Digest of Reports

Eighty-First Annual Session
of the
Oklahoma State Association
of
Free Will Baptists

Theme: "Complete in Him" (Col. 2:10)

October 16-19, 1989

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Program

OKLAHOMA STATE ASSOCIATION OF FREE WILL BAPTISTS

Monday Afternoon

1:00 General Board Meeting
West Tulsa Free Will Baptist Church—930 W. 23rd Place

Tuesday Evening

CONVENTION MUSIC DIRECTOR—Joe Cutler

5:00 Registration

7:15 Pre-Service Music-West Tulsa Free Will Baptist Church

7:30 Presiding—R. D. Hester

Congregational Singing

Association called into session and introduction of officers by Clerk, Keith Burden

Special Music—Darrell Smith Family

Messenger—Rue Dell Smith

Committee on Committees Report-Moderator, Bob Ketchum Topic—The Lordship of Christ

Wednesday Morning

9:15 Singing

Devotion—Bill Ketchum

Moderator's Admonition

Partial report of the General Board (Acting as Credentials Committee)

Seating of Delegates

Recognition of Visitors

Adoption of Program

Partial report of the General Board

Executive Board Report—Chairman, Bailey Thompson

Executive Secretary's Report—Connie Cariker

National Executive Secretary's Report—Melvin Worthington Free Will Baptist Bookstore Report—Ray Martin, Phil Akin

Election of Executive Board Member Free Will Baptist Children's Home Report—A. J. Looper

10:40 Intermission

11:00 WORSHIP SERVICE

Presiding—N. R. Smith

Congregational Singing

Special Music—Southern Oaks Free Will Baptist Church Messenger—Clarence Hearron

Topic—The Fellowship of the Church

Wednesday Afternoon

1:30 Congregational Singing Devotion—Jim Christian

National Master's Men Report State Mission Board Report—Danny Hester State Mission Director's Report—Berton Perry National Home Mission Board Report National Foreign Mission Board Report Election of Mission Board Member Christian Education Board Report-Terry Van Winkle National Sunday School Department Report Election of Christian Education Board Members Hillsdale Free Will Baptist College Trustee Report— Chairman, Ron Barber Hillsdale President's Report—Jim Shepherd Free Will Baptist Bible College Report Election of Hillsdale Board Members

Wednesday Evening

7:15 Pre-Service Music—New Life Singers

7:30 Presiding—John Redfearn Congregational Singing Special Music—Hillsdale Free Will Baptist College Choir Messenger—Jim Shepherd Topic—The Sonship of the Christian

Thursday Morning

9:15 Congregational Singing Devotion—Jess Stepp National Board of Retirement Report Historical Commission Report Resolution Committee Report Obituary Committee Report Public Morals Committee Report Final Report of the General Board (Acting as Budget

Committee)

Woman's Auxiliary Convention Report Master's Men Report Minister's Conference Report Miscellaneous Business Election of Officers

11:00 WORSHIP SERVICE Presiding—Dennis Cariker Congregational Singing Special Music—Oklahoma Minister's Quartet Messenger—David Archer Topic—The Discipleship of the Convert

1989 BOARD MEMBERS ELECTED

Charles Murch	ix
	0
STATE MISSION BOARD:	
CHRISTIAN EDUCATION BOARD:	
HILLSDALE COLLEGE BOARD:	
	
MODERATOR:	
ASSISTANT MODERATOR:	
CLERK:	
ASSISTANT CLERK:	

EXECUTIVE BOARD REPORT

The Executive Board is happy to report another good year in our State work.

Brother Ray Martin retired as our State Bookstore manager on June 30, 1989 after many years of faithful service. We are so thankful for his labor of love and wish him many wonderful years of retirement. We have hired Brother Phil Akin to manage our Bookstore and we feel that he will be a blessing to our people.

Our Yearly Board meeting was held August 29, 1989 at the State Office to examine the Audits and adopt the Budgets for the Bookstore and Executive Office.

The Executive Board recommends:

- 1. A Cooperative Budget of \$320,000.00 for 1990-91.
- 2. The Cooperative receipts for State Office remain the same.
- 3. The Executive Board submits the information collected in response to Resolution #3 adopted by our State Convention in 1988. We were unable to formulate a policy, as we feel it would not be in the best interest of our State Association to implement such a policy. We, therefore, recommend against adopting a Burial Association Program.
- 4. The 1991 State Convention be held in McAlester. Bailey Thompson, Chairman Orville Hood, Clerk

EXECUTIVE SECRETARY REPORT

The past year was very rewarding for me as I traveled our state. Pastors, churches and associations have been kind to invite me to preach and share the need of our work here and abroad.

Our cooperative giving reached a new high with an increase of \$22,470.00 over last year. We also saw an increase in designated giving of \$53,037.00. We must push on in our effort to reach our communities, state and world for Christ.

I'm looking forward to another busy and rewarding year. Please pray for me.

Connie D. Cariker

July 13, 1989

To the Executive Board

THE STATE ASSOCIATION OF FREE WILL BAPTISTS

We have audited the balance sheets of the State Association of Free Will Baptists as of June 30, 1989 and 1988, and the related statements of revenues and expenditures, fund balances, and cash flows for the years then ended. These financial statements are the responsibility of the

State Association management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the State Association of Free Will Baptists as of June 30, 1989 and 1988, and the related statements of revenues and expenditures and its cash flows for the years then ended in conformity with generally accepted accounting principles.

Robin L. Byford

STATE ASSOCIATION OF FREE WILL BAPTISTS BALANCE SHEETS JUNE 30, 1989 AND 1988

ASSETS 1989 1988 **CURRENT ASSETS** 54,596 38,835 Insurance premiums receivable (Note 4)..... 2,955 2,019 41,790 56,615 PROPERTY AND EQUIPMENT (Note 1) 103,726 103,726 Office building \$ Building improvements 23,716 23,716 43,511 Furniture & fixtures..... 43,161 Printing equipment 4,599 4.599 175,202 175,522 (99,909)(89,784)Less: accumulated depreciation 75,643 85,418 OTHER ASSETS 7,658 Mortgage receivable (Note 2).....\$ 7,963 125,091 149,996 TOTAL ASSETS\$

LIABILITIES AND FUND BALANCE

CURRENT LIABILITIES			
Payroll taxes payable\$	737	\$	764
Designated contributions		•	,
payable (Note 5)	3,072		18,459
paydole (Prote o) Protection S	3,809	\$	19,223
FUND BALANCE\$	121,282	\$	130,773
TOTAL LIABILITIES AND	121,202	Ψ	130,773
FUND BALANCE\$	125,091	\$	149,996
FUND BALANCE	125,091	φ	149,990
e de la companya de			
STATE ASSOCIATION OF FREE	WILL BA	PTIST	`S
STATEMENTS OF REVENUES, EXPER			
BALANCES FOR THE YEARS ENDED			
REVENUES	1989		1988
Designated Receipts	508 OFF		
Designated contributions\$	587,855	\$	534,818
Cooperative contributions	249,063		234,504
Benevolent Sunday fund	500		10,766
Benevolent fund oil royalties	2,831		3,100
\$	840,249	\$	783,188
Executive Office Receipts	=		
Executive Secretary speaking\$	7,692	\$	8,227
Interest income	5,243		4,484
Cooperative contributions	70,248		62,337
State convention fees	6,450		6,450
National convention fees	2,580		2,580
Designated contributions	7,295		1,654
Other income	9,937		12,714
\$	109,445	\$	98,446
Total Income \$	949,694	\$	881,634
EXPENDITURES			
Designated Expenditures			
Designated expenditures\$	587,855	\$	534,818
Cooperative expenditures (Note 3)	249,063		234,504
Benevolent Sunday fund	500		10,766
Benevolent fund disbursements	21,178		3,100
\$	858,596	\$	783,188
Executive Office Expenditures	•		
Executive secretary salary\$	22,220	\$	20,800
Payroll taxes, retirement plan	•	•	•
and hospitalization	7,600		7,190
Housing and utilities	8,052		8,680
	-,		5,550

Executive secretary travel	7,479	7,497
Executive board travel	1,724	1,092
Secretarial salaries	13,431	13,369
Promoter publications	7,821	7,581
Telephone and utilities	5,875	5,609
State and national convention	9,509	9,822
Supplies	791	1,037
Repairs, maintenance & insurance	3,510	3,950
Miscellaneous	2,293	1,670
Depreciation (Note 1)	10,125	12,039
Dues and subscriptions	159	303
\$	100,589	\$ 100,639
Total Expenditures\$	959,185	\$ 946,164
EXCESS (DEFICIT) OF REVENUES		-
OVER EXPENDITURES\$	(9,491)	\$ (2,193)
FUND BALANCE, beginning	130,773	132,966
FUND BALANCE, ending\$	121,282	\$ 130,773

STATE ASSOCIATION OF FREE WILL BAPTISTS STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED JUNE 30, 1989 AND 1988

	1989		1988
CASH FLOWS FROM OPERATING AC	TIVITIES:		
Net income\$	(9,491)	\$	(2,193)
Adjustments to reconcile net income			
to net cash provided by operating			
activities:			
Depreciation	10,125		12,039
Changes in current assets and			
liabilities:			
(Increase) Decreas in insurance	(026)		49
premiums receivable Increase (Decrease) in accrued	(936)		49
· · · · · · · · · · · · · · · · · · ·	(27)		50
expense	(21)		30
contributions payable	(15,387)		6,815
Total Adjustments\$	(6,225)	\$	18,953
Net Cash Provided by Operating	(0,220)	*	10,700
Activities\$	(15,716)	\$	16,760
CASH FLOWS FROM INVESTING	, , ,	•	•
ACTIVITIES:			
Acquisition of equipment	(350)		-0-
Acquisition of building			
improvement	-0-		(4,000)

Collection of mortgage principal	305	261
Net Cash Used in Investing Activities\$	(45)	\$ (3,739)
Net Increase (Decrease in Cash)\$	(15,761)	\$ 13,021
Cash at the beginning of the year	54,596	41,575
Cash at the end of the year\$	38,835	\$ 54,596

STATE ASSOCIATION OF FREE WILL BAPTISTS NOTES TO FINANCIAL STATEMENTS JUNE 30, 1989 AND 1988

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General—The State Association of Free Will Baptists is a non-profit organization designed to provide central leadership and representation for the Free Will Baptists of Oklahoma and to handle certain receipts and disbursements of the Free Will Baptist Churches. The Association uses the fund method of accounting, whereby the fund balance represents the equity the Association has in its assets. This accounting method is generally accepted among non-profit organizations as the most feasible way of reflecting their financial activity and position.

Property and Equipment—Property and equipment are recorded at cost. Depreciation is computed using the straight-line method based on the estimated useful lives of the related assets. Expenditures for repairs and maintenance are charged to operations when incurred while major betterments and renewals are capitalized.

The following useful lives were used to calculate depreciation:

NOTE 2—MORTGAGE RECEIVABLE

The executive residence was sold on May 30, 1974 for \$20,500. The buyer assumed the mortgage on the property and gave the Association a second mortgage in the amount of \$10,300. Payments began on July 1, 1974. The rate of interest is 8% and the mortage is for thirty years.

NOTE 3—COOPERATIVE CONTRIBUTIONS AND EXPENDITURES

The State Association receives contributions to be cooperatively allocated among board approved organizations. The percentage allocation of Cooperative Contributions for the year ended June 30, 1989 and 1988 was as follows:

to the second se	June 30,	
	1989	1988
State Association	22%	21%
Hillsdale College	28%	28%
State Mission Board	15%	15%

Christian Education Board National Association of	6 %	6%
Free Will Baptists	29% . 100%	30% 100%

NOTE 4—INSURANCE PREMIUMS RECEIVABLE

As a service to its ministers, the State Association collects premiums for group health insurance from participants then disburses the group premium to the insurance agent.

NOTE 5—DESIGNATED CONTRIBUTIONS PAYABLE

To provide timely payment of designated contributions, receipts through the 25th of each month are disbursed to recipients by the end of each month. The designated contributions payable is designated contributions received after June 25, 1989 through June 30, 1989.

EXECUTIVE OFFICE PROPOSED BUDGET 1990-1991

71001/5	
INCOME	
Executive Secretary Speaking	\$ 2,400.00
Interest Income	\$ 4,200.00
State Convention Fees	\$ 6,500.00
National Convention Fees	
Designated Contributions	\$ 8,200.00
COOP (22%) \$320,000.00	\$70,400.00
Other Income	\$ 5,200.00
TOTAL	
EXPENDITURES	ψ33,000.00
Executive Secretary	\$22,800.00
Secretary	
Hospitalization Insurance	\$ 3,600.00
Retirement	\$ 1,800.00
Social Security	\$ 5,500.00
Housing	\$ 7,200.00
Utilities	\$ 4,800.00
Telephone	\$ 3,000.00
Executive Secretary Travel	\$ 8,000.00
Executive Board	\$ 1,000.00
Postage	\$ 1,000.00
Promoter	\$ 8,300.00
Supplies	\$ 1,000.00
Building Maintenance and Repair	\$ 4,000.00
Equipment Maintenance and Repair	\$ 1,400.00
State Convention Expense	\$ 6,500.00
National Convention Expense	\$ 2,600.00
Audit	\$ 1,300.00
Miscellaneous Expense	
TOTAL	
IUIAL	ψυσ,υυυ.υυ

BOOK STORE MANAGER'S REPORT

Greetings:

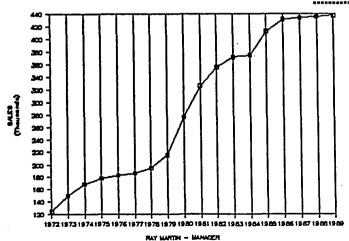
This is my last report to you as Manager of the Free Will Baptist Book Store as I completed eighteen years June 30, 1989. I then retired at closing that day. These eighteen years were great and exciting years in my life. There are many things I will remember and cherish the rest of my life. I really appreciate the opportunity you gave me to serve you and the Lord in the Book Store. I tried to make it a ministry and a business while I was there. Thank you for your support.

Sincerely, Yours in Christ, Ray Martin

OKLAHOMA FREE WILL BAPTIST BOOKSTORE RAY MARTIN - BOOKSTORE MANAGER JULY 1, 1971 THROUGH JUNE 30, 1989

				COST OF	GROSS	OPERATING		TRANSFERS TO	ENDING	
YEAR	E NO I	NG	SALES	SALES	PROFIT %	EXPENSES	NET INCOME	STATE OFFICE	CASH	NET WORTH
JUNE	30,	1972	\$124,566	\$87,866	29.46%	\$29,900	\$7,059	\$0	\$2,024	\$29,079
LUNE	30,	1973	149,607	106,803	28.61%	33,819	8,985	0	8,062	49,658
LUNE	30,	1974	168,630	118,136	29.94%	35,544	14,950	0	13,361	64,608
UNE	30,	1975	178,140	125,925	29.31%	42,068	10,147	0	6,935	74,755
UNE	30,	1976	182,665	135,026	26.08%	42,485	5,154	0	3,894	79,909
UNE	30,	1977	186,328	127,188	31.74%	51,451	7,599	0	3,114	87,508
UNE	30,	1978	194,519	140,620	27.71%	51,503	2,396	0	1,113	89,904
UNE	30,	1979	215,458	138,134	35.89%	60,656	16,668	0	2,805	106,572
UNE	30,	1980	276,298	198,223	28.26%	73,225	10,901	0	7,827	117,473
UNE	30,	1981	326,046	228,416	29.94%	82,153	15,447	C	17,334	132,950
WNE	30,	1982	355,595	259,531	27.02%	85,974	10,090	0	10,535	143,040
UNE	30,	1983	371,316	255,493	31.19%	104,277	11,546	5,000	14,342	154,586
UNE	30,	1984	374,614	256,078	31.64%	105,931	12,605	6,000	19,595	167,191
UNE	30,	1985	412,236	291,799	29.22%	115,513	4,924	3,000	2,270	172,115
UNE	30,	1986	431,251	294,263	31.77%	131,755	5,233	6,000	10,268	177,348
UNE	30,	1987	433,948	297,884	31.35%	132,504	3,560	6,000	5,807	180,908
UNE	30,	1988 .	435,511	309,699	28.89%	124,465	1,347	6,000	14,249	182,255
UNE	30,	1989	437,282	312,806	28.47%	132,312	(7,836	6,000	8,027	174,419
			\$5 254 N1N		20 99*	e1 435 535	\$140 77S	\$38,000	• • • • • • • • •	

\$8,027 \$174,419



MACCING - INCOME

OKLAHOMA FREE WILL BAPTIST BOOKSTORE COMPARATIVE FINANCIAL STATEMENTS

July 7, 1989

To the Executive Board

THE STATE ASSOCIATION OF FREE WILL BAPTISTS

We have audited the balance sheets of the OKLAHOMA FREE WILL BAPTIST BOOKSTORE, as of June 30, 1989, and 1988, and the related statements of income, fund balance and cash flows for the years then ended. These financial statements are the responsibility of the Bookstore's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

In our opinion, the financial statements referred to above present fairly the financial position of the Oklahoma Free Will Baptist Bookstore as of June 30, 1989 and 1988, and the results of its operations and its cash flows for the years then ended, in conformity with generally accepted accounting principles applied on a consistent basis.

Robin L. Byford

OKLAHOMA FREE WILL BAPTIST BOOKSTORE BALANCE SHEETS JUNE 30, 1989 AND 1988

ASSETS

	1989	1988
CURRENT ASSETS Cash	8,027	\$ 14,249
1989 and \$167 in 1988	29,440	27,873
Inventory (Note 1)	119,560	118,043
Prepaid expenses	4,133	4,193
• •	\$161,160	\$164,358

PROPERTY AND EQUIPMENT (Note 1	1		
Land\$	5,000	\$	E 000
Building	22,500	φ	5,000
Building improvements	37,414		22,500
			11 500
Automobiles	11,500		11,500
Furniture, fixtures and equipment	21,867	•	21,311
\$	98,281	\$	97,725
Less: Accumulated depreciation	(75,917)	_	(72,198)
Net Property & Equipment\$	22,364	\$	25,527
<u> </u>	183,524	\$	189,885
LIABILITIES AND FUND CURRENT LIABILITIES		•	
Accounts payable\$	6,142	\$	5,426
Accrued liabilities	2,963		2,204
\$	9,105	\$	7,630
FUND BALANCE\$	174,419	\$	182,255
\$	183,524	\$	189,885
	100,024	Ψ	102,003
OKLAHOMA FREE WILL BAPTI STATEMENTS OF INCOME AND	FUND BA	ALAN	ICE
FOR THE YEARS ENDED JUNE		ND 1	988
	30, 1989 A 1989	ND 1	988 1988
SALES	1989		1988
SALES Retail\$	1989 144,028	ND 1 \$	1988 146,346
SALES Retail\$ Sunday School	1989 144,028 257,268		1988 146,346 253,602
SALES Retail\$ Sunday School Vacation Bible School	1989 144,028 257,268 24,164		1988 146,346 253,602 24,666
SALES Retail\$ Sunday School	1989 144,028 257,268		1988 146,346 253,602
SALES Retail\$ Sunday School Vacation Bible School Postage and handling\$	1989 144,028 257,268 24,164		1988 146,346 253,602 24,666
SALES Retail\$ Sunday School Vacation Bible School Postage and handling \$ COST OF GOODS SOLD	1989 144,028 257,268 24,164 11,822	\$	1988 146,346 253,602 24,666 10,897 435,511
SALES Retail\$ Sunday School Vacation Bible School Postage and handling \$ COST OF GOODS SOLD	1989 144,028 257,268 24,164 11,822 437,282 312,806 124,476	\$	1988 146,346 253,602 24,666 10,897 435,511 309,699 125,812
SALES Retail\$ Sunday School Vacation Bible School Postage and handling \$ COST OF GOODS SOLD GROSS MARGIN\$ SELLING, GENERAL AND ADMINISTR	1989 144,028 257,268 24,164 11,822 437,282 312,806 124,476 ATIVE EX	\$ \$ \$ PENS	1988 146,346 253,602 24,666 10,897 435,511 309,699 125,812
SALES Retail\$ Sunday School Vacation Bible School Postage and handling \$ COST OF GOODS SOLD	1989 144,028 257,268 24,164 11,822 437,282 312,806 124,476 ATIVE EX 1,045	\$	1988 146,346 253,602 24,666 10,897 435,511 309,699 125,812
SALES Retail\$ Sunday School Vacation Bible School Postage and handling \$ COST OF GOODS SOLD GROSS MARGIN\$ SELLING, GENERAL AND ADMINISTR	1989 144,028 257,268 24,164 11,822 437,282 312,806 124,476 ATIVE EX	\$ \$ \$ PENS	1988 146,346 253,602 24,666 10,897 435,511 309,699 125,812 SES
SALES Retail\$ Sunday School Vacation Bible School Postage and handling COST OF GOODS SOLD GROSS MARGIN\$ SELLING, GENERAL AND ADMINISTR Automobile\$	1989 144,028 257,268 24,164 11,822 437,282 312,806 124,476 ATIVE EX 1,045	\$ \$ \$ PENS	1988 146,346 253,602 24,666 10,897 435,511 309,699 125,812 SES 2,465
SALES Retail\$ Sunday School Vacation Bible School Postage and handling COST OF GOODS SOLD GROSS MARGIN\$ SELLING, GENERAL AND ADMINISTR Automobile\$ Salaries Payroll taxes	1989 144,028 257,268 24,164 11,822 437,282 312,806 124,476 ATIVE EX 1,045 64,881	\$ \$ \$ PENS	1988 146,346 253,602 24,666 10,897 435,511 309,699 125,812 SES 2,465 62,754 4,519
SALES Retail\$ Sunday School Vacation Bible School Postage and handling COST OF GOODS SOLD GROSS MARGIN\$ SELLING, GENERAL AND ADMINISTR Automobile\$ Salaries Payroll taxes Employee benefits	1989 144,028 257,268 24,164 11,822 437,282 312,806 124,476 ATIVE EX 1,045 64,881 4,844 5,310	\$ \$ \$ PENS	1988 146,346 253,602 24,666 10,897 435,511 309,699 125,812 SES 2,465 62,754 4,519 5,925
SALES Retail\$ Sunday School Vacation Bible School Postage and handling COST OF GOODS SOLD GROSS MARGIN\$ SELLING, GENERAL AND ADMINISTR Automobile\$ Salaries Payroll taxes Employee benefits Advertising and promotion	1989 144,028 257,268 24,164 11,822 437,282 312,806 124,476 ATIVE EX 1,045 64,881 4,844 5,310 11,197	\$ \$ \$ PENS	1988 146,346 253,602 24,666 10,897 435,511 309,699 125,812 SES 2,465 62,754 4,519 5,925 11,757
SALES Retail\$ Sunday School Vacation Bible School Postage and handling COST OF GOODS SOLD GROSS MARGIN SELLING, GENERAL AND ADMINISTR Automobile\$ Salaries Payroll taxes Employee benefits Advertising and promotion Utilities and telephone	1989 144,028 257,268 24,164 11,822 437,282 312,806 124,476 ATIVE EX 1,045 64,881 4,844 5,310 11,197 5,930	\$ \$ \$ PENS	1988 146,346 253,602 24,666 10,897 435,511 309,699 125,812 SES 2,465 62,754 4,519 5,925 11,757 5,882
SALES Retail	1989 144,028 257,268 24,164 11,822 437,282 312,806 124,476 ATIVE EX 1,045 64,881 4,844 5,310 11,197 5,930 4,654	\$ \$ \$ PENS	1988 146,346 253,602 24,666 10,897 435,511 309,699 125,812 SES 2,465 62,754 4,519 5,925 11,757 5,882 2,148
SALES Retail	1989 144,028 257,268 24,164 11,822 437,282 312,806 124,476 ATIVE EX 1,045 64,881 4,844 5,310 11,197 5,930 4,654 5,426	\$ \$ \$ PENS	1988 146,346 253,602 24,666 10,897 435,511 309,699 125,812 SES 2,465 62,754 4,519 5,925 11,757 5,882 2,148 4,635
SALES Retail	1989 144,028 257,268 24,164 11,822 437,282 312,806 124,476 ATIVE EX 1,045 64,881 4,844 5,310 11,197 5,930 4,654 5,426 6,429	\$ \$ \$ PENS	1988 146,346 253,602 24,666 10,897 435,511 309,699 125,812 SES 2,465 62,754 4,519 5,925 11,757 5,882 2,148 4,635 5,818
SALES Retail	1989 144,028 257,268 24,164 11,822 437,282 312,806 124,476 ATIVE EX 1,045 64,881 4,844 5,310 11,197 5,930 4,654 5,426 6,429 9,106	\$ \$ \$ PENS	1988 146,346 253,602 24,666 10,897 435,511 309,699 125,812 SES 2,465 62,754 4,519 5,925 11,757 5,882 2,148 4,635 5,818 9,029
SALES Retail	1989 144,028 257,268 24,164 11,822 437,282 312,806 124,476 ATIVE EX 1,045 64,881 4,844 5,310 11,197 5,930 4,654 5,426 6,429	\$ \$ \$ PENS	1988 146,346 253,602 24,666 10,897 435,511 309,699 125,812 SES 2,465 62,754 4,519 5,925 11,757 5,882 2,148 4,635 5,818

Professional Meetings New Manager's - Salary & Benefits New Manager's - Moving Expenses	948 2,498 325 \$132,312	\$	-0- -0- -0- 124,465
NET INCOME (LOSS)\$	(7,836)	\$	1,347
FUND BALANCE, beginning\$	182,255	\$	180,908
FUND BALANCE, ending\$	174,419	\$	182,255
OKLAHOMA FREE WILL BAPT	TET POOK	TO.)E
STATEMENTS OF CAS		OIOr	KE.
		VID 1	000
FOR THE YEARS ENDED JUNE	•	ו עוי	
	1989		1988
CASH FLOWS FROM (USED IN) OPE			
Net income (loss)\$	(7,836)	\$	1,347
Adjustments to reconcile net income			
to net cash provided by operating			
activities:			
Depreciation	3,179		3,533
Changes in current assets and liabilities	es:		
(Increase) Decrease in accounts			
receivable	(1,567)		2,063
(Increase) Decrease in inventory.	(1,517)		4,084
(Increase) Decrease in prepaid			
expenses	60		(1,129)
Increase (Decrease) in accounts			
payable	716		(1,564)
Increase (Decrease) in accrued			
liabilities	759		483
Total Adjustments	2,170		7,470
Net Cash Provided by Operating			
Activities\$	(5,666)	\$	8,817
CASH FLOWS FROM INVESTING AC	TIVITIES:		
Acquisition of equipment\$	(556)	\$	(375)
Net Cash Used in Investing	(000)	Ψ	(0,0)
Activities\$	(556)	\$	(375)
Net Increase (Decrease) in Cash\$	(6,222)	\$	8,442
Cash at the beginning of the year .	14,249	*	5,807
Cash at the end of the year\$	8,027	\$	14,249
Cash at the one of the year first	0,027	*	,

FREE WILL BAPTIST BOOKSTORE NOTES TO FINANCIAL STATEMENTS JUNE 30, 1989 AND 1988

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General—The financial statements of the Bookstore have been prepared on the accrual basis of accounting, wherein income and expense are recorded as they are earned or incurred. Inventories—Inventories are recorded at the lower of cost or market using the first-in, first-out method of accounting. Property and Equipment—Property and equipment are recorded at cost. Depreciation is computed using the straight-line method based on the estimated useful lives of the related assets as summarized below:

(2) RELATED PARTY TRANSACTIONS

The Bookstore has an agreement with the State Association of Free Will Baptists, whereby the Bookstore makes periodic payments of \$500 to the Association. During the current fiscal year and the year ended June 30, 1988, the Bookstore incurred \$6,000 of payments in each year.

1990-1991 PROPOSED BUDGET OKLAHOMA FREE WILL BAPTIST BOOKSTORE

SALES:

Retail	 \$158,400.00
Sunday School	 270,000.00

1990-1991 PROPOSED BUDGET OKLAHOMA FREE WILL BAPTIST BOOKSTORE

SALES:

Retail	\$158,400.00	
Sunday School		
Vacation Bible School		
Postage and Handling	13,600.00	
TOTAL SALES		\$467,000,00

EXPENDITURES:

Cost of Goods Sold	\$331,000.00	
Salaries	68,684.00	
Advertising and Promotion	8,000.00	
Employees Insurance and Benefits	7,200.00	
Office Supplies and Postage	. 11,000.00	
Payroll Taxes	5,500.00	
Utilities and Telephone	6,800.00	
Repairs & Maintenance	5,000.00	
Insurance, Building, Contents and		
Workers Compensation	6,000.00	
Freight and UPS	5,816.00	
Equipment	4,500.00	
Miscellaneous	7,500.00	
Total Expenditures		\$467,000.00

STATE MISSION BOARD REPORT FOR 1989-90

During the past year we have been busy in many places:

Woodward, which was started about eighteen months ago, is doing fine. Allen Mabra reported a record attendance in the past year, and improved finances. Hopefully this church will be on a self-sustaining basis in the near future. Please pray for them.

Hugo, our newest mission thrust, is just getting under way. We have purchased seven acres of choice land on the Highway 70 By-Pass, and we are glad to report that the land is free of any indebtedness. Mike Fields, our missionary moved to Hugo in July and is busy getting things under way to build a church.

Elk City, under the direction of Missionary Larry Haggard, is coming along well. Four lots have been purchased recently to give added room for the expansion of their teaching facilities and for parking. Hopefully, their new addition will be under construction by fall.

Vinita is coming along well. Ken Stevens, our missionary, is continuing to report increases in attendance. Several improvements have been made on the physical plant over the past several months. We are thankful for the volunteers who drove to Vinita and installed a new roof on both the church and parsonage, and for others who have pledged support in other building projects. Pray for the work there as the board phases out its part of the support of the church over the next year.

Our missions director, Berton Perry, continues to be available for "Back to Basics" Conferences, mission services, conferences,

missionary scheduling, and anything else that will get the message of God's love to a lost world.

We ask that you continue to respond to the need of Mexican missions. Our missions director has done a fine job of promoting this worthy cause over the state.

Please pray for our missionaries, missions director, and board. We have a tremendous responsibility for it is later than it ever has been before.

Thank you for your support of missions. Wade Jernigan, Chairman

J. B. Chism, Clerk

STATE MISSION DIRECTOR REPORT

This has been the most productive year that Oklahoma State Missions has ever had regarding the number of works being supported (4), and the total income for one year. Your positive response both verbally and financially are appreciated.

Last year, Southeast Association gave \$8,000 toward the purchase of property at Hugo. This year, congregations, associations, and

individuals paid off the remaining \$12,000.

Support continues to come for Missionary salaries, Elk City land and building fund, and other needed projects that we have asked you to help with.

Northeast Association has faithfully supported Ken Stephens in Vinita, and Union Association has liberally helped fund both Elk City and Woodward. Many individuals and churches have contributed toward Woodward's building payments.

Mission board members have been active in promoting, advising, and helping fund our work. They have been very involved and productive in C.E.P. this year.

Thank you all who supported the cooperative program and gave designated gifts to State Missions. Without you, we would have no State Church Establishment Program.

Berton Perry, Missions Director

August 28, 1989

To the Executive Board

THE STATE ASSOCIATION OF FREE WILL BAPTISTS

We have audited the balance sheets of the Oklahoma Free Will Baptist Church Establishment Program as of June 30, 1989, and the related statements of revenues and expenditures, fund balances for the years then ended. These financial statements are the responsibility of the Program's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

As described in Note 1, the Program's policy is to prepare its financial statements on the basis of cash receipts and disbursements; consequently, certain revenue and related assets are recognized when received rather than when earned, and certain expenses are recognized when paid rather than when the obligations are incurred. Accordingly, the accompanying financial statements are not intended to present the financial position and results of operations in conformity with generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets and liabilities arising from cash transactions of the Oklahoma Free Will Baptist Church Establishment Program as of June 30, 1989, and the related statements of revenues and expenditures for the year then ended.

OKLAHOMA FREE WILL BAPTIST CHURCH ESTABLISHMENT PROGRAM JUNE 30, 1989

ASSETS

1000

TIDDENIT ACCETS

CURRENT ASSETS	1707
Cash	13,437
Endowment trust (Note 2)	1,000
Loan (Note 3)	7,000
Land, Buildings & Equipment (Note 1)	-0-
TOTAL ASSETS\$	21,437
LIABILITIES AND FUND BALANCE	
LIABILITIES AND FUND BALANCE	
	-0-
Liabilities\$	-0-

TOTAL LIABILITIES AND FUND BALANCE \$ 21.437

OKLAHOMA FREE WILL BAPTIST CHURCH ESTABLISHMENT PROGRAM STATEMENTS OF REVENUES, EXPENDITURES, AND FUND BALANCES FOR THE YEARS ENDED JUNE 30, 1989

REVENUES		254	1989
Restricted Donations:			
Mission Churches:			
Elk City\$	13,220	•	
Sand Springs	3,600	5. 6.	
Vinita	11,872		
Hugo	30,335		
Woodward	28,882	-4.	
Total Mission			
Church Donations		\$	87,909
Other Restricted Donations		•	25,049
Total Restricted Donations			112,958
Cooperative Revenue			47,897
Interest Income			1,285
TOTAL REVENUES			162,140
EXPENDITURES			,.
Salaries and benefits			113,045
Travel and promotion			13,366
Mission Church Expenses:			10,000
Elk City	-0-		
Vinita	1,666		
	1,183		
Sand Springs	12,773		
Woodward	19,043		
Total Mission	23,010		*:
Church Expenditure			34,665
Telephone			2,290
Office supplies and postage			1,627
Other			8,235
TOTAL EXPENDITURES			173,228
EXCESS OF EXPENSES			,
OVER REVENUES			(11.000)
FUND BALANCE, beginning			(11,088)
FUND DALANCE anding		æ	32,525
FUND BALANCE, ending		\$	21,437

OKLAHOMA FREE WILL BAPTIST CHURCH ESTABLISHMENT PROGRAM NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1989

NOTE 1-SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Oklahoma Free Will Baptist Church Establishment Program was created to assist in the establishment of Free Will Baptist churches in the State of Oklahoma.

The Program uses the cash basis of accounting for recognizing revenues and expenses.

The Program owns no significant fixed assets. Therefore, no depreciation is necessary.

Salaries and benefits expenses of Mission Church ministers are included in salaries and benefits.

The Program is exempt from federal and state income taxation under Section 501 (c) (3) of the Internal Revenue Code.

NOTE 2—ENDOWMENT TRUST

Funds of \$1,000 are on deposit with the National Free Will Baptist Association as of permanent endowment trust for future use of the Program.

NOTE 3-LOAN

At June 30, 1989, the Program had a loan outstanding to a former Mission Church. The loan earns no interest and has no fixed maturity date.

NOTE 4—DESIGNATED CONTRIBUTIONS PAYABLE

Travel and Promotion expenses included \$3,583 in expenses incurred by the Program on behalf of the National Free Will Baptist Home Missions Department to promote Mexican Missions. This amount has been reimbursed to the Program in July 1989.

C.E.P. BUDGET JULY 1, 1990 to JUNE 30, 1991

TOTAL INCOME	\$320,000
COOP	48,000
Designated	122,000
Loans	150,000
TOTAL DISBURSEMENTS	\$320,000
Salaries and Benefits	125,000
Travel and Promotion	25,000
Office, phone, postage	5,000
Expense for mission churches	15,000
Loans	150,000

CHRISTIAN EDUCATION BOARD REPORT

This past year has been a very profitable one for the Christian Education Board. We have seen many of our regular programs continue to be successful, while at the same time we have been diligently planning for some exciting possibilities for the future. As we enter into this next decade, we hope to be offering even more to the total Christian Education and Youth Ministry aspects of Free Will Baptists in Oklahoma

Our State Youth Conference took place at Hillsdale Free Will Baptist College in November of 1988. This was the first year to have the conference at this location. We feel that the college facilities will serve our needs well as we continue to see this conference grow each year. We are happy to report that there were approximately 430 people in attendance.

We were pleased to be able to work cooperatively with Hillsdale in sponsoring the annual Bible Conference again this past February.

Our state competitive activities took place in May at the Campus of Oklahoma State University in Stillwater. This is an activity that hundreds of our young people look forward to each year as they participate in Bible competition and the Music and Arts Festival. We were pleased to send a good number of entries to represent us at the National competition in Tampa, Florida.

Once again this year, we enjoyed providing three different weeks of state camp. These were held in June and July at the First Mission campgrounds. We were thrilled to see many of our young people come forward to accept Christ as their Savior and commit their lives to Him. In the summer of 1990 we have decided to offer two weeks of youth camp instead of three. We feel that our camp programming will be able to be more effective in this type of format.

By the time this report is given we will have already conducted our State Christian Education Convention at the Lawnwood Free Will Baptist Church in Tulsa. The keynote speaker was Bro. Carl Cheshier. This convention serves as one of the most effective tools in promoting a quality Christian Education program within the local church.

In August of this year, the board decided to transfer ownership of our Video Lending Library to our state bookstore. We feel that this will make the video selections more accessible to our churches and allow the library to expand and continue to be current. We encourage all of our churches to get a catalog listing and contact the bookstore (a WATTS line is now available) to see how these might be used as a ministry tool.

As the board looks into plans for the 1990's we are praying that God will continue to bless our efforts as we try to serve Oklahoma churches in the area of Christian Education.

Yours in Christ,

Terry Van Winkle, Vice-Chairman

Oklahoma Free Will Baptist Christian Education Board of Directors

We have examined the statements of cash receipts, disbursements and fund balance of Oklahoma Free Will Baptist Christian Education Board for the year ended June 30, 1989. Our examinations were made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

As described in Note 1 the statements of cash receipts and disbursements are summaries of the cash activity of the Organization and do not present certain transactions that would be included in financial statements of the Organization presented on the accrual basis of accounting, as contemplated by generally accepted accounting principles. Accordingly, the accompanying statements are not intended to present financial position or results of operations in conformity with generally accepted accounting principles.

In our opinion, the accompanying statements present fairly the cash receipts and disbursements of Oklahoma Free Will Baptist Christian Education Board for the year ended June 30, 1989.

Fentem, Quinten & Thomas, Inc.

August 9, 1989

OKLAHOMA FREE WILL BAPTIST CHRISTIAN EDUCATION BOARD STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND FUND BALANCE FOR YEAR ENDING JUNE 30, 1989

RECEIPTS		
Cooperative Giving	19,158.65	
Designated Giving		
Competitive Activities	2,855.00	
Youth Camp 1988	4,774.99	
Youth Camp 1989	6,893.74	
Youth Conference		
Resource Material Rentals	453,59	
Checking Interest		
Total Cash Receipts		52
DISBURSEMENTS:		
Meeting & Mileage	1,494.82	
Competition Expense	4,377.23	
Youth Camp 1988		
Youth Camp 1989	12,588.35	

Telephone & Office Supplies	626.58
Youth Conference	2,949.34
Promotion	4,664.34
Capital Expenditures (Note 2)	171.40
Seminar Expenses	2,422.32
Checkprint Charge	
Total Cash Disbursements	
Net Change in Fund Balance	
Fund Balance July 1, 1988	3,601.12
Fund Balance June 30, 1989	
See accompanying notes to financial	statements

OKLAHOMA FREE WILL BAPTIST CHRISTIAN EDUCATION BOARD NOTES TO FINANCIAL STATEMENTS

NOTE 1

Summary of Significant Policies

The Organization policy is to prepare its financial statements on a cash basis. Under this basis, revenues are recognized when received rather than when earned, and expenditures are generally recognized when paid rather than when incurred. Consequently in the case of this organization expenditures are normally paid in the month following when they were incurred. This, however, does not materially effect the financial statement.

NOTE 2

Capital Expenditures

Since the organization has chosen to report on the cash basis all capital expenditures for equipment are expensed and not capitalized. Therefore, the fund balance is reduced by the full cost of the expenditure even though the equipment may have a residual value.

PROPOSED BUDGET FOR 1990-91

RECEIPTS	
Cooperative Giving	
Designated Giving	
Competitive Activities	
'90 Youth Camp 6,000	
'91 Youth Camps (2) 14,000	
Youth Conference 3,000	
Convention/Seminars	
Checking Interest	
Total Receipts \$40	5,700

DIG	CRI	IDCEN	MENTS	
DI	שמכ	IKSEL	ハロコノコ	١

Meeting & Mileage	\$ 3,000	
Competitive Activities	6,000	
'90 Youth Camp	7,000	
'91 Youth Camps (2)		
Telephone/Office Supplies	800	
Youth Conference	3,400	
Promotion	2,000	
Secretary	6,000	
Convention/Seminars	3,000	
Capital Expenditure	500	
Total Disbursements		\$46,700

HILLSDALE PRESIDENT'S REPORT

To the State Association of Oklahoma Free Will Baptists,

This is a year of celebration for Hillsdale Free Will Baptist College as we observe our thirtieth anniversary. The theme "Founded in the Faith—Focused on the Future" was chosen to express the current outlook on campus. This celebration belongs to Free Will Baptists in Oklahoma and in many other states. Your vision, commitment, and sacrifices have been rewarded as young men and women have come to our campus for their education and spiritual training.

The academic year 1988-1989 was a year of change for Hillsdale Free Will Baptist College. Mr. Edwin Wade retired after serving as President since 1982. The Board of Trustees selected me as the successor and I took office on January 1, 1989. I am indebted to the Board of Trustees, Mr. Wade, the administration, faculty, and staff of Hillsdale, and our constituency for the gracious reception and encouragement that has been extended to me.

Key personnel changes have been made which should strengthen the college. Dr. Thomas Marberry was re-assigned to fill a vacancy on the Biblical Studies faculty. Mr. Timothy Eaton was chosen to become the Vice President of Academic Affairs. Mr. Jack Richey has been hired to serve as Pastoral Internship Director, Christian Service Director, and coordinator of the Ministerial Fellowship. Mr. Richard McDonald has been named to the music faculty. These men are well-qualified by virtue of their training, experience, and longstanding affiliation with Free Will Baptists.

We are grateful for the support you have provided in giving, student recruiting, and prayer. We appreciate your good will and confidence. Our commitment is to respond to your support by providing a training ground for all Free Will Baptists.

Respectfully submitted, Jim Shepherd, President August 31, 1989
To the Board of Directors
Hillsdale Free Will Baptist College

We have examined the balance sheet of Hillsdale Free Will Baptist College as of June 30, 1989 and 1988 and the related statements of changes in fund balances and current funds, revenues, expenditures and other changes for the years then ended. Our examination was made in accordance with generally accepted auditing standards, and the standards for financial and compliance audits contained in the U.S. General Accounting Office Standards for Audit of Governmental Organizations, Programs, Activities, and Functions, and accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the financial statements referred to above present fairly the financial position of Hillsdale Free Will Baptist College as of June 30, 1989 and 1988, the changes in its fund balances and its current funds, revenues, expenditures and other changes for the years then ended, in conformity with generally accepted accounting principles applied on a consistent basis.

Our examination was made for the purpose of forming an opinion on the financial statements taken as a whole. The information included in the supplementary schedule of expenditures for each Student Financial Aid program for the years ended June 30, 1989 and 1988, is presented for purpose of additional analysis and is not a required part of the financial statements. The information has been subjected to the auditing procedures applied in the examinations of the financial statements of Hillsdale Free Will Baptist College, and in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

HILLSDALE FREE WILL BAPTIST COLLEGE BALANCE SHEETS JUNE 30, 1989 AND 1988

ASSETS

	1989	1988
CURRENT FUND		
Unrestricted		
Cash\$	6,379	\$ 5,918
Student accounts and notes		
receivable	18,045	18,125
Bookstore inventory	6,293	5,457
Office supplies	1,033	1,371
Investments (Note 2)	7,040	23,927
Total Unrestricted\$	38,790	\$ 54,798

Restricted			
Cash\$	882	\$	8,661
Investments (Note 2)	94,758	•	93,929
Total Restricted\$	95,640	\$	102,590
Total Current Funds\$	134,430	\$	157,388
LOAN FUND (Note 3)	•	•	,
Cash\$	34,923	\$	37,881
Notes receivable	. 288,277	Ψ	284,242
Total Loan Fund\$	323,200	\$	322,123
ENDOWMENT FUND	323,200	Ψ	322,123
Cash\$	176	\$	736
Investments	183,672	Ψ	182,672
Total Endowment Fund\$	183,848	\$	183,408
rotal Endowment Land	100,040	Ψ	100,400
LIABILITIES AND FUNI	RAI ANCE		
EIABIETTIES AND TOTAL	1989		1988
CURRENT FUND	1907		1700
Unrestricted	£		
Accrued liabilities\$	3,568	\$	10,260
Notes Payable	28,050	Ψ	-0-
Due to unexpended plant fund .	2,163		2,163
Fund balance	5,009		42,375
Total Unrestricted \$	38,790	\$	54,798
Restricted	30,790	Ψ	34,790
Scholarship funds\$	82,165	\$	80,646
Restricted gifts	13,475	Ψ	21,944
Total Restricted\$	95,640	æ	
Total Current Funds\$	134,430	\$ \$	102,590 157,388
LOAN FUND (Note 3)	134,430	Φ	137,300
Fund balance	323,200		200 102
Total Loan Fund\$		æ	322,123
ENDOWMENT FUND (Note 4)	323,200	\$	322,123
Fund balance\$	183,848	\$	183,408
Total Endowment Fund\$	183,848	Ф \$	183,408
Total Endowment Tund	100,040	Ψ	100,400
ASSETS			4
PLANT FUNDS	1989		1988
Unexpended plant fund	1,0,		1,00
Cash\$	9	\$	174
Receivable from current fund	2,163	•	2,163
S	2,172	\$	2,337
Investment in plant (Note 1)	2,272	Ψ	2,007
Land\$	55,000	\$	55,000
Buildings	1,790,759	Ψ	1,790,759
Land improvements	155,159		155,159
Paria unbrosementa	100,107		100,109

Equipment Library books Construction in Progress \$	350,572 51,103 18,648 2,421,241	\$	339,723 45,808 11,300 2,397,749
Total Plant Funds\$	2,423,413		2,400,086
LIABILITIES AND FUND	BALANCE		
PLANT FUNDS	1989		1988
Unexpended plant fund			
Fund balance\$	2,172	\$	2,337
Investment in plant			
Notes payable (Note 5)\$	68,451	\$	61,281
Net investment in plant	2,354,962		2,336,468
\$	2,423,413		2,397,749
Total Plant Funds\$	2,423,413	\$	2,400,086
HILLSDALE FREE WILL BA STATEMENTS OF REVENUES, EXPE			NSFERS
FOR THE YEARS ENDED JUN			
	1989		1988
REVENUES	1,0,		1700
Educational and General—			
Student tuition and fees\$	229,819	\$	219,412
State Association of Free Will	•		
Baptist's allocation	89,407		83,115
Restricted & unrestricted gifts	196,323		204,191
Organized activities relating			
to education departments	18,329		21,398
Rental of facilities	26,924		26,661
Interest and other	65,201		28,865
Total Educational and		•	500 440
General\$	626,003	\$	583,642
Student Aid\$	29,990	\$	29,375
Auxiliary Enterprises—	66.000	•	40.010
Residence Halls\$	66,379	\$	49,210
Food services	93,053		66,369
Student union	1,277		877
Bookstore revenues	18,407	œ	18,061
Total Auxiliary Enterprises .\$	179,116	\$ \$	134,517
Total Revenues\$	835,109	Ф	747,534
EXPENDITURES		_	
Instruction\$	114,207	\$	109,609
Library	18,379		17,347

52 595		54,836
. 02,000		54,050
9,436		9,190
•		111,743
•		122,217
		78,454
26,173		20,414
5,079		4,313
-	•	,
614,273	\$	528,123
74,910	\$	56,976
		•
47,295	\$	44,346
83,335		61,690
23,647		21,269
13,936		12,120
168,213	\$	139,425
857,396	\$	724,524
	•	•
(22,287)	\$	23,010
-	\$	-
(15,079)		(22,498)
(15,079)	\$	(22,498)
*		
	5,079 614,273 74,910 47,295 83,335 23,647 13,936 168,213 857,396 (22,287)	9,436 137,968 147,674 102,762 26,173 5,079 614,273 74,910 \$ 47,295 83,335 23,647 13,936 168,213 857,396 \$ (22,287) \$ (15,079)

HILLSDALE FREE WILL BAPTIST COLLEGE NOTES TO FINANCIAL STATEMENTS JUNE 30, 1989 AND 1988

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General—The significant accounting policies followed by the Hillsdale Free Will Baptist College are described below to enhance the usefulness of the financial statements to the reader.

Accrual Basis—The financial statements of the Hillsdale Free Will Baptist College have been prepared on the accrual basis of accounting except for depreciation. Depreciation is not taken on depreciable assets comprising the physical plant in conformity with the reporting objectives of accounting for resources received and

used rather than the determination of net income. The statement of current funds related to the current reporting period. It does not purport to present the results of operations or the net income or loss for the period as would a statement of income or a statement of revenues and expenses.

Fund Accounting—In order to ensure observance of limitations and restrictions placed on the use of the 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 transaction have been recorded and reported by fund group.

NOTE 2—INVESTMENTS

Investments exclusive of physical plant are recorded at cost; investments received by gift are carried at market value at the date of acquisition. As of June 30, 1989 and 1988, investments of the restricted and unrestricted funds were composed of the following:

Unrestricted Fund	1989	1988
Investor Diversified Services Funds	\$ 2,112	\$18,999
Other		4,928
	\$ 7,040	\$23,927
Restricted Fund		
Investor Diversified Services Funds	\$45,478	\$44,649
Certificates of Deposit	49,280	49,280
	\$94,758	\$93,929

NOTE 3-LOAN FUND

The loan fund reflects activity with respect to the National Direct Student Loan program which is funded primarily by the Department of Education. The College provides matching funds equal to one-ninth of the Federal funds received. This program, along with the College Work-Study, Pell Grant and Supplemental Educational Opportunity Grant program disbursements are reflected in the supplemental schedules and letters following these footnotes.

NOTE 4-ENDOWMENT FUND

During the fiscal year ended June 30, 1983, the governing board of the College determined that certain funds were to be retained and invested as an endowment. The board stipulated that the principal is

to remain invested and the interest income is to be placed in the current unrestricted fund. Gifts to the Endowment Fund totaled \$440 and \$10,575 for fiscal years ending June 30, 1989 and 1988, respectively.

NOTE 5-NOTES PAYABLE

As of June 30, 1989 and 1988 the College had the following long-term notes payable in the Plant Fund and Current Fund:

	1989	1988
8.5% mortgage payable to bank, due in monthly installments of \$483 through December, 1999, collateralized by real estate.	\$40,178	\$42,455
10.5% note payable to bank, interest due monthly, principal due in full 8-21-88, unsecured	-0-	9,068
10.5% note payable to bank, interest due monthly, principal due in full 1-26-89, unsecured	-0-	9,068
15% note payable to ITT Business Communications Corporation due in monthly installments of \$352 through August, 1988 collateralized by telephone equipment	-0-	690
10.5% note payable to bank, interest due monthly, principal due in full 1-26-90, collateralized by certificates of deposit; Classified as Current Fund \$28,050 and Plant Fund \$28,273	56,323 \$96,501	-0- \$61,281
	Ψ20,001	Ψ01,201

The following is a summary of the principal due in the next five years and thereafter:

For the Year Ended	
June 30,	Amount
1990	\$58,801
1991	2,697
1992	2,935
1993	3,194
1994	25,397
Thereafter	25,397
	\$96,501

HILLSDALE FREE WILL BAPTIST COLLEGE STATEMENT OF CHANGES IN FUND BALANCE FOR THE YEAR ENDED JUNE 30, 1989 Plant Fund

	Ċ	7 to 10		Loan	Щ	Endowment	5	Unexpended	Ę.	Investment	
REVENUES AND OTHER ADDITIONS	ן כ	rent rund	Ì	Fund		Fund			-	in Plant	i
Unrestricted current fund revenues	\$ >	573,597	₩	¢	69	¢	€9	¢	€9	¢	
Private gifts-restricted		7,721		þ		440		6,057		¢	
Private gifts-unrestricted		188,590		¢		¢		¢		¢	
Interest income and other		65,201		1,906		¢		4,288		¢	
Expended for plant facilities		ڼ		¢		¢		¢		23,492	
Retirement of indebtedness		ڼ		ڼ		¢		¢		5,805	
Interest on loans receivable		ٻ		6,873		¢		¢	₩		
Total Revenues and Other Additions	₩	835,109	67)	8,779	↔	440	↔	10,345	₩	29,297	
EXPENDITURES AND OTHER DEDUCTIONS											
Educations and general expenditures	69	614,273	49	¢	₩	¢	69	(832)	₩	(12,975)	_
Auxiliary enterprises expenditures		168,213		¢		¢		¢		Ġ	
Student aid expenditures		74,910		¢		¢		¢		¢	
Disposition of Assets		¢		ငှ		ڼ		(8,436)		¢	
Office Expense		¢		5,308		٠ م		¢		¢	
Administrative cost		¢		2,394		¢		¢		¢	
Total Expenditures and Other Deductions.	49	857,396	₩	7,702	69	Ġ	↔	(9,268)	69	12,975)	
TRANSFERS AMONG FUNDS											
Total transfers from current fund-unrestricted	↔	(15,079)	ઝ	0	€9	¢	↔	ģ	€>	¢	
Transfer from plant fund-unexpended to											
plant fund-investment		¢		þ		o ·		(1,242)		ٺ	
Transfer from plant fund-debt retirement											
to plant fund-unexpended		¢		¢		¢		¢		¢	
Total Transfers	↔	(15,079)	₩	o O	↔	¢	€>	(1,242)	₩	¢	
NET INCREASE (DECREASE) FOR THE YEAR	69	(37,366)	₩	1.077	69	440	69	(165)	49	16.322	
FUND BALANCE, JUNE 30, 1988		42,375		322,123		183,408		2,337		2,336,468	
FUND BALANCE, JUNE 30, 1989	↔	5,009	₩	323,200	6 >	183,848	↔	2,172	8	\$ 2,352,790	
The accompanying notes are an integral part of these financial statements.	ese (inancial stat	teme	nts.							

HILLSDALE FREE WILL BAPTIST COLLEGE SCHEDULE OF EXPENDITURES FOR EACH STUDENT FINANCIAL ASSISTANCE PROGRAM FOR THE YEARS JUNE 30, 1989 AND 1988

FOR THE TEAMS JOINE 30,	חווח נסנו	1700	
	1989	, I	Exhibit A 1988
Perkins Loan Program			7,00
Student Loans Advanced\$	41,905	\$	36,485
Administrative Cost Allowance	2,394	Ψ	
			2,268
Collection/Litigation Costs	35	•	3,200
\$	44,334	\$	41,953
College Work-Study Program			
Student Wages\$	32,162	\$	31,498
Administrative Cost Allowance	1,296	,	1,420
Job Location and Development	-0-		-0-
Transfer to SEOG	-0-		-0-
Carry Forward	-0-		-0-
S	33,458	\$	32,918
Ψ	33,436	Φ	32,910
Supplemental Educational			
Opportunity Grant Program			•
Student Grants\$	4,950	. \$	5,786
Transfer to CWSP	577	•	-0-
Administrative Cost Allowance	248		-0-
. \$	5,775	\$	5,786
· · · · · · · · · · · · · · · · · · ·	3,773	Ψ	3,760
Pell Grant Program			
Student Grants\$	103,486	\$	
Pell Grant Programs			
Student Grants\$	103,486	\$	76,180
Administrative Cost Allowance	-0-	Ψ	70,100 0-
Administrative Cost Allowance	103,486	\$	
Ψ	105,460	Ψ	76,180
HILLSDALE EDEE MILL BAD	י זכר כסי	FGF	

HILLSDALE FREE WILL BAPTIST COLLEGE CURRENT FUND OPERATING STATEMENT

	Proposed	rojected
REVENUES	Budget 89-90	Budget 90-91
Student Tuition & Fees\$	267,150	\$ 288,522
Gifts-Unrestricted	229,714	248,019
Restricted	0	0
Scholarships	40,000	43,200
Oklahoma Coop	86,800	93,744
Sales & Service	30,900	33,372
Organized Activities	1,600	1,728

Other	47,000	4.1	50,832
Residence Halls	67,800		73,224
Food Services	94,350		101,898
Student Union	1,100		
Student Aid	28,705	1	1,188 31,001
TOTAL REVENUES\$	895,119		966,729
TOTAL REVENUES	070,117	Ψ	900,729
EXPENDITURES		1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	
Salaries & Benefits\$	433,773	\$	468,475
Travel	24,050	Ψ :	25,974
Equipment	11,030		11,912
Postage	13,460		14,537
	17,750		19,170
Supplies	•		
Board of Trustees	2,500		2,700
Ex. Studies Textbooks	2,500	· 1.	2,700
Ex. Course Development	600		648
Publications	14,600		15,768
Repairs	13,300		14,364
Music Department	3,490		3,769
Conference, Etc	2,500		2,700
Commencement	1,200		1,296
Utilities	67,500		72,900
Telephone	7,500		8,100
Restricted	0		0
Promotional Groups	10,300		11,124
Advertising & Promotion	11,500		12,420
HARVESTER	8,500		9,180
Book Purchases	19,300		20,844
Periodicals	4,000		4,320
Insurance	15,179		16,393
Intramurals/Officials	4,250		4,590
	83,116		89,765
Food Purchases	05,110		09,700
Ven. Purch./Stu. Union	_		•
Student Aid	83,824		90,530
Miscellaneous	15,500	•	16,740
TOTAL EXPENDITURES\$	871,222	\$	940,920
TRANSFERS			
Plant Fund, Investment\$	7,897	\$	8,529
Future Projects	6,000	•	6,480
Reserve (Cushion)	10,000		10,800
TOTAL TRANSFERS\$	23,897	\$	25,809
TOTAL EXPENDITURES/	,_,	*	,,
TRANSFER\$	895,119	\$	966,729
SURPLUS (DEFICIT)	\$0	*	\$0
COM LOO (DEMON)	Ψυ		ΨΟ

OKLAHOMA HISTORICAL COMMISSION OF FREE WILL BAPTISTS

The Historical Commission has met several times this year to determine direction, plans and do some publishing and promotion. We met with President Wade when we learned of the offer from Dr. Alton Loveless to sell to Hillsdale a number of historical items he had collected along with other books to the college library. The collection was obtained from Brother Loveless and we also wish to thank the First Oklahoma District Association for a gift of \$1,000 to pay for it. The generous gift from this association, voted by the pastors and delegates, Brother Joe Blair, Moderator and Garry Richey, treasurer, was deeply appreciated.

Our receipts for the past year through the State Office were \$120.91 and our expenditures were \$140.96.

Our budget includes items we are purchasing now and expenses for the 1990-91 budget year.

ivileage and travel to associational meetings 150.00	
Printing and postage 150.00	
Fireproof file cabinet (already purchased) 888.00	
Book purchases, materials and supplies 312.00	
ΤΟΤΔΙ	\$1.500.00

Thank you for your help and cooperation. We hope to raise some of this money but we do not want to be competing with others for funds

Oklahoma Historical Commission Dan L. Farmer, Chairman Dr. Tom Marberry, Clerk Rev. DeArthur Yandell, Member

