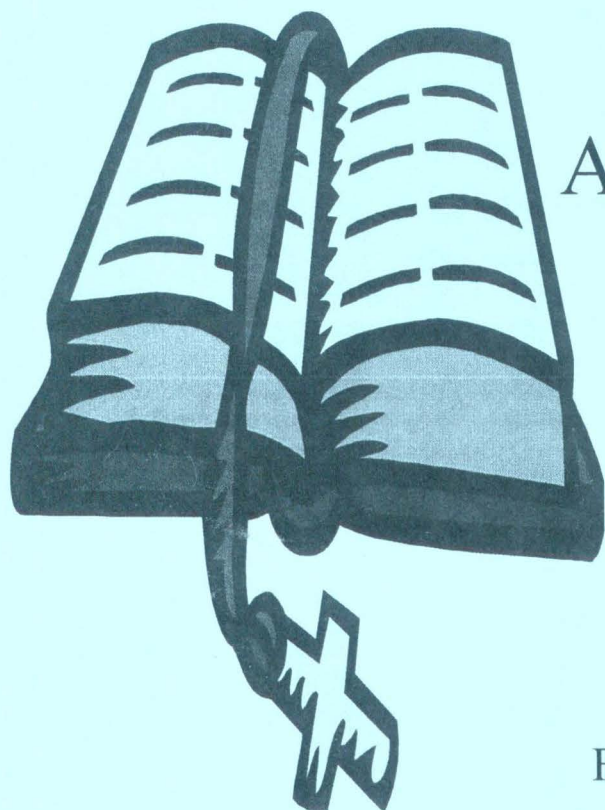


2008  
MINUTES & DIGEST OF REPORTS  
OF  
THE NORTH CAROLINA ASSOCIATION OF  
FREE WILL BAPTISTS



FORTY-SIXTH  
ANNUAL SESSION

JUNE  
2 & 3  
2008

HILLTOP  
FREE WILL BAPTIST CHURCH  
10212 FAYETTEVILLE ROAD  
FUQUAY-VARINA, NC 27526

# TABLE OF CONTENTS

## 2008

Constitution and By-Laws	01-04
Minutes of the Forty-Fifth Annual Session	05-09
N.C. Free Will Baptist Executive Board Minutes	10-13
N.C. Executive Treasurer's Report	14
N.C. Free Will Baptist Promotional Department	15-22
Associational Minister's Letter	15
Budget Activities	16-20
Account Balances	21
2009 Proposed Budget	22
N.C. FWB Ministers Benevolence Fund Membership	23
Durham Bible Book Store	24-33
N.C. Free Will Baptist State Missions	34-38
N.C. Free Will Baptist Youth Relations	39-40
N.C. Women Active for Christ	41
Leah Waddell Scholarship Fund	42
Election of N.C. Free Will Baptist Officers and Board Members	43

# NORTH CAROLINA ASSOCIATION OF FREE WILL BAPTISTS CONSTITUTION

## THE PREAMBLE

The purpose of this organization shall be the establishment and maintenance of a voluntary association of autonomous Free Will Baptist churches, quarterly meetings (or any other meetings), district associations or conferences or any and all additional organizations - area, district or statewide that may be deemed essential to the prosecution and promotion of the general purpose and program of this Association. Included also in the purpose of this Association is affiliation with the National Association of Free Will Baptists, the adoption of *The Treatise of the Faith and Practice of Free Will Baptists*, and cooperation in its world-wide ministry. This Association holds unswerving loyalty to the inspired Word of God as our infallible rule of faith and practice.

## Article I: Name

This Association shall be known as *The North Carolina Association of Free Will Baptists*. However, informally the term "*State Association*" may be used.

## Article II: Composition

This Association shall be composed of its officers, of standing boards, ordained and licensed ministers who are in good standing with a conference or association affiliated with this body, together with three (3) delegates elected from each conference or association and one (1) delegate from every fifty members or fraction thereof from each local church which is in good standing with a conference or association affiliated with this body.

## Article III: Meetings

**Section 1:** This association shall convene in regular annual session **Monday and Tuesday after the first Sunday** in June, and at a place determined by the Association in session.

**Section 2:** In the event of an emergency resulting from a cancellation of the place approved by the Association while in annual session, the Executive Board of the Association shall have the power to make a substitute choice of a suitable location for the annual meeting.

**Section 3:** Should a called session be deemed essential, the Executive Board shall have authority to issue and publicize a called session of the State Association: said call shall be publicized not less than two (2) weeks in advance of the session.

**Section 4:** The qualified members in attendance at any regular or called session shall constitute a quorum.

## Article IV: Officers

The officers of this Association shall consist of the members of the Executive Board, the Board of Trustees, the Board of Youth Ministry, the Board of Missions Ministry, the Board of Care for the Aged Ministry, and the Board of the Bible Book Store Ministry.

## Article V: Boards

**Section 1:** This Association shall establish the following standing boards.

The Executive Board  
The Board of Trustees  
The Board of Youth Ministry  
The Board of Missions Ministry  
The Board of Care for the Aged Ministry  
The Board of the Bible Book Store Ministry

**Section 2:** The Executive Board shall consist of Moderator, Assistant Moderator, Clerk, Treasurer and three (3) members at large elected by the Association.

**Section 3:** The Board of Trustees shall consist of three (3) members elected by the Association.

**Section 4:** The following boards shall each be composed of five (5) members elected by the Association. The Board of Youth Ministry, the Board of Missions Ministry, the Board of Care for the Aged Ministry, and the Board of the Bible Book Store Ministry.

## Article VI: Discipline

This association has no judicial or appellate powers conflicting with the independence of the local church or bodies constituting this Association.

## Article VII: Amendments

This constitution may be amended by two-thirds Majority vote of the members present and voting at a session of the Association, provided the proposed amendment is presented to the body one day in advance.

## Article VIII: Dissolution

In the event of the dissolution of this Association, any assets of the organization then remaining shall be conveyed to the National Association of Free Will Baptists.

# NORTH CAROLINA ASSOCIATION OF FREE WILL BAPTIST BY-LAWS

## Article I: Membership

**Section 1:** Membership in this Association shall be through application of a duly constituted district association (or conference). A credentials committee shall examine the application and make other investigation it deems appropriate. A credentials committee shall make a recommendation to the association as to the action to take, regarding the application. The decision on the application shall be by majority vote of delegates present and voting.

**Section 2:** Each church holding membership in an affiliated association shall automatically be a member of this association.

## Article II: Representation

**Section 1:** Each district association holding membership in the State Association shall send a report of statistics on a form provided by the Association to every annual session of the Association. Failure to report for two successive sessions of the association may be the basis for dismissal from the association by a majority vote of members present and voting.

**Section 2:** Seating of delegates shall be through recommendation of a credentials committee. Any potential delegate whose credentials are not recommended for approval by the Credentials Committee may be seated only by a majority vote of seated delegates who are present and voting.

## Article III: Duties of Officers

**Section 1:** The Executive Board shall: (1) arrange the program for the annual sessions of the Association, (2) fill vacancies which may occur on any board between sessions of the Association, (the person duly elected by the Association), (3) promote the work of the Association, (4) review the annual reports and proposed budgets of all boards before they are presented to the Association, (5) provide for and give general supervision to a church bond program and other similar service ministries and, (6) employ and supervise a Promotional Director, whose duties shall be as follows:

**A. Administrative.** To administer the affairs of the Executive Board within the authority delegated by the board. He shall fulfill all duties commensurate with his office and present plans and procedure to the board which he feels would be effective in promoting the work within the Association.

**B. General Promotion.** To show through general promotion the correlation and interrelation of all the ministries of the State Association and National Association. It is expected that he will promote impartially the total program of work as devised by all standing boards.

**C. Public Relations.** To keep in close contact with pastors, district associations, and local church leaders. He shall represent the State Association to other bodies when in the interest of the Association.

**D. Publications.** To serve as editor-in-chief of The Witness. He shall direct the production of other promotional material as may be approved by the Executive Board.

**E. Stewardship.** To provide a stewardship education that will serve to produce increased support for the state ministries through the "State Program" and/or other methods of giving by Associations, churches, and individuals.

**F. Arranging the Annual Association.** To expedite the planning of the annual Association program, arrange for the enrolling of ministers and delegates and distribute the printed minutes of the Association.

**G. Other Duties.** To perform other duties as may be assigned by the Executive Board. It is understood that the Promotional Director is to have no official or ex-officio status on any standing board or committee of the Association, except as may be specifically provided by action of the Association.

**H. The Promotional Director** shall serve as historian for the Association. It shall be his responsibility to gather articles and materials for the historical collection. He also shall publish a history of Free Will Baptists, especially as it relates to the history of the Free Will Baptists in North Carolina, and shall update the publication periodically.

The Executive Board may advise and assist other boards of the Association. The Executive Board is not authorized to act for the Association except as provided by the Constitution and By-Laws of the Association, or as specifically directed by the Association.

# NORTH CAROLINA ASSOCIATION OF FREE WILL BAPTIST BY-LAWS

**Section 2:** The Board of Trustees shall be legal custodian of all property belonging to the Association, except in the case of the standing boards of the Association, which by action of the association are authorized to incorporate.

**Section 3** The Board of Missions Ministry, the Board of Care for the Aged Ministry, the Board of Youth Ministry, the Board of Retirement and Insurance Ministry and the Board of the Bible Book Store Ministry each shall promote the work within the State as would generally be recognized as coming within the purview of the respective board. Each board shall: (a) be responsible to the State Association for all their actions, (b) propose by-laws for the government of their respective work, (the by-laws of each board shall be presented to the Association for approval), (c) make an annual report of its accomplishments to the Association, and (d) prepare a budget of proposed expenditures which shall be presented to the Association for approval.

**Section 4:** The moderator shall, (1) preside at meetings of the Association and Executive Board, (2) call meetings of the Executive Board of his own volition or upon request of at least three members of the Executive Board, (3) appoint such committees as are created without provision for their selection, (4) fulfill whatever responsibilities that may be commensurate with the office or that may be delegated by the Association.

**Section 5:** The assistant moderator shall preside at the request of, or in the absence of the moderator, and assist the moderator in such manner as may be requested.

**Section 6:** The clerk shall prepare minutes of the proceedings of all meetings of the Association or the Executive Board and preserve an accurate record of said proceedings in a book provided for this purpose, and shall handle such official correspondence as may be directed by the Association. He shall, through the Executive Board, arrange for the printing of the minutes.

**Section 7:** The Treasurer shall hold in trust all money that belongs to the Executive Board of the Association and same by order of the Association, the Executive Board, or any standing board or subordinate general organization invested with the authority to authorize the disbursement of funds. He shall keep an account of all funds received and disbursed and make an annual report to the Association.

## Article IV: Election of Officers and Board Members

**Section 1:** No person shall hold membership on more than one standing board at the same time.

**Section 2:** All officers shall be elected by the body. A nominating committee shall be elected at the beginning of each session. After their report is presented, additional nominations for any office may be made from the floor. The general officers shall be elected for a period of two (2) years. No person shall serve in more than one (1) elected position in the Association at the same time, and no one having served a full term shall be elected to succeed himself more than once.

**Section 3:** The officers of Moderator and Assistant Moderator shall be filled on an alternating basis, from the eastern and western part of the state: Durham shall be the dividing line. When the Moderator is elected from one section, his assistant shall be elected from the other.

## Article V: Terms of Office

**Section 1:** The three (3) members at large elected to the board, shall each have a term of office of three (3) years with their terms arranged so that one (1) member's term expires annually.

**Section 2:** The members of the Board of Missions Ministry, the Board of Care for the Aged Ministry, the Board of Youth Ministry, and the Board of the Bible Book Store Ministry shall each have a term of office of five (5) years with their terms arranged so that one (1) member's term expires annually.

**Section 3:** The members of the Board of Trustees shall each have a term of office of three (3) years with their terms arranged so that only one member's term expires annually.

## Article VI: Committees

**Section 1:** Various committees shall be constituted when need arises, by the State Association or the Executive Board. The number of members of a committee shall be determined by the establishing body (State Association or Executive Board). Committee members shall be appointed by the moderator unless otherwise provided by the action creating the committee. Committee members shall serve for the length of time provided, until their work has been completed, until they are released, or their successors are chosen.

# NORTH CAROLINA ASSOCIATION OF FREE WILL BAPTIST BY-LAWS

**Section 2:** The following committees shall be appointed annually to serve during the session of the State Association.

**A. The credentials committee** of three (3) members. This committee shall examine all letters to the Association, applications for membership in the Association, and credentials of the various delegates. The committee shall make recommendations to the Association regarding the seating of delegates and the action to take on applications for membership in the Association.

**B. The resolutions committee** whose duty it shall be to screen resolutions that are presented. Only resolutions determined by this committee to be worthy are to be presented to the Association by the committee.

**C. The finance committee** which shall receive and account for all funds received with letters or through offerings during the Association.

## **Article VII: Honorarium and Reimbursements**

**Section 1:** The Clerk shall receive as honorarium \$300.00 annually.

**Section 2:** Members of standing boards, or duly constituted committees, may be reimbursed for expenses in attending board meetings within the state, exclusive of the annual Association Meeting, at the rate of 31 cents per mile (may claim road distance if traveling by airplane). In addition if over-night travel is required, reimbursements may be made for actual meals and lodging expenses. No employee of any board may be reimbursed for any travel in excess of this amount.

## **Article VIII: Quorum**

A simple majority of a board or committee shall constitute a quorum.

## **Article IX: Proxy**

No voting shall be done by proxy in meetings of the State Association. Proxy representation shall be accepted for meetings of the Executive Board provided the proxy is designated in writing by the board member or by oral communication between the member and the moderator.

## **Article X: Parliamentary Authority**

The meeting of the State Association shall be governed by the rules of parliamentary law as set forth in Robert's Rules of Order, except in the case of those rules which are superseded by rule of this Association.

## **Article XI: Amendments**

These By-Laws may be amended by, (1) majority vote of the members present and voting, provided the amendment is presented on day prior to the vote, (2) by a two-thirds majority of those present and voting if immediate action is to be taken as soon as debate has been completed.

**NORTH CAROLINA ASSOCIATION OF FREE WILL BAPTIST  
ANNUAL SESSION  
JUNE 4-5 2007**

**HARRIETT MEMORIAL FREE WILL BAPTIST CHURCH**

**Forest City, North Carolina**

The annual session was opened with singing "What a Friend We Have In Jesus" led by Josh Baer.

Moderator, Tim Young, introduced host pastor, Robert Harris to make the welcome.

Following the welcome the moderator

- Recognized the visitors
- The standing delegates
- The lay delegates.

It was moved, second, and carried to seat the lay delegates.

The moderator appointed the following committees:

**CREDENTIALS COMMITTEE**

Wade Parker, chairman

Phil Davis

Dean Mitchem

**RESOLUTIONS COMMITTEE**

B. L. Efird Chairman

Zackary Bell

Jack Ward

**OBITUARY COMMITTEE**

Ed Hill, Chairman

Ted Dixon

Joseph Wallis

The following were nominated for the nominating committee:

Jim Marcum, chairman

Chuck Overcash

Leonard Lindsey

Pat Hall

Jack Moses

It was moved, second, and carried to cease nominations and to elect by acclamation.

The business meeting was recessed for the worship service.

Josh Baer led in singing "Blessed be The Name" and "Take the Name of Jesus With You".

Majesty Trio from Southeastern Free Will Baptist College sung.

Rick Carson, assistant moderator, introduced the new promotional director, Billy Keith.

The title of his sermon was *Get Back to The Book* and the text was 2 Kings 22:4-11.

Following the message Josh Baer led "Heaven Came Down" which was followed by the Majesty Trio singing.

Danny Gasperson introduced Darvy Hensley to bring the second message.

The title of his sermon was *Free Indeed – He Set Me Free* and the text was Luke 13:10-17.

The meeting was recessed for lunch which was served by the host church and resume at 1:30.

Josh Baer led the congregation in singing "There Is Power In The Blood" and "There Is a Fountain" and Lorenza Stox led in prayer.

Moderator, Tim Young, spoke from John 21:15-18.

A partial report of the Credentials Committee was given Wade Parker. It was noted the letter from the Pamlico Association had not been received. It was moved, second, and carried to receive the report.

It was moved, second, and carried to receive the Executive Committee report given by Gerald Fowler.

It was moved, second, and carried to receive the Treasurer's report given by Brent Patrick and to adopt the budget.

It was moved, second, and carried to increase the dues by \$75 to pay for the National Association coming to North Carolina.

It was moved, second, and carried to receive the Promotional Directors report given by Billy Keith.

It was moved, second, and carried to receive the Book Store report given by Virgil Nolen.

It was moved, second, and carried to receive the Board of Care report given by Rocky Reese.

It was moved, second, and carried to receive the Missions Board report given by Randy Stone.

The Body received the following reports as matters of information:

- Women Active For Christ – Betty Hill
- Southeastern Free Will Baptist College – Lorenza Stox
- Board of Retirement – Ray Lewis
- National Executive Department – Roy Harris
- International Free Will Baptist Missions
- Free Will Baptist Bible College – Matt Pension
- Sunday School Department – Ron Hunter
- Free Will Baptist Foundation – David Brown
- Gateway Christian Academy – Bruce Barnes
- Master's Men – Ken Akers

The meeting recessed till the next morning.

### **Monday Evening Service**

The service opened with singing "He Set Me Free" and "I'm Free".

The Reggie Saddler Family sung and Reggie gave his testimony.

Josh Baer led in singing, "Till The Storm Passes By".

During the offering the Associate Pastors Quartet (Josh Baer, Daniel Mann, Zachery Bell, Adam Hinson, and Travis Moots) sung.



Lorenza Stox introduced Frank Rice to preach.

### **Missions Service**

An opening song was led by Josh Baer.

New Mercy from Free Will Baptist Bible College sung.

Prayer: Randy Stone.

Randy Stone introduced Fred Carraway who showed a slide presentation of the work in Roanoke Rapids.

Randy Stone then introduce Pat Hall who introduced Logan Wolf a member of his church who plans to go to Utah to work.

Jim Maddox came to receive the offering and Majesty from Free Will Baptist Bible College provided the offertory.

Pat Hall preached and the title of his sermon was Losing Our First Love and the text was Luke 10:25-27.

The business meeting resumed with Wade Parker giving the Credentials Committee report as follows:

• Ministers	99
• Delegates	11
• Visitors	58
• <u>Missionaries</u>	<u>3</u>
Total	171

The total of the offering was \$250.26

The missions offering was \$800.00.

It was moved, second, and carried to receive the report.

It was moved, second, and carried to receive the obituary report given by Ed Hill and to observe a moment of silence. The following were included in the report:

Irene Keener, Victory FWB Church, Blue Ridge Association  
 Bobbie Gibbs, Calvary FWB Church, Randall Association  
 Bobby Riley, Calvary FWB Church, Randall Association  
 Patricia Wagner, Calvary FWB Church, Randall Association  
 Danny Seagrove, Calvary FWB Church, Randall Association  
 Ruth Blanton, Calvary FWB Church, Randall Association  
 Beatrice Eakes, Hookerton FBW Church, Palmer Association  
 Beulah Johnson, Victory FWB Church, Palmer Association  
 Harry West, Victory FWB Church, Palmer Association  
 Ralph Willis, Goshen FWB Church,  
 Riley Simpson, First FWB Church, Costal Association  
 Gladys Davis, Davis FWB Church, Costal Association  
 Jerry Lewis, Davis FWB Church, Costal Association  
 Pauline Murphy, Davis FWB Church, Costal Association

The nominating committee report was given by Jim Marcum.

It was moved, second, and carried to receive the report and elect by acclamation.

The resolutions committee report was give by B. L. Effrid.

It was moved, second, and carried to give Harriet Memorial a rising vote of appreciation for hosting the annual meeting and the delicious lunch.

**N. C. ASSOCIATION OF FREE WILL BAPTIST  
2007 - 2008 Officers and Board Members**

**Promotional Office**

Promotional Director: Rev. Billy Keith

**Executive Committee**

<b>Moderator:</b> Rev. Tim Young (1 <sup>st</sup> Term)	2008
<b>Assistant Moderator:</b> Rev. Rick Cason (1 <sup>st</sup> Term)*	2008
<b>Treasurer:</b> Rev. Brent Patrick (2 <sup>nd</sup> Term)	2008
<b>Clerk:</b> Rev. Gerald Fowler (2 <sup>nd</sup> Term)	2008
<b>Member-at-large:</b> Rev. Christian Powell (2 <sup>nd</sup> Term)	2010
<b>Member-at-large:</b> Rev. Robert Harris (2 <sup>nd</sup> Term)	2008
<b>Member-at-large:</b> Rev. Jim Marcum (1 <sup>st</sup> Term)*	2009

**Board of Trustees**

Phil Smith (2 <sup>nd</sup> Term)	2008
Earl Hanna (1 <sup>st</sup> Term)*	2009
David Robinson (2 <sup>nd</sup> Term)	2010

**Mission Board**

Eugene Hales (2 <sup>nd</sup> Term)	2008
Tim Riggs (1 <sup>st</sup> Term)*	2009
Randy Stone (1 <sup>st</sup> Term) Chairman	2010
Jim Maddox (1 <sup>st</sup> Term)	2011
John Hudson (1 <sup>st</sup> term)	2012

**Board of Care For The Aged Ministry**

Billy Poe Jones (1 <sup>st</sup> Term)	2008
Doug McGee (1 <sup>st</sup> Term)	2009
Rudolph Outlaw (1 <sup>st</sup> Term)	2010
Rocky Reese (2 <sup>nd</sup> Term)	2011
Leonard Lindsey (2 <sup>nd</sup> Term)	2012

**Bible Book Store Board**

Darvy Hensley (Filling an unexpired term)	2008
W. H. Calvert (2 <sup>nd</sup> Term)	2009
B. L. Effird (1 <sup>st</sup> Term)	2010
Virgil Nolen (2 <sup>nd</sup> Term)	2011
Mike McCauley (1st term)	2012

**Youth Relations Board**

Tim Fulcher (Filling an unexpired term)	2008
David Mizelle (1 <sup>st</sup> Term)	2009
Adam Carnes (Filling an unexpired term)	2010
Ti Barnhill (Filling an unexpired term)	2011
Jason Janus (1 <sup>st</sup> term)	2012

A motion was entertained by the moderator, Tim Young, to adjourn the Forty Fifth Annual Association of the North Carolina Association of Free Will Baptist.  
It carried.

Presiding moderator: Tim Young

Clerk: Gerald Fowler

\*See Executive Committee meeting for September 2007 for Executive Committee appointments.

## EXECUTIVE MEETING

9/24/2007

Horton FWB Church, Durham

H. G. Brown, Pastor

Present: Tim Young, moderator; Brent Patrick, treasurer, Gerald Fowler, clerk, Christian Powell, Robert Harris, Jim Marcum, Billy Keith, Promotion Director.

Tim opened the meeting with reading from the scripture which was followed by prayer.

Clerk gave a report. Clerk reported that there was a need to replace assistant moderator Rick Cason. MSC to accept clerk's report.

Treasurer gave a report. See attached copy report. Brother Patrick addressed a problem with the Glad Tidings promissory note: On 2/15/03 a motion was made to extend the time for repayment for five years and the payment remain at it's previous amount of \$1,397.13 with date for the loan to be paid off not changing. A motion was made second and carried to extend the loan for five years, the payment to remain at \$1,397.13 and the date for the loan to be paid off to be changed from March of 2008 to March 2013. MSC to accept treasurer's report.

Promotional director gave a report. See attached report. Moved, second, and carried to accept report.

Moved, second, and carried to hold state meeting at Hill Top, in Fuquay-Varina, Jeff Jones, Pastor.

Speakers for the meeting:

Monday morning – Billy Keith

Robert Harris; Ray Stockton, presiding

Brian Williams, (1<sup>st</sup> choice); Archie Ratliff (alternate); Brent Patrick, presiding.

Moved, second and carried to pay .35 per mile for travel.

Recessed.

9/25/07 meeting at Calvary FWB Church Durham.

Note: the money sent by mistake from a church in Oklahoma to State Mission board was sent on to the National Home Missions Department.

Moved, second, and carried to move Jim Marcum to Assistant Moderator to fill Rick Cason position and Chuck Overcash to member at large to fill Jim's position.

Moved, second and carried to elect Scott Goghil to fill Earl Hanna's position as a trustee.

Moderator recognized B. L. Effrid who informed the Board that Darvey Hensley had resigned from the Book Store Board.

Recessed.

9/25/07 following all boards meeting.

Moved, second, and carried to elected Danny Dwyer to fill Darvey Hensley position on the Book Store Board and if he won't serve for Henry Potter to fill that position.  
(Jim Marcum is to contact Danny and if he won't serve, to contact Henry about serving.)

## **Semi-annual Executive Committee Meeting**

**2/25/2008**

**Calvary Free Will Baptist Church, Durham NC**

The meeting convene at 5:45 pm with following members present: Tim Young, moderator, Brent Patrick, treasurer, Gerald Fowler, clerk, Christian Powell, member-at-large, Chuck Overcash, member-at-large, and Robert Harris, member-at-large.

The moderator opened with reading of a verse of scripture and prayer.

B. L. Effird was recognized by the moderator to give a report on behalf of the Book Store Board. Brother Effird gave a written report and a very detailed report of the Board's oversight of the book store. The committee asked Brother Effird to meet again with the committee the next day after the Book Store Board meeting.

MSC to receive the clerk's written report.

MSC to receive the treasurer's report. Brent Patrick submitted a written report and noted that Glad Tidings' loan will renew on March 15, 2008.

MSC to receive the Promotional Director's report:

- Included program for annual state meeting
- Included typed financial report
- Included proposed budget that was revised and accepted.

MSC to reimburse the Promotional Office \$750 from the BB&T savings account for the expenses of the director to the Randall House meeting for state personnel in Nashville, TN.

MSC to contact the Foundation to instruct them to give the interest in 2008 from the Glad Tidings' account the Freedom account to the Promotional Office savings account and \$10,000 be reserved for vehicle replacement and the rest to be used for office operational expenditures if needed.

MSC to recess until 10 a.m. the next morning, 2/26/2008.

The meeting recessed at 10 p.m.

2/26/2008 meeting resumed at 10 a.m.

The first item of business was to hear from James Stancill, manger of the book store in Durham.

The second item of business was to hear from Randy Stone, chairman of the Missions Board.

The meeting recessed for the all boards meeting and then resume with a final meeting with B. L. Effird, chairman of the Book Store Board, who presented written

recommendations by the accounting firm, Petway, Mills, and Pearson, concerning the operations of the book store.

## **ALL BOARDS MEETING**

**2/26/2008**

**Calvary Free Will Baptist Church, Durham NC**

Moderator, Tim Young, opened with reading from Proverbs 29:18 and emphasizing, *Where there is no vision the people perish.*

The moderator recognized Billy Keith to give the promotional department report.

The moderator recognized B. L. Effird to give the Book Store Board report.

The moderator recognized Randy Stone to give the Missions Board report.

The moderator recognized Jason Janus to give the Youth Board report.

There was no one to give the Board of Care report.

The meeting was closed with an altar of prayer.

# NC Association of Free Will Baptists

## TREASURER'S REPORT

Fiscal Year Reporting: January - December 2007

### Savings Account - BB&T

<i>Beginning Balance</i> - January 1, 2007	\$4,848.81	
<u>Add:</u> Interest Payments	\$14.30	
<i>Ending Balance</i> - December 31, 2007		\$4,863.11

### Money Market Trust - FWB Foundation

<i>Beginning Balance</i> - January 1, 2007	\$240,723.62	
<u>Add:</u> Interest Earnings (5%)	\$8,533.67	
<u>Less Withdrawals:</u> 3/5 - 2006 Interest to Promotional Office	\$11,341.73	
5/30 - Loan to NC Mission Board (Roanoke Rapids)	\$80,000.00	
<i>Ending Balance</i> - December 31, 2007		\$157,915.56

### Money Market Trust (Glad Tidings Loan) - FWB Foundation

<i>Beginning Balance</i> - January 1, 2007	\$125,311.15	
<u>Add:</u> Loan Payments	\$29,605.37	
Interest Earnings (5%)	\$7,181.12	
<i>Ending Balance</i> - December 31, 2007		\$162,097.64

### Glad Tidings FWB Church Loan (\$179,500)

<u>Payments:</u>	Interest	\$2,651.39	
	Principal	\$12,679.61	
	Additional Principal	\$14,274.38	
	Total Payments		\$29,605.38
<i>Beginning Balance</i> - January 1, 2007		\$85,054.62	
<u>Less:</u> Principal Payments		\$26,953.99	
<i>Remaining Balance</i> - December 31, 2007			\$58,100.63

### Money Market Trust (Freedom Loan) - FWB Foundation

<i>Beginning Balance</i> - January 1, 2007	\$0.00	
<u>Add:</u> Loan Payments	\$19,861.04	
Interest Earnings (4.9%)	\$286.16	
<i>Ending Balance</i> - December 31, 2007		\$20,147.20

### Freedom FWB Church Loan (\$80,000)

<u>Payments:</u>	Interest	\$2,318.78	
	Principal	\$6,307.67	
	Additional Principal	\$11,234.59	
	Total Payments		\$19,861.04
<i>Beginning Balance</i> - June 1, 2007		\$80,000.00	
<u>Less:</u> Principal Payments		\$17,542.26	
<i>Remaining Balance</i> - December 31, 2007			\$62,457.74



## **North Carolina Association of Free Will Baptists**

**Rev. Billy Keith, Associational Minister**

Dear Pastors, Delegates and Fellow Free Will Baptists:

It is hard to believe a year has passed since I last reported what God has been doing through the State Promotional Office. It has been a joy to serve our churches and their pastors. It has also been a joy to fellowship with our ladies who are a part of the State WAC. Sheila and I have been welcomed everywhere we have gone. I have preached in 36 of our churches, attended 13 district associational meetings and 5 WAC meetings.

We have published 6 issues of NCFWB News. These are mailed to our pastors in hopes that they will copy them for their members or post them on their bulletin boards. It has been suggested that these be sent by e-mail to cut down on costs. I know that some of our pastors do not have e-mail, so I will probably try to do both for awhile. I still would love to once again publish The Witness. The cost of that would be much more than the newsletter.

The dates for our next Minister's Retreat are September 15-17. Each year seems to get better. We usually use speakers from here in North Carolina. Rev. Eddie Moody always does a good job speaking about our role as a minister of the gospel. More information will be sent out in July. Please go ahead and reserve this time on your calendar.

We also continue to add members to our Benevolence Fund. This fund was set up several years ago to help families of our ministers when a death comes. Funds are sent to the family as soon as we hear about the death. This money gets to them much sooner than Insurance money. On a personal note, when dad passed away in March, our family knew money would be available immediately. Thanks so much for your prayers, cards, phone calls, and presence at both funeral services.

Continue to pray for us as we travel. The roads are really not a safe place to be. God has kept us in His care. Pray also for our finances. The income is up from where it was last year. With the cost of gas, our costs are up just like your costs are up. We all know God has promised to provide for our needs. He will not let us down.

Your Servant,

***Brother Billy***

NC Free Will Baptist Associational Minister

---

**Office: 919-258-6300 \*\* Cell Phone 919-777-8875**  
**129 Fiddler Drive, Broadway, North Carolina 27505**  
**Email: billybobcc@Alltel.net Web Site: www.ncfwb.org**

**NC FWB Promotional Office Income**  
**March-December 2007**

**Blue Ridge**

Association	\$167.00
Calvary, Swannanoa	\$500.00
Calvary, Valdese	\$200.00
Cedar Hill, Asheville	\$633.00
Homer's Chapel, Black Mountain	\$125.00
Meadowbrook, Balck Mountain	\$2,035.68
Northview, Statesville	\$300.00
Rocky Pass, Nebo	\$1,775.00
Swannanoa, Swannanoa	<u>\$400.00</u>
Total	\$6,135.68

**Coastal**

Calvary, Jacksonville	\$420.00
Cardinal Village, Jacksonville	\$500.00
Cove City, Cove City	\$300.00
First, Beaufort	\$335.00
First, Hubert	\$724.10
First, Morehead City	\$350.00
Ruth's Chapel, New Bern	\$1,100.00
Stacy, Stacy	<u>\$400.00</u>
Total	\$4,129.10

**Foothills**

Association	\$1,000.00
Harriett Memorial, Forest City	<u>\$878.99</u>
Total	\$1,878.99

**Palmer**

Cedar Chapel, Greenville	\$100.00
Faith, Goldsboro	\$1,000.00
Grace, Rocky Mount	\$240.00
Liberty, Ayden	\$1,474.31
Maccripine, Macclesfield	\$511.00
Maranatha, Greenville	\$634.20
Mt. Calvary, Hookerton	\$500.00
Oak Grove, Elm City	\$605.77
Parker's Chapel, Greenville	\$1,800.00
Trinity, La Grange	\$377.50
Unity, Pink Hill	\$225.00
West Duplin, Warsaw	\$450.00
White Oak Hill, Bailey	\$604.00
Wildwood, Wilson	<u>\$1,200.00</u>
Total	\$9,721.78

**Pamlico**

Association	\$500.00
First, Washington	\$600.00
Five Points, Washington	\$500.00
Mt. Olive, Plymouth	\$600.00
Peace Chapel, Washington	<u>\$310.00</u>
Total	\$2,510.00

**Piedmont**

Arrington Heights, Lexington	\$350.00
Christian Life, Thomasville	\$100.00
Faith, Greensboro	\$89.00
First, China Grove	\$566.08
Madison Heights, Lexington	\$500.00
Maple Street, Rockingham	\$1,700.00
Mt. Carmel, Lexington	\$832.33
Prince of Peace, Kannapolis	\$502.29
South Point, Belmont	<u>\$489.55</u>
Total	\$5,129.25

## **Randall**

Association	\$146.25
Calvary, Durham	\$898.00
Corinth, Dunn	\$884.00
Faith, Rockingham	\$700.00
Fellowship, Micro	\$1,105.00
Garner, Garner	\$346.00
Glad Tidings, Asheboro	\$81.00
Glenwood, Rockingham	\$253.00
Hilltop, Fuquay-Varina	\$1,100.00
Immanuel, Durham	\$556.00
Kendale Acres, Sanford	\$984.00
Landmark, Cary	\$750.00
Lighthouse, Siler City	\$100.00
Oak Grove, Durham	\$500.00
Prospect, Dunn	\$1,302.00
Shady Grove, Durham	\$500.00
Tippetts's Chapel, Clayton	\$250.00
Unity, Smithfield	\$144.25
Victory, Goldsboro	\$536.00
West Calvary, Smithfield	<u>\$427.50</u>
Total	\$11,563.00

## **Western Piedmont**

Ben Avenue, Kannapolis	\$621.01
Cramerton, Cramerton	\$365.12
First, Landis	\$180.00
Goshen, Mt. Holly	\$509.00
Matthews, Matthews	<u>\$335.93</u>
Total	\$2,011.06

### **Other Gifts**

NC State Association	\$269.26
NC State WAC	\$617.00
Palmer WAC	\$100.00
Randall WAC	\$824.00
Freedom, Roanoke Rapids	\$200.00
Rev. & Mrs. Fred Carraway	\$8.00
Rev. & Mrs. Mack Humbles	\$50.00
Mr. & Mrs. Marshall Parker	\$50.00
Rev. & Mrs. James Stepps	\$64.00
Rev. & Mrs. Billy Keith	<u>\$1,000.00</u>
Total	\$3,182.26

### **Other Income**

Church Dues	\$6,300.00
Association Dues	\$400.00
National Dues	\$18,000.00
Retreat Registrations	\$520.00
Insurance Refund	<u>\$79.67</u>
Total	\$25,299.67

# NC FWB Promotional Office Expenses

## March - December 2007

		Amount Budgeted	Amount Spent
Office	Telephone	\$3,800.00	\$1,585.98
	Supplies	\$1,500.00	\$1,200.79
	Postage	\$1,500.00	\$885.90
	Equipment	\$1,000.00	\$105.16
	NCFWB News	<u>\$2,300.00</u>	<u>\$373.20</u>
	Total	\$10,100.00	\$4,151.03
Travel	Gas	\$3,500.00	\$2,354.73
	Auto Maintenance	\$2,000.00	\$917.29
	Auto Insurance	\$1,000.00	\$734.44
	Motels/Meals	\$1,700.00	\$1,642.97
	National Association	\$2,500.00	\$1,664.90
	Conferences	<u>\$1,000.00</u>	<u>\$757.22</u>
	Total	\$11,700.00	\$8,071.55
Compensation	Housing	\$25,000.00	\$13,000.00
	Salary	\$16,263.48	\$17,600.00
	Taxes & Social Security	\$8,438.00	\$6,500.00
	Medical Insurance	\$8,561.52	\$4,000.00
	Retirement	\$7,000.00	\$5,250.00
	Life Insurance	<u>\$337.00</u>	<u>\$300.00</u>
	Total	\$65,600.00	\$46,650.00
Miscellaneous	Executive Board Expenses	\$2,000.00	\$1,288.69
	State Meeting Expenses	\$2,000.00	\$2,011.14
	Clerk Honorarium	\$300.00	\$300.00
	Miscellaneous Expenses	<u>\$2,000.00</u>	<u>\$836.79</u>
	Total	\$6,300.00	\$4,436.62
	Totals	\$93,700.00	\$63,309.20
Unbudgeted Expenses	National Dues		\$18,000.00
	NC State Missions		\$2,909.00
	Ministers Retreat		\$360.00
	NC State Youth Board		\$317.00
	Refunds		<u>\$310.00</u>
			\$21,896.00
	Grand Total of Expenses		\$85,205.20

NC FWB Promotional Office  
Account Balances

**SAVINGS ACCOUNT**

March 1, 2007 - December 31, 2007

Balance Forward	\$13,361.71
Total Deposits	<u>\$23,905.37</u>
	\$37,267.08
Total Expenses	<u>\$28,483.99</u>
Ending Balance	\$8,783.09

**CHECKING ACCOUNT**

March 1, 2007 - December 31, 2007

Balance Forward	\$14,525.51
Total Receipts	<u>\$76,030.22</u>
	\$90,555.73
Total Expenses	<u>\$85,205.20</u>
Ending Balance	\$5,350.53

**CURRENT BALANCES**

April 30, 2008

Checking	\$9,715.33
Savings	\$18,832.68

# NC FWB PROMOTIONAL OFFICE PROPOSED BUDGET

JANUARY - DECEMBER 2009

## INCOME

State Representation Fees	\$6,475.00	
Promotional Income	<u>\$83,985.00</u>	
<b>TOTAL INCOME</b>		<b>\$90,460.00</b>

## EXPENSES

### OFFICE

Telephone	\$5,300.00	
Supplies	\$1,500.00	
Postage	\$1,500.00	
The Witness (NCFWB NEWS)	<u>\$1,800.00</u>	
<i>Total</i>		\$10,100.00

### TRAVEL

Gas	\$3,500.00	
Car Maintenance	\$2,000.00	
Auto Insurance	\$1,000.00	
Motels/Meals	\$2,000.00	
National Association	\$2,500.00	
Conferences	<u>\$1,500.00</u>	
<i>Total</i>		\$12,500.00

### COMPENSATION

Housing	\$15,600.00	
Salary	\$22,100.00	
Taxes & SS	\$8,700.00	
Medical	\$4,800.00	
Retirement	\$10,000.00	
Life Insurance	<u>\$360.00</u>	
<i>Total</i>		\$61,560.00

### MISCELLANEOUS

Executive Board Expenses	\$2,000.00	
State Meeting Expenses	\$2,000.00	
Clerk Honorarium	\$300.00	
Miscellaneous Expenses	<u>\$2,000.00</u>	
<i>Total</i>		\$6,300.00

**TOTAL EXPENSES** **\$90,460.00**

**NET INCOME (LOSS)** **\$0.00**



**NORTH CAROLINA ASSOCIATION OF FREE WILL BAPTISTS  
2008-2009 MINISTER'S BENEVOLENT FUND MEMBERSHIP**

Carolyn Barnes  
Richard Barnes  
A.B. Brown  
Barbara Brown  
Beverly Brown  
Gary Brown  
Talmage Brown  
Velma Brown  
Ruth Bumgarner  
Etta Butler  
Georgia Calvert  
William Calvert  
Frank Cantrell  
Marie Cantrell  
Fred Carraway  
David Cole  
Freda Cole  
Ted Cole, Jr.  
Ted Cole III  
Mylissa Cole  
Richard Cordell  
L.D. Creech  
Elizabeth Dills  
Wayne Dills  
Carol Dixon  
Hilda Dixon  
James Dixon  
Ted Dixon  
Dean Dobbs  
Rubena Dobbs  
Gladys Durham  
Robert Durham  
Mary Agnes Eason  
Freeman Edwards  
Glenda Fulcher  
Barbara Haas  
Joe Haas, Sr.  
Eugene Hales  
Rose Hales  
Lillian Hall

Bernice Hanna  
Earl Hanna  
Eleanor Hart  
Gordon Hart  
Fred Hersey  
Betty Hill  
Edwin Hill  
Mary Elizabeth Hollifield  
Milton Hollifield  
Van Dale Hudson  
Jason Hurt  
Lynn Hurt  
Ricky Jacobs  
Beulah Jenkins  
Billy Keith  
Sheila Keith  
Bill Kellum  
Christine Kellum  
Janette Lambert  
Jack Lassiter  
Ernest Laxton  
Judy Laxton  
George Lee  
Maurine Lee  
Loretta Lilly  
Tom Lilly  
Peggy Lindsey  
Leonard Lindsey  
Jim Marcum  
Vicki Marcum  
Tim McFatter  
Anita Messer  
Howard Messer  
Harry Mintz  
Elsie Morgan  
Patricia Nolan  
Virgil Nolan  
Rudolph Outlaw  
Guy Owens  
Nancy Owens

Sterl Paramore  
Marshall Parker  
Shirley Parker  
Dann Patrick  
Johnny Pike  
Howard Pittman  
Jessie Pittman  
Billy Poteat  
Gail Poteat  
Dale Pryor  
Steve Pryor  
Jerry Rackley  
Rita Rackley  
John Reed  
Ann Reynolds  
Ted Reynolds  
Luther Sanders  
Betty Shephard  
Leon Simmons  
Mary K. Simmons  
Troy Smith  
Bobbie Smith  
Frances Stancill  
James Stancill  
James Stepps  
Linda Stepps  
Brandy Stinson  
Robert Stinson  
Dolly Stox  
Lorenza Stox  
Ann Sumerlin  
Willie Sumerlin  
Roger Tripp  
Sybil Tripp  
Joe Wallis  
Nancy Wallis  
Betty Wiggs  
Dennis Wiggs

**THE BIBLE BOOK STORE OF DURHAM, INC.**

**DURHAM, NORTH CAROLINA**

**FINANCIAL STATEMENTS**

**YEAR ENDED DECEMBER 31, 2007**

## TABLE OF CONTENTS

---

	<u>Page (s)</u>
Independent Auditors' Report	3
Statement of Financial Position	4
Statement of Activities	5
Statement of Cash Flows	7
Notes to Financial Statements	8

PM&P

PETWAY  
MILLS &  
PEARSON, PA

CERTIFIED PUBLIC ACCOUNTANTS

C. Briggs Petway, Jr.  
Roger G. Mills  
Phyllis M. Pearson

Zebulon Office  
P.O. Box 1036  
1014 N. Arendell Ave.  
Zebulon, NC 27597  
919.269.7405  
919.269.8728 Fax  
www.pmpcpa.com

Raleigh Office  
5116 Bur Oak Cr.  
Raleigh, NC 27612  
919.781.1047  
919.781.1052 Fax

Memberships:

North Carolina  
Association of  
Certified Public  
Accountants

American Institute  
of Certified Public  
Accountants

Medical Group  
Management  
Association

Independent Auditors' Report

The Board of Directors  
The Bible Book Store of Durham, Inc.  
Durham, North Carolina

We have audited the accompanying statement of financial position of The Bible Book Store of Durham, Inc. (a nonprofit organization) as of December 31, 2007, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of The Bible Book Store of Durham, Inc.'s management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Bible Book Store of Durham, Inc. as of December 31, 2007, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

*Petway Mills & Pearson, PA*

PETWAY MILLS & PEARSON, PA  
Certified Public Accountants  
Zebulon, North Carolina

February 23, 2008

**THE BIBLE BOOK STORE OF DURHAM, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**DECEMBER 31, 2007**

**Assets**

**Current assets:**

Cash	\$ 8,217
Accounts Receivable - Trade	15,560
Inventory	<u>154,584</u>
Total Current Assets	<u>178,361</u>

**Property and Equipment:**

Furniture and Fixtures	12,361
Leasehold Improvements	41,153
Office Equipment	<u>14,178</u>
Total Property and Equipment	67,692
Less Accumulated Depreciation	<u>(67,692)</u>
Net Property and Equipment	<u>-</u>

<b>Total Assets</b>	<b>\$ 178,361</b>
---------------------	-------------------

**Current Liabilities:**

Gift Certificates Payable	\$ 910
Layaways Payable	630
Accounts Payable	7,388
Payroll Taxes Payable	3,031
Sales Taxes Payable	<u>2,133</u>

Total Current Liabilities	<u>14,092</u>
---------------------------	---------------

<b>Total Liabilities</b>	<b>14,092</b>
--------------------------	---------------

<b>Unrestricted Net Assets:</b>	<u>164,269</u>
---------------------------------	----------------

<b>Total Liabilities and Net Assets</b>	<b>\$ 178,361</b>
---	-------------------

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

**THE BIBLE BOOK STORE OF DURHAM, INC.**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED DECEMBER 31, 2007**

**Unrestricted Net Assets**

**Revenue**

Sales - Awards and Prizes	\$ 1,555
Sales - Bibles	53,786
Sales - Books	48,488
Sales - Greeting Cards	14,811
Sales - Church Supplies	97,003
Sales - Curriculum	96,833
Sales - Randall House	257,598
Sales - Miscellaneous Supplies	8,821
Sales - Music	12,859
Sales - Teaching Aids	7,888
Sales - VBS	12,689
Sales - Video	3,889
Sales - Imprinting	2,100
Sales - RHP Out of State	3,735
Sales - Freight	25,304
Less: Discounts	(6,218)
Less: Refunds	(1,677)
Total Sales	<u>639,464</u>

Returned Check Fees (Charges)

-

Total Revenue

639,464

**Cost of Goods Sold**

Beginning Inventory	171,117
Purchases	406,861
Freight and Shipping	16,136
Total Available for Sale	<u>594,114</u>
Less Ending Inventory	(154,584)
Total Cost of Goods Sold	<u>439,530</u>

**Gross Profit**

199,934

**Other Income**

Gifts	20,473
Interest Income	99
Miscellaneous	90
Cash Over/Short	40
Total Other Income	<u>20,702</u>

**THE BIBLE BOOK STORE OF DURHAM, INC.**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED DECEMBER 31, 2007**

<b>Program Service Expenses</b>	
Salaries and Wages	125,192
Housing Allowance	14,575
Travel Allowance (Motel & Meals)	471
Automobile Mileage	1,149
Payroll Taxes	10,694
Insurance - Group Medical	17,295
Contracted Services	152
Accounting and Legal	4,580
Advertising	341
Bank Service Charges	2,805
Board Expenses	739
Contributions	253
Dues and Subscriptions	60
Equipment Lease	104
Insurance - Other	2,554
Maintenance and Repairs	1,118
Office Supplies	3,617
Postage	1,994
Rent	31,643
Property Taxes	2,113
Taxes Other	5
Licenses and Permits	161
Common Area Maintenance	4,271
Telephone	4,022
Utilities	5,794
Internet Service	90
Retirement Expense	1,700
Computer Software and Support	1,853
Interest Expense	245
Miscellaneous Expense	280
<b>Total Program Service Expenses</b>	<u><b>239,870</b></u>
 Decrease in Unrestricted Net Assets	 (19,234)
Net Assets - Beginning of year	<u>183,503</u>
<b>Net Assets - End of year</b>	<u><b>\$ 164,269</b></u>

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

**THE BIBLE BOOK STORE OF DURHAM, INC.**  
**STATEMENT OF CASH FLOWS**  
**YEAR ENDED DECEMBER 31, 2007**

**Cash Flow From Operating Activities:**

Cash Received from Customers	\$ 647,359
Cash from Miscellaneous Sources	229
Cash Received from Donations	20,473
Cash Paid for Merchandise and Services	(497,893)
Cash Paid to Employees	(169,609)
Net Cash Provided (Used) by Operating Activities	<u>559</u>

Net Increase (Decrease) in Cash and Cash Equivalents 559

Cash and Cash Equivalents - Beginning of Year 7,658  
Cash and Cash Equivalents - End of Year 8,217

**Reconciliation of Change in Net Assets to Net Cash Provided (Used) by Operating Activities**

Change in Net Assets (19,234)

Adjustments to Reconcile Change in Net Assets to Net Cash Provided  
(Used) by Operating Activities

Decrease in Accounts Receivable - Trade	4,036
Decrease in Inventory	16,533
Decrease in Accounts Payable	(980)
Increase in Gift Certificates	111
Increase in Layaways Payable	417
Increase in Payroll Taxes Payable	60
Decrease in Sales Tax Payable	(384)
Total Adjustments	<u>19,793</u>

Net Cash Provided (Used) by Operations \$ 559

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



**THE BIBLE BOOK STORE OF DURHAM, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2007**

**Note 1 – Nature of Activities**

The accompanying financial statements include the accounts of The Bible Store of Durham, Inc. (the Corporation) a subordinate member organization of the North Carolina Association of Free Will Baptists. The Corporation is exempt from federal income taxes under the Internal Revenue Code Section 501 (c)(3). The primary function of the corporation is supplying Sunday school and other Christian literature to the Free Will Baptist Churches in the southeastern states. The Corporation also maintains an inventory of Christian literature for sale to the general public. The offices of The Bible Book Store of Durham, Inc. are located in the North Duke Crossing in Durham, North Carolina.

**Note 2 – Summary of Significant Accounting Policies**

**Basis of Accounting**

The financial statements of the Corporation are maintained on the accrual method. Under this method, revenues are recognized when earned rather than when collected and expenses are recognized when the obligation is incurred rather than when it is paid.

**Basis of Presentation**

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-Profit Organizations*. Under SFAS No. 117, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

**Bad Debts**

Bad debts are written off using the direct write-off method. Therefore, these financial statements do not include any allowance for doubtful accounts. The direct write-off method is not considered to be materially different from the allowance for doubtful accounts method as required by generally accepted accounting principles.

**Contributions**

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. When a temporary restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restriction. At this time, the Corporation does not have any temporarily or permanently restricted net assets.

**Estimates**

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Trade Accounts Receivable**

Trade accounts receivable is recorded at the amount the Corporation expects to collect from customers on balances outstanding at year end.

**THE BIBLE BOOK STORE OF DURHAM, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2007**

**Inventory**

Inventory consists of Bibles, Sunday school literature, supplies, cards, musical cassettes, books and other Christian Literature and is valued at cost under the first-in, first-out method. Inventory is taken annually..

**Cash and Cash Equivalents**

Cash and cash equivalents include all petty cash funds of the corporation and cash deposited with banks in the form of checking accounts, savings accounts, money market accounts and short-term certificates of deposits with maturity dates of less than three months. The carrying value of cash and cash equivalents approximates fair value because of the short maturities of those financial instruments.

**Property and Equipment**

Property and equipment are recorded at original cost. Items that do not substantially improve or extend the life of an asset are expensed when paid. Items that do substantially extend the life of an asset and major improvements are capitalized and depreciated over the estimated useful life of an asset. Property and equipment are depreciated under the straight line method over the following estimated useful lives:

Furniture and Fixtures	5 – 7 Years
Office Equipment	5 – 7 Years
Leasehold Improvements	5 – 10 Years

**Note 3 – Lease of Building**

The Corporation has an operating lease agreement for the store premises expiring in November 2009. In addition to the minimum rent, the lease provides for contingent rentals of 3.5% of gross sales in excess of amounts specified in the lease agreement. The lease requires specified payments for maintenance, property taxes and insurance. Rent expense amounted to \$31,643 for the year ending December 31, 2007.

Future minimum lease payments, including common area maintenance and taxes, under the non-cancelable operating lease at December 31, 2007, excluding contingent rentals and executory costs, are as follows:

<u>Total</u>		<u>Rent</u>		<u>CAM</u>		<u>Taxes</u>		<u>Total</u>
2008	\$	30,085	\$	2,461	\$	1,437	\$	33,983
2009		<u>28,333</u>		<u>2,461</u>		<u>1,437</u>		<u>32,231</u>
Total	\$	<u>58,418</u>	\$	<u>4,922</u>	\$	<u>2,874</u>	\$	<u>66,214</u>

**THE BIBLE BOOK STORE OF DURHAM, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2007**

**Note 4 – Exemption from Income Taxes**

The Bible Book Store of Durham, Inc., a subordinate member organization of the North Carolina Association of Free Will Baptists, is a nonprofit corporation exempt from Federal and State income taxes under Internal Revenue code Section 501(c)(3). Therefore, no provision for income taxes has been made in these financial statements.

**Note 5 – Housing, Social Security, Travel and Retirement Allowances**

The manager of The Bible Book Store of Durham, Inc. receives an allowance for housing each month in addition to his salary. The total housing allowance paid to the manager for the year ending December 31, 2007 was \$14,575.

**Note 6 – Concentrations**

The Corporation purchases approximately 48 % of its inventory from one supplier.

The Corporation's curriculum sales to churches comprises approximately 45% of its total sales.

**Note 7 – Program Services**

The Corporation has not incurred any management and general expenses and all expenses have been properly allocated to Book Store operations.

**--- Please Note Address Change ---**

NC State Home Missions of FWB  
Rev. Jim Maddox, Treasurer  
1003 W. New Bern Road  
Kinston, N.C. 28504

\* Send all contributions to this new  
address. Thank you!

To all Churches and Individuals  
Interested in reaching souls for  
Christ and eternity.

Dear Friends of NC State Missions,

Thank you for your generous contributions for the year 2007.

Rev. Bob Edmonson, Joann and the Glad Tidings Free Will Baptist Church keeps pushing toward their hopes and dreams for the ministry in Asheboro and all for the glory of God. We thank you for being a blessing to them with your faithful support. Bro. Bob has motivated and challenged his people to practice stewardship, go soul winning, be faithful, and pray and trust God in everything. Please continue to stand with them and their gracious people as they continue to reach souls for Christ.

Rev. Pat Hall and Cathy continue to move forward with the work in Wilmington. The Cape Fear Free Will Baptist Church continues to grow both in their faith and in using their talents, and committing themselves for God's will in their lives. Their zeal for the work and compassion for souls is evident. Thank you for your continued prayers and support for their family and fellowship of believers.

Rev. Fred and Joan Carraway "stand amazed as they consider all the Lord has done in the beginning of Freedom Free Will Baptist Church coming from nothing to something pretty amazing." Souls continue to be saved. New converts are growing spiritually and a great spirit prevails. Faithful supporters and local believers boost them over the top in the \$25,000. matching gift campaign. Thank you for praying, encouraging and supporting them.

Thank you for all you do to help missions within our state. We believe that establishing mission works is the very heartbeat of God. We thank you for helping these men obey the call of God on their lives. The future of North Carolina missions looks bright. With our combined efforts, these works of God will succeed and others too.

Sincerely,

The Mission Board:  
Reuben Cason,  
Gene Hales,  
Johnny Hudson,  
Jim Maddox,  
Randy Stone

North Carolina State Home Mission Board  
2007 Year End Financial Report for  
North Carolina Free Will Baptist Home Missions  
1/1/2007 – 12/31/2007

Income/Expense

Income:

NCSAFWB Loan *	\$ 80,000.00
Gifts Received	249,964.86
Pass Through	9,167.59
From CD	5,200.16

Total Income

\$344,332.61

Expenses:

Retirement	\$ 3,600.00
Board	5,120.86
Asheboro	33,709.09
Roanoke Rapids	221,345.82
Wilmington	63,177.32
Pass Through	9,167.59
Office	2,391.39

Total Expense

\$338,512.07

Net Income

\$ 5,820.54

2009 Proposed Budget

Expense

Board Expense	\$ 5,000.00
Church Mission Expense	
New Work	50,000.00
Asheboro Mission Expense	25,000.00
Roanoke Rapids Mission Expense	80,000.00
Wilmington Mission Expense	80,000.00

Total Church Mission Expense

\$235,000.00

Office/ Postage Expense

1,500.00

\$241,500.00

\* \$80,000.00 A loan from the N. C. State Association of FWB for  
Freedom Mission Work at Roanoke Rapids @ 6% interest. All interest  
and principle has been paid.

\*\* \$25,000.00 A matching gift for Freedom Mission Work at Roanoke Rapids,  
by Hope FWB Church, Scotland Neck is not included in this report.

**NC State Home Mission Board of Free Will Baptist**  
**Income by Customer Summary**  
 January through December 2007

	<u>Jan - Dec 07</u>
Ahoskie FWB Church - Ahoskie	232.00
Amory FWBC WNAC	200.00
Arrington Heights FWB Church - Lexington	185.52
Asby, Edward & Shirley	10.00
Atwell, Carol	500.00
Barnes, Mr. & Mrs. Ray	25.00
Bateman, Virgie	5.00
Beacon Baptist Church - Raleigh	6,276.08
Bethany FWB Church - Norfolk, VA	24.75
Bridgeton FWB Church	350.00
Bryant, Mr. & Mrs. Burel	10.00
Calvary FWB Church - Durham	169.00
Calvary FWB Church - Fayetteville	150.00
Calvary FWB Church - Jacksonville	4,338.02
Cannon, Lois & Leo	60.00
Canton FWB Church - Canton	250.00
Cape Fear FWB Church - Wilmington	377.00
Cardinal Village FWB Church Jacksonville	500.00
Cash - Unmarked	795.00
Cedar Chapel FWB Church - Greenville	90.00
Cedar Grove FWB Church - Williamston	2,077.00
Cedar Hill FWB Church - Asheville	966.00
Charity FWB Church	225.00
Clark, Margaret	20.00
Coastal Assoc. of FWB	1,100.00
Coleman, Willie & Janice	20.00
Corinth FWB Church - Dunn	1,200.00
Cove City FWB Church - Cove City	2,280.00
Cramerton FWB Church - Cramerton	745.00
Davis FWB Church - Davis	500.00
Dorr, Patrick	60.00
Emmanuel FWB Church - Dallas	3,740.49
Emmanuel FWB Church - Jacksonville	2,864.00
Emmanuel FWB Church - Sharpsburg	100.00
Ezzell, Charles & Hope	100.00
Fairview FWB Church - Marion	2,875.52
Faith FWB Children's Church - Rockingham	10.00
Faith FWB Church - Carrollton, VA	285.00
Faith FWB Church - Goldsboro	49,223.00
Faith FWB Church - Kannapolis	530.00
Faith FWB Church - Maysville NC	3,410.85
Faith FWB Church - Morganton	1,217.12
Faith FWB Church - Rockingham	2,073.08
Faith FWB Church - Washington	2,445.56
Felts, Dossy & Patricia	180.00
First FWB Church - Amory, MS	529.44
First FWB Church - Beaufort	689.00
First FWB Church - China Grove	1,161.63
First FWB Church - Hubert	1,717.00
First FWB Church - Jacksonville	1,542.08
First FWB Church - Morehead City	222.00
First FWB Church - Washington	8,746.65
First Original FWB Church	885.00
Five Points FWB Church - Washington	1,434.00
Friendship FWB Church - Coats	1,416.68
Garner FWB Church - Garner	210.00
Gateway FWB Church - Virginia Beach	2,423.51
Glad Tidings FWB Church - Asheboro	366.87
Glaspie, Lakelsha	5.00
Grace FWB Church - Rocky Mount	300.00
Great Bridge FWB Church - Chesapeake, VA	600.00
Griffin, Dennis	500.00
Griffin, Vicky	200.00
Grimes Jr., Bryan & Mildred	100.00
Hall, Randy & Patricia	120.00
Hardison, Brenda	25.00
Harriett Memorial FWB Church	1,238.92

**NC State Home Mission Board of Free Will Baptist**  
**Income by Customer Summary**  
 January through December 2007

	<u>Jan - Dec 07</u>
Haven FWB Church - Raleigh	3,821.00
Heritage FWB Church	300.00
Highland Drive FWB Church	150.00
Hill, Lucy	2,000.00
Hilltop FWB Church - Fuquay-Varina	9,450.00
Hollifield, Rev. & Mrs. Milton	150.00
Holloman, Marc & Judy	200.00
Holloman, Rodney	480.00
Homer's Chapel FWB Church - Black Mt.	1,150.00
Hope FWB Church - Plymouth	3,276.11
Hope FWB Church - Scotland Neck	2,180.00
Immanuel FWB Church - Durham	127.00
Immanuel FWB Church - Winterville	624.61
Johnson, Donald & Amy	105.00
Keith, Billy	99.00
Kendale Acres FWB Church - Sanford	700.00
Knott, Delorese	310.00
Landmark FWB Church - Cary	4,385.43
Langley, Ivey Ray & Annette	20.00
Lawson, William & Oveta	52.00
Lee, George & Maurine	25.00
Lewis, Patricia	140.00
Liberty FWB Church- Ahoskie	1,213.80
Liberty FWBC- Greenville	7,190.15
Lighthouse FWB Church - Siler City	200.00
Lowell FWB Church - Lowell	2,435.28
Maccrpline FWB Church - Fountain	2,000.00
Maple St. FWB Church - Rockingham	500.00
Maranatha FWB Church - Greenville	1,587.28
Marion First FWB Church	1,382.82
Matthews FWB Church - Matthews	181.00
McFatter, Ralph	220.00
Meadowbrook FWB Church - Black Mountain	6,013.87
Medlin, Joanie	65.00
Mt. Calvary FWB Church - Hookerton	3,218.42
Mt. Carmel FWB Church - Lexington	285.00
Mt. Olive FWB Church - Mt. Olive	70.00
Mt. Olive FWB Church - Plymouth	3,800.00
Murph, Fred & Delores	100.00
Murphy, John & Rita	20.00
NC FWB Womans Auxiliary	6,152.26
New Beginning FWB Church	2,935.00
New Testament Baptist Church	278.93
Northview FWB Church	400.00
Nowling Chapel FWB Church - Morganton	300.00
Oak Grove FWB Church - Durham	2,975.00
Oak Grove FWB Church - Elm City	785.02
Oliver, Jimmy & Vicki	45.00
Osborne, David & Ashley	65.00
Palmetto Chapel Free Will Baptist	350.00
Parkers Chapel FWB Church - Greenville	4,134.00
Patterson, Jerome & Sharon	20.00
Peace Chapel FWB Church - Washington	971.67
Peace FWB Church - Henderson	100.00
Peace FWB Church - Wilson	100.00
Peoples Church	100.00
Phelps, Alton	25.00
Phillips, Bettye	20.00
Pike, Johnny	25.00
Pilgrim FWB Church	500.00
Prescott, Derek & Belinda	140.00
Prince of Peace FWB Church - Kannapolis	220.00
Prospect FWB Church - Dunn	3,362.50
Rackley, David	300.00
Randall Assoc.	900.00
Rocky Pass FWB Church - Marion	2,193.46
Rosebud FWB Church	400.00

**NC State Home Mission Board of Free Will Baptist**  
**Income by Customer Summary**  
 January through December 2007

	<u>Jan - Dec 07</u>
Ruth's Chapel FWB Church - New Bern	4,987.25
Sandy Acres FWB Church - Columbia	2,799.81
Shady Grove FWB Church - Durham	2,855.00
Sharon Free Will Baptist Church	100.00
Shaw, Charles & Cynthia	10.00
Shelby FWB Church - Shelby	825.00
Sherwood Forest FWB Church - New Bern	3,950.91
Singleton, Thomas & Angle	60.00
Stacy FWB Church - Stacy	845.00
Sult, Charles & Dorothy	400.00
Swannanoa FWB Church - Swannanoa	200.00
Tabernacle FWB Church - Kinston	2,145.00
Tant, Elmo & Martha	40.00
Taylor, Mrs. Judy	50.00
Temple FWB Church - Greenville	2,070.00
Thompson, Annie	25.00
Thorton, Billy & Ann	200.00
Tippett's Chapel FWB Church - Clayton	760.83
Trinity FWB Church - Greenville	2,899.96
Trinity FWB Church - La Grange	247.00
Turner, Mary	5.00
Tyndall, Roy & Hilda	30.00
Union Chapel FWB Church - Chocowinity	7,108.00
Unity FWB Church - Greenville	4,480.00
Unity FWB Church - Smithfield	500.00
Unity FWB Church - Wilson	1,350.00
Victory FWB Church - Goldsboro	3,068.97
Webb, Johnnie	60.00
Wellman, White & Wilson, LLP	30.00
West Calvary FWB Church - Smithfield	650.00
West Duplin FWB Church - Warsaw	650.00
White Oak Hill FWB Church - Bailey	7,713.34
White, Reatha	100.00
Wildwood FWB Church	2,405.00
Williams, French & Doris	10.00
Willis, Gary & Wanda	10.00
Woolard, Norwood	25.00
Zephyr Hills FWB Church - Asheville	213.00
<b>TOTAL</b>	<b><u>259,132.45</u></b>



## North Carolina State Youth Relations Report

On April 25<sup>th</sup> - 26<sup>th</sup>, the State Youth Board converged on the Cramerton Church for the 2008 State Youth Competition. There were 157 Competitors registered for the opportunity to represent North Carolina at the National Competition. We have 77 entries moving on to the National competition in West Virginia. As a board, we are excited about the number and quality of the young people coming from our state. May we all set the example to lead them into a greater relationship with Christ.

Respectfully submitted  
NC State Youth Board Chairman  
David Mizelle

Beginning Balance as of Jan 1, 2008                      \$3,499.70

INCOME

Competition Fees	1,775.00
Gift Received	625.00

---

TOTAL INCOME	2,400.00
--------------	----------

EXPENSES

All Boards Mtg	13.06
Auto	375.56
Awards State Comp	1,396.50
Banner	180.00
Child Care	90.00
Competition materials	53.96
Dining	44.99
Food	13.09
Food Board Lunch	228.62
Gift Organization State	50.00
Judging	600.00
Lodging State Comp	815.60
Office Worker	80.00
Postage	37.44
Reimbursement For Food	54.12
State Comp Entertainment	150.00
State Comp Food Board	39.18
State Youth Comp Pizza	450.00
Supplies	44.98
Trophies	550.65
WEBSITE	350.44

---

TOTAL EXPENSES	5,618.19
----------------	----------

OVERALL TOTAL	-3,218.19
---------------	-----------

Jan 1 2008	\$3,499.70
Gifts to date    +	\$2,400.00
Total \$ Available	\$5,899.70

---

Total Expense    --	\$5,618.19
---------------------	------------

Balance To Date    +	\$281.51
----------------------	----------

Respectfully Submitted

NC Youth Board Treasurer

Jason N. Janus

**NORTH CAROLINA WOMEN ACTIVE FOR CHRIST  
TREASURER'S REPORT  
2007-2008**

Balance Brought Forward April 25, 2007		\$4,344.88
Receipts		
Received From Districts	\$61,993.15	
2007 Meeting and Offerings	\$3,991.98	
Refund from WNAC	\$215.00	
		<u>\$66,200.13</u>
		\$70,545.01
Disbursements		
WNAC Designated Gifts	\$49,439.15	
WNAC 2008 Membership Fees (507 Members)	\$7,605.00	
Other Designated Gifts	\$2,967.50	
Refunds to Districts	\$338.00	
2007 Special Emphasis Project		
Fred Carraway (Roanoke Rapids)	\$4,100.26	
Gifts Disbursed at 2007 Meeting		
Ruth Bivens	\$763.98	
Bible Book Store	\$250.00	
Leah Waddell Scholarship	\$250.00	
WNAC	\$500.00	
NC Promotional Office	\$500.00	
E-Team	\$374.01	
	\$2,637.99	
Misc State Officers Expense	\$778.13	<u>\$67,866.03</u>
Balance as of April 21, 2008		\$2,678.98

**State Project Totals (2007-2008)**

Building a church in Abidjan, Cote d'Ivoire (Goal \$10,000.00)	\$10,322.58
Rainbow Ministries (Goal \$5,000.00)	\$5,892.25
Free Will Baptist Bible College -Redo Audio Visual Equip. in classrooms 102 & 309	\$4,036.83
Southeastern Free will Baptist College - Replacing Kitchen Floor (College goal is \$3500.00)	\$1,990.20

**The Leah Waddell Scholarship Fund Report  
April 12, 2007 - April 12, 2008**

**History**

The Leah Waddell Scholarship Fund is one of the oldest, if not the oldest, continuously funded scholarships at Free Will Baptist Bible College. It was established in 1964 by the North Carolina State Association. This scholarship is in memory of Mrs. Leah Waddell, a 1954 alumnus of FWBBC. She was an active member of the FWB women's ministry. Most of the financial support comes from the North Carolina women's auxiliaries.

In 1964 the amount was set at \$75.00 to be awarded annually to a worthy North Carolina student at FWBBC. The revised guidelines changed the amount to \$500.00 or more, if the funds are available. Descendants of Leah Waddell may be included in the scholarship.

The college administration determines the recipients based on financial need. Usually juniors and seniors are given preference. Over 125 FWBBC students have received aid since the 1964-65 school year.

**Response of Recipient**

"I wish to take a moment to thank everyone involved with the Leah Waddell Scholarship Fund. Six hundred dollars can make a huge difference. Thank you for honoring me with this scholarship. May God bless you and your ministries. I hope that this scholarship Fund may continue to be available to students that attend FWBBC after I have graduated."

Kyle

**Financial Report**

Balance brought forward April 12, 2007	\$ 57.37
Receipts	505.00
Offering at 2007 Women Active for Christ Convention	250.00
Coastal Association	55.00
Pamlico Association	50.00
Randall Association	150.00
Total disbursements (FWBBC for student April 12, 2008)	500.00
Balance on hand April 12, 2008	62.37

Scholarship Fund Committee  
Betty Hill, Eureta Rackley, Betty Wiggs

North Carolina Association of Free Will Baptists  
Annual Election of Officers and Board Members  
2008

**Executive Board**

Moderator: Replacing Tim Young

\_\_\_\_\_

Assistant Moderator: Replacing Rev. Jim Marcum

\_\_\_\_\_

Treasurer: Replacing Rev. Brent Patrick

\_\_\_\_\_

Clerk: Replacing Rev. Gerald Fowler

\_\_\_\_\_

Member at Large: Replacing Rev. Robert Harris

\_\_\_\_\_

Member at Large: Replacing Rev. Chuck Overcash

\_\_\_\_\_

**Board of Trustees**

Replacing Phil Smith

\_\_\_\_\_

**Mission Board**

Replacing Eugene Hales

\_\_\_\_\_

Replacing Tim Riggs

\_\_\_\_\_

**Board of Care for the Aged Ministry**

Replacing Billy Poe Jones

\_\_\_\_\_

**Bible Book Store Board**

Replacing Darvy Hensley

\_\_\_\_\_

**Youth Relations Board**

Replacing Tim Fulcher

\_\_\_\_\_

