also in 1991 we had 18 new Actionette groups started. Since January we have sent out materials to 6 new Actionette groups.

The *Co-Laborer* had 13,280 subscriptions for the May/June, 1992 issue.

The Study Committee elected in 1990 has proposed some changes, and received some reactions to those changes. The Study Committee will be reporting at the convention.

In October of 1991, the Eunice Edwards Loan Fund went to work. The congregation in Villalba, Spain selected a site for putting up the first Free Will Baptist church building in Spain. WNAC was able to write a check for \$35,000 as a loan to the church there. We now have \$4,300.08 still in the fund, and some funds still coming in. We lack a little over \$10,000 meeting our goal of \$50,000.

As you know, we moved into the new office suite in August 1991. The staff is especially thankful for new, cleaner and more spacious surroundings. It makes the work much more pleasant.

The staff deserves special credit this year for the hard work they have done in the move and in setting up supplies and the Provision Closet in the new building. We owe a debt of gratitude to Lorene Miley, editor; Yvonne Wolfenbarger, executive assistant; and Sue Hayes, bookkeeper.

I also want to express my appreciation to the executive committee for their work and wisdom during trying times: Mary Neal, president; Delois Loveless vice president; Jo Ann Wood, secretary, and Everyl Getz, Pam Wood, Gwen Hendrix, members at large of the executive committee.

In January we will introduce the 1993 theme: "The Grace of Giving." Our emphasis will be on finances and using our means wisely in the Lord's service. Perhaps today as never before we need a new emphasis on stewardship and what it means to give sacrificially.

Mary R. Wisehart  
Executive Secretary-Treasurer



WOMAN'S NATIONAL AUXILIARY CONVENTION, AN AUXILIARY OF THE  
NATIONAL ASSOCIATION OF FREE WILL BAPTISTS  
Nashville, Tennessee

Financial Statements

December 31, 1991

WOMAN'S NATIONAL AUXILIARY CONVENTION, AN AUXILIARY OF THE  
NATIONAL ASSOCIATION OF FREE WILL BAPTISTS

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MICHAEL JOHNSTON  
Certified Public Accountant

Telephone: (217)342-9632

720 E. Fayette, P.O. Box 1403  
Effingham, Illinois 62401


INDEPENDENT AUDITOR'S OPINION

The Executive Committee  
Woman's National Auxiliary Convention, an Auxiliary  
of the National Association of Free Will Baptists  
Nashville, Tennessee

I have audited the balance sheets of the Woman's National Auxiliary Convention, an Auxiliary of the National Association of Free Will Baptists, as of December 31, 1991 and 1990, and the related statements of activity and changes in fund balance and cash flows for the years then ended. These financial statements are the responsibility of the Executive Committee. 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 Woman's National Auxiliary Convention, an Auxiliary of the National Association of Free Will Baptists, at December 31, 1991 and 1990 and the results of its operations and the cash flows for the years then ended, in conformity with generally accepted accounting principles.

  
Certified Public Accountant

Effingham, Illinois  
May 13, 1992

Member of American Institute of Certified Public Accountants  
& Illinois Society of Certified Public Accountants



WOMAN'S NATIONAL AUXILIARY CONVENTION, AN AUXILIARY OF THE  
NATIONAL ASSOCIATION OF FREE WILL BAPTISTS

BALANCE SHEET  
December 31,

	1991				
	General Fund	Memorial Student Loan Fund	Eunice Edwards Fund	Total	1990 Total
<b>ASSETS</b>					
<b>CURRENT ASSETS</b>					
Cash	\$ 19,385	\$ 41,985	\$ 2,504	\$ 63,874	\$ 112,278
Accounts receivable	4,717	--	--	4,717	5,544
Interest receivable	--	7,493	--	7,493	6,556
Inventories	15,740	--	--	15,740	16,872
Notes receivable	--	56,010	--	56,010	66,613
Due from other funds (Note 5)	--	16,551	--	16,551	--
Total current assets	\$ 39,842	\$ 122,039	\$ 2,504	\$ 164,385	\$ 207,863
<b>PROPERTY AND EQUIPMENT, net (Note 2)</b>					
	20,007	--	--	20,007	4,386
<b>CAPITALIZED LEASE, net (Note 3)</b>					
	9,577	--	--	9,577	--
Total assets	\$ 69,426	\$ 122,039	\$ 2,504	\$ 193,969	\$ 212,249
<b>LIABILITIES AND FUND BALANCES</b>					
<b>CURRENT LIABILITIES</b>					
Accounts payable	\$ 1,852	\$ --	\$ --	\$ 1,852	\$ 2,281
Deferred revenue (Note 4)	35,546	--	--	35,546	35,010
Due to other funds (Note 5)	16,551	--	--	16,551	--
Total current liabilities	\$ 53,949	\$ --	\$ --	\$ 53,949	\$ 37,291
<b>FUND BALANCES (Note 6)</b>					
Unrestricted	\$ 10,807	\$ --	\$ --	\$ 10,807	\$ 26,168
Restricted	4,670	122,039	2,504	129,213	148,790
Total fund balances	\$ 15,477	\$ 122,039	\$ 2,504	\$ 140,020	\$ 174,958
Total liabilities and fund balances	\$ 69,426	\$ 122,039	\$ 2,504	\$ 193,969	\$ 212,249

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

WOMAN'S NATIONAL AUXILIARY CONVENTION, AN AUXILIARY OF THE  
NATIONAL ASSOCIATION OF FREE WILL BAPTISTS

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

	1991				
	General Fund	Memorial Student Loan Fund	Eunice Edwards Fund	Total	1990 Total
<b>REVENUE</b>					
Dues and fees	\$ 26,890	\$ --	\$ --	\$ 26,890	\$ 21,040
Designated contributions	288,388	--	--	288,388	338,211
Magazine and literature sales	74,181	--	--	74,181	83,395
Convention and retreat income	10,471	--	--	10,471	14,300
Gifts and offerings	54,500	3,574	4,989	63,063	59,675
Interest income	2,343	8,345	1,366	12,054	9,234
Gain on disposal of property and equipment	453	--	--	453	--
	\$ 457,226	\$ 11,919	\$ 6,355	\$ 475,500	\$ 525,855
<b>EXPENSES</b>					
Salaries and wages	\$ 72,938	\$ --	\$ --	\$ 72,938	\$ 73,962
Payroll taxes and employee benefits	18,034	--	--	18,034	17,477
Cost of magazine and literature printing	40,738	--	--	40,738	42,404
Travel and promotion	4,980	--	--	4,980	7,245
Retreats and conventions	14,128	--	--	14,128	14,747
Office expense	5,152	132	--	5,284	4,133
Postage	4,011	--	--	4,011	3,374
Rent expense	18,737	--	--	18,737	10,829
Professional fees	2,700	--	--	2,700	480
Administrative expense	--	554	--	554	525
Depreciation	2,147	--	--	2,147	1,623
Amortization	245	--	--	245	--
Bad debt expense	--	1,327	--	1,327	5,741
Insurance expense	810	--	--	810	552
Dues and subscriptions	68	--	--	68	322
Designated contributions	288,388	--	--	288,388	338,211
Contribution to missions	--	--	35,000	35,000	--
Miscellaneous other expense	349	--	--	349	1,003
	\$ 473,425	\$ 2,013	\$ 35,000	\$ 510,438	\$ 522,628
REVENUES OVER (UNDER) EXPENSES	\$ ( 16,199)	\$ 9,906	\$ ( 28,645)	\$ ( 34,938)	\$ 3,227
FUND BALANCE (DEFICIT) AT BEGINNING OF YEAR	31,676	112,133	31,149	174,958	171,731
FUND BALANCE (DEFICIT) AT END OF YEAR	\$ 15,477	\$ 122,039	\$ 2,504	\$ 140,020	\$ 174,958

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



WOMAN'S NATIONAL AUXILIARY CONVENTION, AN AUXILIARY OF THE  
NATIONAL ASSOCIATION OF FREE WILL BAPTISTS

STATEMENT OF CASH FLOWS  
Years ended December 31,

	1991	1990
CASH FLOWS FROM OPERATING ACTIVITIES		
Revenue over (under) expenses	\$( 34,938)	\$ 3,227
Adjustments to reconcile to net cash		
Depreciation and amortization	2,392	1,623
Gain on disposal of property	( 453)	
Changes in assets and liabilities		
Change in accounts receivable	827	( 1,888)
Change in interest receivable	( 937)	835
Change in inventories	1,132	( 701)
Change in accounts payable	( 429)	( 2,161)
Change in deferred revenue	536	( 3,051)
Change in accrued expenses	--	( 1,278)
Net cash provided by (used for) operating activities	\$( 31,870)	\$( 3,394)
CASH FLOWS FROM INVESTING ACTIVITIES		
Issuance of notes receivable	\$( 3,150)	\$( 14,916)
Reductions in notes receivable	13,753	10,881
Capitalization of lease costs	( 9,822)	--
Additions to property and equipment	( 17,915)	( 1,143)
Disposition of property and equipment	600	--
Net cash provided by (used for) investing activities	\$( 16,534)	\$( 5,178)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	\$( 48,404)	\$( 8,572)
CASH AT BEGINNING OF YEAR	112,278	120,850
CASH AT END OF YEAR	\$ 63,874	\$ 112,278

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

WOMAN'S NATIONAL AUXILIARY CONVENTION, AN AUXILIARY OF THE  
NATIONAL ASSOCIATION OF FREE WILL BAPTISTS

NOTES TO FINANCIAL STATEMENTS  
December 31, 1991

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Following is a summary of the significant accounting policies of the Woman's National Auxiliary Convention, an Auxiliary of the National Association of Free Will Baptists, hereafter referred to as the Auxiliary.

GOVERNMENT - The Auxiliary operates under the auspices of the National Association of Free Will Baptists and is governed by an Executive Committee.

RECEIVABLES AND ALLOWANCE FOR DOUBTFUL ACCOUNTS - Accounts receivable and notes receivable are presented in the financial statements at the amount deemed collectible by management. Any provision for doubtful accounts is recognized using the direct write-off 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 3-20 years.

INCOME TAXES - The Auxiliary 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 Auxiliary at December 31,:

	1991	1990
Equipment and furniture	\$31,492	\$19,906
Less accumulated depreciation	11,485	15,520
Property and equipment, net	\$20,007	\$ 4,386



WOMAN'S NATIONAL AUXILIARY CONVENTION, AN AUXILIARY OF THE  
NATIONAL ASSOCIATION OF FREE WILL BAPTISTS

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
December 31, 1991

NOTE 3 - CAPITALIZED LEASES

The National Association of Free Will Baptists purchased an office building to house various departments and agencies of the denomination. The Executive Committee has entered into an agreement to lease space in this new building and agreed to contribute to the debt service costs during the construction period and to continue until the debt has been retired. The construction period costs of \$9,822 were capitalized and will be amortized over a period of twenty years.

NOTE 4 - DEFERRED REVENUE

Deferred revenue consists of magazine subscriptions received for future issues to be printed as of December 31, 1991 and 1990.

NOTE 5 - INTERFUND LOANS

In 1991, loans of \$9,900 and \$10,000 were made from the Memorial Student Loan Fund to the General Fund. The following is a summary of the balances as of December 31,:

Due To	Due From	1991	1990
Memorial Student Loan Fund	General Fund	\$ 16,551	\$ --

NOTE 6 - RESTRICTED FUND BALANCES

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

	1991	1990
Foreign Student Scholarship Fund	\$ 4,076	\$ 2,728
Equipment	--	2,780
Endowment Trust Fund	594	--
	<u>\$ 4,670</u>	<u>\$ 5,508</u>
Eunice Edwards Fund	\$ 2,504	\$ 31,149
Memorial Student Loan Fund	<u>\$122,039</u>	<u>\$112,133</u>

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1991 TOP TEN CONTRIBUTORS TO WNAC

Co-Laborer Fund	Emphasis Offering	Combined
1. Tennessee \$2,576.66	1. Tennessee \$2,061.26	1. Tennessee \$4,637.92
2. Georgia 2,109.26	2. South Carolina 2,022.40	2. Georgia 3,305.39
3. Arkansas 1,876.51	3. Oklahoma 1,976.35	3. Arkansas 3,056.54
4. California 1,252.51	4. Missouri 1,709.37	4. Missouri 2,949.00
5. Missouri 1,239.63	5. North Carolina 1,210.36	5. Oklahoma 2,856.60
6. Illinois 971.79	6. Georgia 1,196.13	6. South Carolina 2,778.83
7. North Carolina 918.72	7. Arkansas 1,180.03	7. North Carolina 2,129.08
8. Oklahoma 880.25	8. Illinois 714.15	8. Illinois 1,685.94
9. Ohio 759.81	9. Texas 547.23	9. California 1,684.78
10. South Carolina 756.43	10. Alabama 442.77	10. Ohio 1,074.26

Gifts to Missions/Missionary Objectives  
January 1, 1991 to December 31, 1991

CASH GIFTS	\$ 476,033.96
Foreign Missions	292,727.85
Sent through WNAC	\$ 185,964.19
Sent direct to department	106,763.66
Home Missions	79,664.59
Sent through WNAC	79,664.59
Sent direct, not available	10,951.62
Bible Colleges	3,574.54
Memorial Student Loan Fund	23,388.60
Other Gifts	
Foreign Student Scholarship	1,347.64
Missions Objectives	14,542.95
Building Fund (furniture)	7,498.01
Provision Closet	3,674.90
National Project: Eunice Edwards Loan Fund	5,096.33
WNAC Operating Expense	56,955.53
Co-Laborer Fund	19,250.15
Emphasis Offering	15,870.31
Endowment Trust	632.57
Dues	21,202.50
NON-CASH GIFTS	25,582.00
Provision Closet	
TOTAL CASH AND NON-CASH GIFTS	\$ 501,615.96



# 1993 PROPOSED BUDGET

## ESTIMATED INCOME

Co-Laborer Fund	\$ 24,000
Convention Offering	1,200
Convention Expense Gift	5,000
Delegate Fees	300
Dues	22,000
Administrative Fee	12,000
Interest Income	4,000
Literature Sales	7,000
Magazine Subscriptions	81,000
Miscellaneous	700
Travel	1,800
WNAC Emphasis Offering	24,000
<b>TOTAL INCOME</b>	<b>\$183,000</b>

## ESTIMATED EXPENSE

Salaries	\$ 75,460
Employee Benefits	21,085
Payroll Tax Expense	7,200
Employee Retirement	2,165
Health & Life Ins.	11,720
Insurance—General & Comp.	
Audit	1,000
Convention Expense	2,700
Executive Committee Expense	4,000
Co-Laborer Magazine Expense	2,000
Mailing	1,250
Miscellaneous	100
Printing	33,100
Postage	2,400
Office Rent	
Office Supplies & Miscellaneous	31,980
Phone	1,000
Postage	850
Service Contracts	4,000
Subscriptions	200
Travel	75
<b>TOTAL EXPENSE</b>	<b>\$183,000</b>

## WNAC Receipts for January-December 1991

State	Building Fund	Colleges	Co-Laborer Fund	Dues	Emphasis Offering	Endowm. Trust	Eunice Edwards Fund	Foreign Student Scholar.	Provision Closet	Foreign Missions	World Missions	Home Missions	Missions Objectives	Student Loan	Totals
Alabama	\$ 1.00	\$ 40.00	\$ 340.50	\$ 848.00	\$ 442.77	\$	\$ 237.00	\$	\$	\$ 4,744.62	\$ 990.08	\$ 7,716.20	\$ 1,012.00	\$ 194.00	\$ 16,566.17
Arizona			10.00	16.00	151.00						205.52	1,464.61			1,847.13
Arkansas		265.00	1,876.51	2,122.00	1,180.03		282.00	120.00	200.00	18,275.93	1,982.32	8,176.58	532.00	226.00	35,238.37
California	767.00	150.00	1,252.51	1,089.00	432.27				180.00	3,071.08	718.26	365.85	1,040.00	30.00	9,095.97
Canada				24.00											24.00
Colorado			100.00	110.00						50.00		100.00			360.00
Florida	210.00		706.30	396.00	248.14			39.10		3,954.70	399.29	1,542.32	170.24	173.40	7,839.49
Georgia		647.00		1,232.00	1,196.13		240.00	175.00	115.66	13,151.44	1,966.23	1,564.32	497.00	162.00	23,056.04
Hawaii	125.00		39.35	6.50						25.00					195.85
Idaho															0.00
Illinois			971.79	542.00	714.15		285.35			6,273.26	1,311.83	6,194.45	443.65	15.00	16,751.48
Indiana	100.00		348.23	226.00	100.00	100.00	105.00			1,964.00	140.00	404.80		5.00	3,493.03
Iowa				27.00											27.00
Kansas	90.71		293.32	144.00	54.00		10.00			777.75	22.00	223.57			1,615.35
Kentucky	25.00	35.00	289.43	582.00	210.00		50.00		25.00	9,294.22	690.98	4,359.25	275.00	341.84	16,177.72
Louisiana			25.75												25.75
Maryland	305.00	379.00	332.40	242.00	243.40		35.00	60.00	146.65	1,180.00	405.53	362.00	25.00		3,620.98
Michigan	500.00		233.25	612.00	188.00		94.00			5,298.29	35.00	1,741.82			8,703.36
Mississippi			447.80	644.00	377.00					615.00	50.00	3,361.00	2,275.00	165.00	8,028.80
Missouri			1,239.63	1,582.00	1,709.37		776.45	50.00	105.00	19,555.49	1,701.22	5,490.34	561.90	346.64	33,846.61
Nebraska	90.00	638.56		14.00											14.00
New Hampshire				26.00											26.00
New Mexico			48.55	84.00	10.00					791.32		179.93			1,113.80
N. Carolina	1,256.09	3,077.66	918.72	2,092.00	1,210.36		702.07	45.00	63.50	17,019.23	3,362.58	8,083.45	1,996.25	430.51	40,257.42
NW/Wash.				84.00	142.50					1,295.00	617.00	210.00			2,348.50
Ohio	231.80	450.00	759.81	762.00	314.45		36.00		319.00	9,076.50	966.18	482.99	776.65		14,175.38
Oklahoma	25.00	1,855.52	880.25	2,418.00	1,976.35		732.10	77.77	466.16	9,607.77	847.75	5,440.99	224.25	282.35	24,834.26
S. Carolina		460.00	756.43	1,278.00	2,022.40		397.00		1,418.27	13,135.44	3,120.79	7,969.87	3,218.34	755.50	34,532.04
Tennessee	3,746.41	619.00	2,576.66	2,526.00	2,061.26	532.57	1,062.01	723.77	492.66	10,018.16	2,066.50	7,679.25	250.00	362.30	34,716.55
Texas		2,066.88	494.28	526.00	547.23		29.19		50.00	6,534.35	685.85	2,560.99	300.67	50.00	13,845.44
Virgin Islands				20.00											20.00
Virginia	25.00	88.00	605.64	596.00	339.50		23.15	57.00	93.00	4,700.86	921.97	3,785.01	825.00	35.00	12,095.13
West Virginia		180.00	350.00	332.00						2,347.90		205.00	120.00		3,534.90
Convention Off.			1,243.78												1,243.78
1991 Totals	\$7,498.01	\$10,951.62	\$19,250.15	\$21,202.50	\$15,870.31	\$632.57	\$5,096.33	\$1,347.64	\$3,674.90	\$162,757.31	\$23,206.88	\$79,664.59	\$14,542.95	\$3,574.54	\$369,270.30



## General Board Report

1. We have heard the reports of the Executive Office, Home Missions Department, Master's Men Department, Retirement and Insurance Department, Free Will Baptist Foundation, Free Will Baptist Bible College, Foreign Missions Department, Sunday School and Church Training Department, Music Commission, Radio-Television Commission, the Commission for Theological Integrity, Historical Commission, the report of the Budget Committee on Denominational Giving, the regular Budget Committee report, the report of the Management Committee, the Double in a Decade report, and the report of the International Free Will Baptist Consultation Committee. We recommend that these reports be received and their budgets and recommendations adopted as each is presented.
2. We recognize the need for increased funding of the convention budget of the National Association. We recommend that Section 4, page 77 of the *Treatise* be changed to read "representation fee of \$25 per church," instead of \$10. We further recommend that this become effective with the 1995 convention.
3. We recommend that Memphis, Tennessee, be the site of the convention of the National Association July 21-25, 2002.
4. We recommend the adoption of the following statement:  
  
Whereas, Free Will Baptists are and wish to remain a distinct denomination in doctrine and title, and in recent days there is a trend toward carrying generic titles by some of our churches, we urge all churches who are members of the National Association of Free Will Baptists to visibly acknowledge and display their association with Free Will Baptists in all forms communicating the title.
5. In response to the assignment given to the Executive Committee, we recommend the adoption of the following recommendations:
  - A. We urge all local associations to diligently attend to matters of ministerial discipline, carefully following the process given in the *Treatise*.
  - B. We recommend that the annual reports from the district associations to the state associations and from the state associations to the National Association include the names of ministers ordained during the year, ministers who died during the year, ministers whose credentials were ratified during the year, and ministers whose credentials were revoked or reinstated during the year and that this information be included in the minutes.

- C. We recommend that Chapter II, Section I.E.2 of the Practice division be revised by adding the following to the material in parenthesis: ("In general, no association should receive a minister into full ministerial standing who cannot secure a letter of good standing because he has been disfellowshipped or had his credentials revoked or who is in process of being disciplined by another association. In no case should his credentials be ratified without consultation with the association which disciplined him").

## Committee on Committees Report

### Nominating Committee

David Joslin (Ark.)  
John B. Smith (Calif.)  
Gary Curry (Okla.)  
Jerry Rackley (N.C.)  
Ivan Ryan (Ill.)

### Resolutions Committee

Glenn Poston (Tenn.)  
Paul Smith (Ga.)  
Doice McAlister (Calif.)  
Mance Cason (N.C.)  
David Sutton (Texas)

### Credentials Committee

Charles Cooper (Mich.)  
Joe Cagle (S.C.)  
Carl Vallance (W.Va.)  
John Edwards (Ala.)  
Nathan Ruble (Mo.)

### Obituary Committee

Daniel Merkh (Va.)  
Edwin Hayes (Ohio)  
Leroy Cutler (Fla.)  
Cody Freeman (Mo.)  
Wade Parker (Ky.)



## Credentials Committee Report

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

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

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 and West Virginia.

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

Atlantic-Canada Association, First Colorado District Association, Northeast Association, Northwest Association, Mexico Association, First Louisiana District Association and First District New Jersey (to be made a part of this report pending their acceptance into the National Association).

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

Waipahu FWB Church, Hawaii; Riverview FWB Church, Bettendorf, IA; First FWB Church, Billings, MT; Maranatha FWB Church, Omaha, NE; FWB Church, St. Croix, Virgin Islands.

4. We recommend that the delegates from the three above categories be seated. We further recommend that all other delegates properly registered from local churches comprising the above associations be seated.
5. We recommend that all legally appointed lay delegates of standing boards be seated, if properly registered.

**Note:** No funds were received from the Idaho Association.

## Resolutions Committee Report

### Resolution #1 Re-evaluate Convention Program

Whereas, the days we face as a denomination are both difficult and critical to the future of our denomination, and

Whereas, we face pressures from the local church to our national departments, and

Whereas, the need for revival is so obvious, and

Whereas, the fields are white to harvest and we need to pray the Lord of the harvest to thrust forth laborers, and

Whereas, it is critical that we be in harmony to meet the pressing needs of these difficult days, and

Whereas, the pastors and preachers in our denomination are usually the men who have more influence among our people,

Therefore, be it resolved that we ask the Executive Committee to re-evaluate the program format of the National Convention so that we can address these needs and offer help in these aforementioned areas. (Adopted)

### Resolution #2 Pro-Life, Anti-Abortion

Be it resolved that we reaffirm our stand as Pro-Life and Anti-Abortion knowing the Bible teaches that life begins at conception (Jeremiah 1:5 and Luke 1:15). We as Free Will Baptist pastors and lay people must do all we can to defend the right to life for the unborn.

And be it further resolved that we oppose the use of unborn babies or any part thereof for research and other purposes. (Adopted as amended)

### Resolution #3 See You at the Pole

Whereas, the trend is that prayer in our public school systems is under attack; and

Whereas, the National Youth Workers' Fellowship during this convention has endorsed the student-led, student-activated prayer effort called "See You at the Pole";

Therefore, be it resolved that this body join our Youth Workers' Fellowship in supporting and encouraging our local youth groups to promote and participate in the national "See You at the Pole" effort on Wednesday, September 16, 1992, 7:00 a.m. (Adopted)

### Resolution #4 Voting Responsibility

Whereas, our nation is experiencing a drastic decline in morality and in the knowledge of God, and

Whereas, elections will be held to elect our nation's leaders,

Therefore, be it resolved that every Free Will Baptist of voting age fulfill his responsibility by voting on November 3rd, praying earnestly all the while that God would allow the right leaders to be elected who would be considerate of Christian values. (Adopted)



### **Resolution #5 Pornography**

Whereas, pornography has invaded every segment of our society, and  
Whereas, our legal system has done so little to halt this invasion,  
Therefore, be it resolved that we urge our people to voice their opposition to the sale of pornographic materials and that they inform the businesses who market or promote this poison of their boycott. (Adopted as amended)

### **Resolution #6 United Way**

Whereas, the United Way of America often endorses and funds organizations which support homosexuality, abortion, etc., which are contrary to our Christian values,

Therefore, be it resolved that we the Free Will Baptist Convention urge our people to carefully evaluate charitable organizations before giving to causes outside the local church. (Adopted)

### **Resolution #7 Vote of Appreciation**

Whereas, the Indiana State Association has done a marvelous job hosting the 56th National Association,

Therefore, be it resolved that we give a standing vote of appreciation. (Adopted)

## **Nominating Committee Report**

### **Nominees to General Board**

#### **Terms to expire in 1993**

Kansas: replacing Nick Hollis who resigned, Billy Barlow  
Missouri: replacing Dale Skiles who resigned, Nathan Ruble

#### **Terms to expire in 1994**

New Jersey: Vergel Maness  
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, Terry Stafford  
Ohio: replacing Delmar Sparks, Delmar Sparks  
Oklahoma: replacing Jack Richey, Jack Richey  
South Carolina: replacing Joe Cagle, Joe Cagle  
Tennessee: replacing Raymond Riggs, Charles Thigpen  
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 1994**

Replacing Tom Lilly (N.C.), Tom Lilly  
Replacing Jack Richey (Okla.), Thurmon Murphy (Texas)  
Replacing Carl Vallance (W.Va.), Jim Nason (NE Assoc.)

### **Nominees to Bible College Trustees**

#### **Terms to expire in 1998**

Replacing Clarence Burton (Mo.), Richard Bowers (Ala.)  
Replacing W.B. Hughes (N.C.), Larry Powell (Tenn.)  
Replacing Douglas Little (Ark.), Douglas Little

### **Nominees to Foreign Missions Board**

#### **Terms to expire in 1998**

Replacing Joe Grizzle (Okla.), Joe Grizzle  
Replacing Bill Jones (Texas), David Shores (Ill.)  
Replacing Dean Dobbs (N.C.), Dean Dobbs



## Nominees to Sunday School & Church Training Board

### Term to expire 1996

Replacing Larry Hughes (Ark.) who resigned, Dean Stone (Tenn.)

### Terms to expire in 1998

Replacing Connie Cariker (Okla.), Will Harmon (Ark.)

Replacing Edwin Hayes (Ohio), Edwin Hayes

Replacing Larry Clyatt (Ill.), Larry Clyatt

## Nominee to Board of Retirement

### Term to expire 1993

Replacing Bobby Floars (N.C.) who resigned, Henry Van Kluyve (N.C.)

## Nominee to Master's Men Board

### Term to expire 1997

Replacing Tim Jordan (Ga.) who resigned, George Brunkhorst (Calif.)

## Nominee to Historical Commission

### Term to expire 1997

Replacing Jack Williams (Tenn.), Jack Williams

## Nominee to Commission for Theological Integrity

### Term to expire 1997

Replacing Leroy Forlines (Tenn.), Leroy Forlines

## Nominee to Radio-Television Commission

### Term to expire in 1997

Replacing Bill Gardner (Tenn.), Bill Gardner

## Nominee to Music Commission

### Term to expire in 1997

Replacing Douglas Little (Ark.), Douglas Little

## Nominees for General Officers

### Terms to expire in 1993

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

## Obituary Committee Report

We recommend that a form be provided for distribution at all National Associations for listing deceased persons who were actively involved in the National Association. The form should include the name, state, time of death, positions held, and the name of the person making the request.

This year the following have been recommended to the Obituary Committee:

15 preachers (Includes 14 pastors and 1 missionary)  
4 deacons  
12 lay persons

Pastors	State	Position
Zane Kirkland	Arkansas	Pastor
Willie Carrow	Florida	Pastor
Laura Belle Barnard	Georgia	Missionary
Rue Thomas	Idaho	Pastor
Dewey Merritt	Illinois	Pastor
Ed Cave	Maryland	Pastor
Houston Mullins	Maryland	Pastor
Richard Herndon	Maryland	Pastor
Luther Gibson	Mississippi	Pastor
Carter Brewer	Mississippi	Pastor
Leroy Walker	North Carolina	Pastor
Homer Harris	Ohio	Pastor
Arnold Moore	Ohio	Pastor
Paul Sparks	Oklahoma	Pastor
James Waldrep	Oklahoma	Pastor

Deacons	State
Wilton Dail	Virginia
Paul Baggett	North Carolina
Archie Poston	South Carolina
James Myers, Jr.	Virginia

Lay Persons	State
Josie Beauchamp	California
Lois Tuten	Florida
Irene Driggers	Georgia
James Horne	Georgia
Catherine Livesay	Georgia
Valrie Price	Georgia
Sadie Riggs	Ohio
Ruth White	Ohio
Tom Watkins	Oklahoma
Elmina Poston	South Carolina
Mae Fry	Tennessee
John Spade	West Virginia



## Budget Committee Report

The National Association of Free Will Baptists, Inc. has approved in this convention the following budget for 1993:

Executive Office .....	\$ 475,423.63
Free Will Baptist Bible College .....	1,025,000.00
Foreign Missions .....	4,379,332.00
Home Missions and Church Extension .....	2,500,000.00
Master's Men .....	146,440.00
Retirement and Insurance .....	371,797.00
Free Will Baptist Foundation .....	38,500.00
Sunday School and Church Training .....	2,401,425.20
Commission for Theological Integrity .....	2,700.00
Historical Commission .....	2,350.00
Music Commission .....	1,600.00
Radio-Television Commission .....	10,900.00
<b>TOTAL .....</b>	<b>\$11,355,467.83</b>

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

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

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

Free Will Baptist Bible College .....	23 %
Foreign Missions .....	23 %
Home Missions .....	18 %
Board of Retirement and Insurance .....	14 %
Master's Men .....	14 %
Free Will Baptist Foundation .....	6 %
Commission for Theological Integrity .....	0.5%
Historical Commission .....	0.5%
Music Commission .....	0.5%
Radio-Television Commission .....	0.5%
<b>TOTAL .....</b>	<b>100 %</b>

Respectfully Submitted, Your Servants,

Melvin Worthington, Executive Secretary  
 Tom Malone, 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

## Budget Committee Report "Denominational Support"

During the 1990 national convention, the Budget Committee was instructed to give some study to denominational giving, especially as it relates to equity in the support of the Executive Office. The committee gave a "Denominational Giving" report to convention delegates. This report recommended that the December 1991 Leadership Conference be a "Stewardship Summit" focusing on denominational giving.

The 1991 Leadership Conference was indeed a "Stewardship Summit." After much discussion attendees recommended that the Executive Secretary appoint a committee to work with the Budget Committee in formulating a plan for denominational support. Tom Lilly, Clarence Burton, Don Walker, Alton Loveless, Jeff Crabtree, Connie Cariker, David Joslin, John Edwards, David Shores and Norwood Gibson were appointed to this National Stewardship Committee. Ralph Hampton served as an advisor.

This committee met with the Budget Committee twice during 1992 (March 5-7 and June 1-3) to discuss, design and develop a financial plan for denominational support. The Budget Committee and the National Stewardship Committee enthusiastically and unanimously submit this report along with its recommendations.



## Stewardship Philosophy for Denominational Support

The *basis* of stewardship is the recognition of God's ownership. He owns all and we are stewards of that which He gives us. Biblical stewardship not only recognizes God's ownership but also reflects our obedience, reveals our obligation and results in outreach.

The *breadth* of stewardship extends beyond money to include our time, talent and testimony. Biblical stewardship begins with giving ourselves to the Lord and then our substance and service. It touches every area of our lives.

The *blessing* of stewardship includes God's promises, provision and peace. While stewardship means more than money, the focus of this stewardship philosophy for denominational support will specifically address stewardship in giving.

### I. Our Concept

The Free Will Baptist denomination is a fellowship of believers united in extending the witness of Christ and the building of His Church throughout the world. We believe that both the Old and New Testament Scriptures teach that tithes and offerings are God's financial plan for supporting His work.

We view ourselves as Christians who embrace individual opinions and convictions, yet function with each member performing a prescribed service under the Lordship of Jesus Christ. This means that our local churches, district associations, state associations and the National Association work in a cooperative fashion so that joint ministries and programs can and will accomplish a productive work for God.

While an individual can only do what one person can do, our joint labors through the local church progress to the National Association with multiplied results. Because of this, our stewardship philosophy must embrace a cooperative effort. Anything less will fall short of that which we are capable of doing.

### II. Our Covenant

The Free Will Baptist Church Covenant serves as a basis for our belief, our concept and our attitude.

The Covenant binds us together as Free Will Baptists with these opening words: "Having given ourselves to God, by faith in Christ, and adopted the Word of God as our rule of faith and practice, we give ourselves to one another by the will of God, in this solemn covenant." It concludes: "To this end we agree to labor for the promotion of educational and denominational enterprises, the support of missions, the success of Sunday Schools, and evangelistic efforts for the salvation of the world. And may the God of peace sanctify us wholly, and preserve us blameless unto the coming of our Lord Jesus Christ."

### III. Our Cooperation

Our attempts at evangelism, education and edification will be amplified by concerted, cooperative efforts beginning in the local church and continuing through the National Association of Free Will Baptists. Likewise, our financial gifts will meet our need only when we obey the teaching of the Holy Scriptures—each Christian giving the tithe and offering. Tithes and offerings given for the local church and denominational enterprises through cooperative and designated methods of support will enable us to do together that which we cannot do as individuals, local churches, district or state associations.

#### Mission Statement for the National Association of Free Will Baptists

Understanding that the local church is the only visible form of the "Church" founded by the direct authority of Scripture, and,

Understanding that the mission of each local church is to bring glory to God and counter the effects of sin by:

1. Proclaiming the gospel of Jesus Christ to the whole world (Matthew 28:19, Acts 1:8);
2. Teaching and equipping every believer for service to the Lord in and through the local church (Matthew 28:20, Ephesians 4:11-16);
3. Ministering to the needs of people (Matthew 25:40-46) and,

Understanding that all denominational ministry finds its basis, authority, support and mission in the local church,

Therefore, the mission of the National Association of Free Will Baptists is to extend the ministry of the local church by providing service for its member churches. These local churches voluntarily unite and cooperate for the extension of the witness of Christ and the building of His Church throughout the world through gospel ministries to home and foreign communities, Christian education, benevolent enterprises and social services which it may consider fitting and desirable for the advancement of the Kingdom of God.

#### Stewardship Plan for Denominational Support "The Together Way Plan"

- A. Basic Principle  
Every church using this plan, whether giving primarily cooperatively or by designation, will support equitably all denominational agencies.
- B. Specific Elements of the Plan
  1. Each local church will contribute at least 10% of its general income for denominational causes—district, state and national—whether cooperatively or by designation.
  2. Each local church that does not give this 10% cooperatively will designate equitable portions for all denominational agencies.



3. Each state will work toward the goal of retaining 50% of this general giving for district and state causes combined and sending 50% to national ministries.
4. Each church will give, beyond this 10% minimum, appropriate designated offerings for various denominational agencies as needed to assume its fair share of support for those agencies.

#### Examples

Church A: The Cooperative Method

1. Gives 10% of its general income cooperatively.
2. Sponsors designated giving as needed to implement point 4 above.

Church B: The Designated Method

1. Gives 10% of its general income to denominational agencies, designating an equitable portion for each district, state, and national agency.
2. Sponsors designated giving as needed to implement point 4 above.

C. Fair Share goals will be set for the support of all national agencies, including the Executive Office, and each state will be encouraged to reach these goals, with the understanding that departments continue to promote quotas based on need and experience.

D. Missions and educational agencies will continue to raise funds through faith promise and designated giving.

E. The entire denomination will promote four special, annual drives which will be supported by all national agencies:

April: Foreign Missions—"World Missions Offering"  
WNAC—"Laura Belle Barnard World Missions Offering"

September: "Rest of the Family Offering"  
Executive Office  
Retirement & Insurance  
Woman's National Auxiliary Convention  
Master's Men  
National Youth Conference  
Commission for Theological Integrity  
Historical Commission  
Music Commission  
Radio-Television Commission

November: Home Missions—"Benjamin Randall Offering"  
WNAC—"Lizzie McAdams Offering"

December: Free Will Baptist Bible College—"Paul Kettelman Christmas Offering"

F. The General Board will review the audits and budgets of the national agencies before National Association approval.

G. The General Board will approve special, major fund raising campaigns for all departments and agencies, and recommend these to the National

- Association for adoption.
- H. The Budget Committee will review allocations for cooperative giving, structure them according to national agency budgets and recommend them to the General Board and National Association.
  - I. By request of the Budget Committee, the Executive Committee will recommend a specific schedule to reduce the percentage of undesignated cooperative receipts used to underwrite the administrative budget of the Executive Office.

### Stewardship Education Program for Denominational Support

We recognize that stewardship education must be an on-going process. The Executive Office will have the responsibility to develop and implement the educational process. We suggest that the Executive Office appoint an advisory committee to assist in developing the program.

We recommend that a five-year plan be adopted.

### Five-Year Stewardship Education Plan

**First Year** — Year of Study and Preparation

Goal — To determine what materials are needed,

- What should be written,
- What can be adapted.
- Study what other denominations are doing.
- Survey existing materials.
- Suggested areas:

1. How to organize and carry out a local church stewardship committee
2. Helps for a basic church budget
3. Stewardship education materials including existing curriculum materials (Sunday School, CTS, Woman's Auxiliary, Master's Men)
4. Innovative ways of presenting need of National ministries, i.e., one leaflet giving comprehensive picture
5. Articles for *Contact*/state publications
6. Ads for *Contact*/state publications
7. Visual and/or audio presentations
  - Develop training/educational seminars for pastor and leaders.
  - Designate a denomination-wide stewardship month.
  - Ask advisory committee to consider the following:

Designate January "Stewardship Month" each year. Sunday School quarterlies from primary through adult to include stewardship lessons that month. Every denominational agency promote stewardship month to help churches have more tithers.

- A. Sunday School lessons on stewardship during January should be written by qualified persons, preferably pastors. Material should cover every aspect of stewardship. It should encour-



age giving to every phase of denominational work, beginning with the local church and adequate support of the pastor.

B. Posters, bulletin inserts and other appropriate material should be prepared and sent to the local church. This material should be posted in the church and given to the congregation prior to stewardship month.

C. Pastors should be encouraged to promote this program fully, since increased giving will benefit the local church and the pastor also.

D. The Executive Office coordinate and promote stewardship month and develop a literature program to educate and motivate churches to exercise biblical stewardship.

#### **Second Year — Year of Education**

Goal — To help each church develop an active stewardship committee.

— Show local churches how to promote a year-round stewardship program.

— Use all means available.

1. Periodic mailings

2. Church bulletins

3. Stewardship rallies, dinners

4. Promote contests on local level for youth

— Posters

— Essays

#### **Third Year — Year of Implementation**

Goal — To implement and complete the goal of year two.

#### **Fourth Year — Year of Deferred Giving**

Goal — To educate and challenge our people to the advantages and opportunities of deferred giving.

— Educational materials

— Use of all printed media and/or publications

— Will Clinics

#### **Fifth Year — Year of Planning**

Goal — Assessment and evaluation.

— Planning for the next five years.

The Budget Committee recommends the following:

1. That the *Stewardship Philosophy for Denominational Support*, the *Mission Statement for the National Association of Free Will Baptists, Inc.*, the *Stewardship Plan for Denominational Support* (the "Together Way Plan") and the *Stewardship Education Program for Denominational Support* be adopted.

2. That the "Together Way Plan" be implemented January 1, 1994.

3. That the Constitution and By-Laws be amended to reflect changes in wording in Section 9, page 79, Paragraph E, and Section 23, page 84, Paragraph D.

## **Registration Committee Report**

National Convention	3,254
Ordained Ministers	799
Ordained Deacons	146
Local Church Delegates	107
State Delegates	110
Home Missionaries	89
Foreign Missionaries	26
Non-Delegates	1,977
National Youth Conference	1,826
Woman's National Auxiliary Convention	<u>1,039</u>

Grand Total 6,119



# The Management Committee Report

Indianapolis, Indiana

July 19-23, 1992

The Management Committee includes the directors of the agencies which occupy the National Offices facility. This group serves as legal custodians of all property belonging to the National Association, except for property held by National Association boards which are authorized to be incorporated. The Executive Secretary chairs the Management Committee.

The Management Committee served as the Building Committee for the new National Offices building. Seven national agencies moved to the new facility August 20, 1991. Dedication ceremonies were held December 3, 1991, in conjunction with the Leadership Conference.

The new office provides 30,000 square feet of office and storage area. This will allow continued growth into the next century for those agencies occupying the facility. The new building symbolizes our movement, a denomination committed to extending God's kingdom to the ends of the earth. The building is also a resource hub for churches, associations and agencies which comprise the National Association. The building reflects the dedication and vision of those who would propel the Free Will Baptist movement into the 21st century. More than bricks and mortar, it embodies the spirit, sacrifice and service of our people.

During the 1991 convention in Charleston, West Virginia, delegates authorized the Management Committee to launch a three-year Capital Stewardship Campaign, "A Million Four by 94", to liquidate indebtedness on the new facility. Representatives from 18 states met with the Management Committee on August 27-28, 1991, in Antioch, Tennessee, to develop, design and direct strategy for the Capital Stewardship Campaign.

The Advisory Committee decided that the name of the campaign would be "A Million More by 94." The campaign called for the speedy sale of the 1134 Murfreesboro Road property in Nashville, with proceeds paid immediately toward the debt. On May 21, 1992, a contract was signed on the Murfreesboro Road property for \$725,000. The terms of the contract call for 60 payments of \$8,400, including principal and interest, beginning August 15, 1992, and a final payment of \$403,160 on August 15, 1997. Net from the sale, after closing costs and realtor fees will be \$671,676. Approximately \$1 million will be raised through the Capital Stewardship Campaign.

The Advisory Committee directed that the campaign be implemented through the denomination's organizational structure. Executive Secretary Melvin Worthington will coordinate the campaign, working closely with the Management Committee. State promotional officers and moderators will coordinate the campaign in state associations. District moderators will select coordinators for districts. Coordinators will also be selected in every local church.

A brochure detailing the campaign has been prepared for distribution during the 1992 national convention. A video will be available for distribu-

tion in 1993. Regular mailings will update the denomination about the campaign's progress.

The Advisory Committee established campaign goals for each state on a per capita basis—\$5.00 per member over a three-year period.

The Management Committee appreciates the diligent work of the Advisory Committee in designing the campaign. Join with us in celebrating what the Lord has done. We give Him praise and glory. It is the Lord's doing and it is marvelous to behold.

Your Servants,

**Melvin Worthington**, Executive Secretary, Chairman

**R. Eugene Waddell**, Director/ Foreign Missions Department

**Roy Thomas**, Director/ Home Missions Department

**Herman Hersey**, Director/ Retirement and Insurance Department

**James Vallance**, Executive Secretary/ Free Will Baptist Foundation

**Mary R. Wisheart**, Director/ Master's Men Department

**Mary R. Wisheart**, Executive Secretary/ The Woman's National Auxiliary Convention



## Double in a Decade Campaign Report

The National Association of Free Will Baptists launched the Double in a Decade Campaign on January 1, 1991, with a two-fold goal: to plant 250 new churches and double denominational membership by A.D. 2000.

Statistical data for 1991 indicates 8,703 baptisms and 12,931 members added. On the other hand, churches lost 7,240 members, leaving a net membership gain of 5,691 and a total membership of 204,195. We rejoice in this 2.5% growth. But for us to double in a decade, we need to experience a 7% annual growth.

The Double in a Decade Committee is convinced these statistics do not convey the whole story. Better reporting on the state and local levels could provide more accurate statistical data reflecting more significant growth. For example, 1991 statistics indicate only 2,273 churches out of 2,471 reported any statistics. That means 198 churches did not report. And many of those who reported failed to give complete information.

Our goal will only be reached if we all give our best efforts. But we must believe we can grow. Working together, we can and must undergird denominational efforts to evangelize sinners as well as educate and edify saints.

In an effort to challenge and inspire pastors and lay people toward church growth, the Double in a Decade Committee scheduled a seminar for Tuesday, July 21, 1992, from 1:30-3:00 p.m. in the Indiana Convention Center, rooms 210-212. Pastor Richard Atwood of Townsend, Delaware, is to share principles, programs and philosophies which enabled his church to grow. A question and answer time is also planned.

In order to double in a decade, more laborers must be thrust into the Lord's harvest field. Christ's two-fold admonition to the Church must undergird our efforts: "Go ye into all the world" and "Pray ye therefore the Lord of the harvest, that he will send forth laborers into his harvest."

The Double in a Decade Committee is actively seeking ways to help pastors and churches find more and more effective means to insure growth. We believe Free Will Baptist churches can and want to grow for the glory of God.

Double in a Decade Committee  
Melvin Worthington, Chairman

## Report of International Free Will Baptist Consultation Committee

Representatives from the Free Will Baptist Associations of Brazil, Japan, Mexico, Cuba, Canada, Uruguay, Panama, and the United States have confirmed their participation in the consultation for August 24-27, 1992, in the country of Panama.

The general theme, "Free Will Baptists—United in Worship, Fellowship, and Witness," will be developed by four speakers. Three major papers will also discuss the church as the Body of Christ and our place in it as Free Will Baptists, the ministry of the Holy Spirit in the church, and our mission as children of God in the world.

The representatives will discuss the possibility of forming some kind of an international organization of Free Will Baptists in which national bodies can fellowship.

Melvin Worthington, Executive Secretary, National Association of Free Will Baptists  
R. Eugene Waddell, General Director, Free Will Baptist Foreign Missions



# 1992 NYC Report

The 1992 NYC theme was "A Call To Excellence." The keynote speaker at the Sunday evening youth service was Reverend Archie Ratliff. Other speakers were Terry Pierce, Teen Sunday School; Mike King, morning worship; Ken Riggs, adult seminar; Kevin Riggs, youth seminar; Mr. And Mrs. Levan Hubbard, children's activities; Kevin Justice, youth activities. A musical ensemble, Fortress, presented a challenge to the family. The children's choir from Peace FWB Church in Indianapolis presented the children's banquet program. The National Youth Evangelistic Team presented the program for the youth banquet that was attended by more than 1000.

Two new Bible-related individual competitions were begun this year. Turning Point is for junior high level and Horizon is for the senior high level. Individual registration numbered 1,826. There were 919 competition entries compared to 785 in 1991.

Dean Jones will serve as the 1993 National Youth Conference Director.

STATISTICAL REPORT  
Reporting Period 1991-1992

	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
Alabama	14	14	169	169	63	106	133	36	402	947	509	18,582	214,467	5	35
Arizona	2	2	10	8	8	8	5	3	52	55	47	250	5,289,329	3	3
Arkansas	15	15	221	213	89	132	93	128	695	1,005	823	19,758	2,699,952	33	64
California	8	8	71	67	58	9	48	19	513	560	532	4,259	2,699,952	23	30
Canada	1	1	15	10	2	13	4	6	21	36	3	431	283,605	4	4
Colorado	1	1	7	7	7	7	6	1	39	43	17	302	1,906,496	4	1
Florida	9	9	75	66	40	35	44	31	280	468	314	5,890	2,845,645	20	40
Georgia	10	9	123	111	48	72	94	18	274	515	344	9,855	47,652	36	55
Hawaii	1	1	1	1	1	1	1	1	1	3	2	31	1,400,000	1	1
Idaho	6	6	42	42	26	16	23	19	128	150	100	3,890	571,261	2	3
Illinois	3	3	25	25	18	7	10	15				2,025	70	7	5
Indiana	1	1	1	1	1	1	1	1				70	231,410	1	1
Iowa	2	2	8	8	8	8	1	7	31	56	24	338	789,542	2	3
Kansas	10	10	143	143	31	112	18	125	721	216	46	16,286	653,276	11	4
Kentucky	1	1	3	3	3	3	3	10	92	174	68	1,792	3,982,368	12	7
Louisiana	3	3	23	23	8	15	13	12	247	379	123	576	1,378,338	5	5
Maryland	2	2	32	32	25	7	20	12	192	844	532	4,706	3,982,368	35	40
Mexico	5	5	45	44	39	6	31	12	60	844	532	15,385	3,982,368	35	40
Michigan	4	4	53	46	15	31	34	34	192	844	532	15,385	3,982,368	35	40
Mississippi	16	16	172	172	80	92	107	60	568	844	532	15,385	3,982,368	35	40
Missouri	1	1	1	1	1	1	1	1	1	1	1	7	37,467	1	1
Montana	1	1	1	1	1	1	1	1	1	1	1	34	37,467	1	1
Nebraska	1	1	1	1	1	1	1	1	1	1	1	34	37,467	1	1
New Jersey	1	1	3	3	2	1	1	2	3	10	4	138	10,496	1	2
New Mexico	2	2	4	4	3	1	1	3	9	10	9	135	5,600,000	97	71
North Carolina	8	7	179	150	72	80	129	28	1,094	1,418	502	21,341	5,600,000	2	1
Northwest Assoc.			4	4	4	4	3	1	2	8	2	152	112,246	4	2
Ohio	18	18	148	146	7	1	4	4	11	13	91	219	3,046,267	24	22
Oklahoma	23	23	261	242	159	95	159	78	1,028	1,886	679	23,286	7,281,630	52	55
Puerto Rico	1	1	1	1	1	1	1	1	222	443	168	7,567	2,233,838	26	26
South Carolina	7	7	116	70	27	46	69	21	6	949	518	19,117	3,568,517	22	20
South Dakota			1	1	1	1	1	1	809	949	518	19,117	3,568,517	22	20
Tennessee	7	7	194	194	39	14	26	21	147	172	83	2,830	988,306	15	8
Texas	7	7	53	53	39	14	26	21	147	172	83	2,830	988,306	15	8
Virginia	5	5	88	88	19	69	42	35	321	387	312	5,616	1,525,235	1	1
Virgin Islands	1	1	1	1	1	1	1	1	8	9	71	64,000	1,294,455	21	13
West Virginia	20	20	187	187	32	155	83	91	725	693	770	10,450	1,294,455	21	13
Wyoming															
TOTALS	212	208	2,495	2,317	1,000	1,204	1,258	887	9,283	12,123	7,223	209,223	48,050,145	483	652



**STATISTICAL REPORT**  
Reporting Period 1991-1992

	Value of Church and Parsonage Property	Sunday School Enrollment	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	14,433,565	10,267	3,164	895	367	257	34	535	6	4	4	1	1	
Arizona	1,644,500	305	115	51	20	9		7						
Arkansas	29,061,300	12,247	2,599	1,222	301	369	40	563	2	3	1	1		880,340
California	29,235,785	5,221	374	455	15	125	30	148	1	5	6		1	950,000
Canada		469				4	7							250,000
Colorado	1,351,000	337		46		10			1					
Florida	11,506,629	3,352	659	283	82	102	12	140	3	3	2	2		840,000
Georgia	19,163,707	5,324	1,555	773	211	153	21	402	2	2	2			3,000,000
Hawaii	3,000,000	39	20	9	7	2	2	3						
Idaho	444,000	175				5	2	5						
Illinois	8,700,000	2,602	554	314	85	74	13	103	1	1	2	2		500,000
Indiana	2,015,000	1,956	101	127	57	49	8	46	1	2	2			
Iowa	200,000	40		7	7	1								
Kansas	1,524,800	437		67		8	1	8						
Kentucky	9,549,500	6,962	853	500	79	392	38	247						
Louisiana	450,000	100			15	4		2	1					
Maryland	5,189,714	1,497	151	225	12	39	6	44						
Mexico						14								
Michigan	6,362,913	2,616	270	341	129	88	17	86	2					
Mississippi		2,805	1,025	355	151	62	8		1	1	1			
Missouri	37,293,850	11,625	1,416	874	69	264	52	368	4	2	3			250,000
Montana	150,000	17				1			1					
Nebraska	325,000	27		6		1								
New Jersey	900,000	132		7		6	2	2						
New Mexico	537,000	107		32	5	6		5						
North Carolina	25,000,000	15,985	2,134	1,627	540	228	70	533	26	14	14	3	1	1,300,000
Northwest Assoc.	640,000	167	12	17	15	3		4						
Ohio	935,000	375		49	10	12		4						
OKlahoma	24,671,856	9,305	203	647	113	344	18	289			1	2		
Puerto Rico	37,604,020	16,295	2,702	1,370	248	411	87	648	7	5	4		1	2,820,000
South Carolina	9,506,900	43				1								
South Dakota		5,732	1,211	842	132	268	12	81	5	3	5	3		372,000
Tennessee	27,641,950	28				1								
Texas	6,287,000	10,811	2,379	1,232	363	351	82	565		4	4	1	1	
Virginia	13,999,796	1,845	422	249	50	57	12	95						
Virgin Islands	2,000,000	5,215	745	521	45	184	12	270	2	3	3			
West Virginia	12,839,675	80		15	8	3				1	1			
Wyoming		11,340	856	1,211	65	455	15	427		1	3			
TOTALS	344,154,460	145,870	23,520	14,369	3,201	4,363	601	5,630	66	54	58	13	5	11,162,340