

FIRST BAPTIST CHURCH OF MCKINNEY

Financial Statements, Supplemental
Schedule and Other Financial Information

December 31, 2009

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We have audited the accompanying statement of financial position of First Baptist Church of McKinney as of December 31, 2009, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of First Baptist Church of McKinney 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 First Baptist Church of McKinney as of December 31, 2009, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying supplemental schedule is presented for purposes of additional analysis and is not a required part of the basic financial statements of First Baptist Church of McKinney. The supplemental schedule has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

/s/ Pingleton, Howard & Company, P.C.

June 1, 2010

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FINANCIAL STATEMENTS

FIRST BAPTIST CHURCH OF MCKINNEY
Statement of Financial Position
December 31, 2009

ASSETS:

Cash and cash equivalents	\$ 1,396,712
Investments	548,889
Other receivable	19,918
Deposits	79,638
Capital assets, net of accumulated depreciation	<u>18,802,085</u>
 Total assets	 <u>\$ 20,847,242</u>

LIABILITIES & NET ASSETS:

Liabilities:

Accounts payable	\$ 16,523
Current portion of long-term debt	173,455
Long-term debt	<u>6,923,270</u>
Total liabilities	<u>7,113,248</u>

Net assets:

Unrestricted, undesignated	12,383,187
Unrestricted, designated for maintenance	<u>289,808</u>
Total unrestricted	12,672,995
Temporarily restricted	616,250
Permanently restricted	<u>444,749</u>
Total net assets	<u>13,733,994</u>

Total liabilities & net assets	<u>\$ 20,847,242</u>
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The notes to the financial statements are an integral part of this statement.

FIRST BAPTIST CHURCH OF MCKINNEY

Statement of Activities

December 31, 2009

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Revenue, gains and other support:				
Gifts and offerings	\$ 6,223,300	1,068,565		7,291,865
Fee income		710,791		710,791
Interest & dividend income	12,231	13,883	5,327	31,441
Realized gain/(loss) on investments				
Unrealized gain/(loss) on investments	19,563	(7,924)	(3,336)	8,303
Net assets released from restrictions	<u>1,856,551</u>	<u>(1,856,551)</u>		
Total revenue, gains and other support	<u>8,111,645</u>	<u>(71,236)</u>	<u>1,991</u>	<u>8,042,400</u>
Expenses:				
Program expenses:				
Missions	1,487,270			1,487,270
Pulpit ministry	10,840			10,840
Senior adult ministry	36,653			36,653
Family life ministry	10,364			10,364
Young adult ministry	3,552			3,552
Discipleship ministry	30,326			30,326
Married adult ministry	6,235			6,235
Single adult ministry	3,869			3,869
University ministry	1,924			1,924
Youth ministry	167,388			167,388
Childhood ED ministry	88,287			88,287
Early childhood ministry	48,259			48,259
Worship & arts ministry	274,650			274,650
Recreation ministry	45,666			45,666
Deacon ministry	1,822			1,822
Media center	4,220			4,220
Executive ministry	17,550			17,550
Communication ministry	194,620			194,620
Administrative ministry	<u>61,345</u>			<u>61,345</u>
Total program services	<u>2,494,840</u>			<u>2,494,840</u>
Supporting services:				
Operations	1,990,973			1,990,973
Administration	<u>3,938,156</u>			<u>3,938,156</u>
Total supporting services	<u>5,929,129</u>			<u>5,929,129</u>
Total expenses	<u>8,423,969</u>			<u>8,423,969</u>
Changes in net assets	(312,324)	(71,236)	1,991	(381,569)
Net assets, December 31, 2008 (as restated)	<u>12,985,319</u>	<u>687,486</u>	<u>442,758</u>	<u>14,115,563</u>
Net assets, December 31, 2009	\$ <u>12,672,995</u>	<u>616,250</u>	<u>444,749</u>	<u>13,733,994</u>

The notes to the financial statements are an integral part of this statement.

FIRST BAPTIST CHURCH OF MCKINNEY

Statement of Cash Flows
Year Ended December 31, 2009

Cash flows from operating activities:	
Gifts, offerings and fee income	\$ 7,982,738
Interest and dividends	31,441
Cash paid to suppliers	(3,870,813)
Cash paid to employees	(3,938,056)
Net cash provided by operating activities	<u>205,310</u>
Cash flows from investing activities:	
Land, building and equipment purchase	(9,214)
Investment purchases	(3,819)
Sale of investments	<u>500</u>
Net cash provided (used) by investing activities	<u>(12,533)</u>
Cash flows from financing activities:	
Repayments of debt	<u>(253,046)</u>
Net cash provided (used) by financing activities	<u>(253,046)</u>
Increase (decrease) in cash and cash equivalents	(60,269)
Cash and cash equivalents, beginning of year	<u>1,456,981</u>
Cash and cash equivalents, end of year	<u>\$ 1,396,712</u>

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FIRST BAPTIST CHURCH OF MCKINNEY
Statement of Cash Flows
Year Ended December 31, 2009
-continued-

Change in net assets	\$ (381,569)
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	716,932
Decrease in salary advances	100
Increase in other receivables	(19,918)
Increase in deposits	(72,088)
Decrease in accounts payable	(29,845)
Unrealized (gains)/losses on investments	<u>(8,302)</u>
Net cash provided by operating activities	\$ <u>205,310</u>

The notes to the financial statements are an integral part of this statement.

FIRST BAPTIST CHURCH OF MCKINNEY

Notes to Financial Statements

December 31, 2009

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the First Baptist Church of McKinney (Church) conform to accounting principles generally accepted in the United States of America. The following is a summary of the significant policies.

A. Basis of Accounting

The financial statements of the Church have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

B. 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 Church 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.

C. Use of Estimates

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

D. Cash and Cash Equivalents

Cash and cash equivalents include all monies in banks and highly liquid investments 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.

E. Investments

The Church follows SFAS No. 124, "Accounting for Certain Investments Held by Not-for-Profit Organizations." Under SFAS No. 124, investments in marketable securities with readily determinable fair values and all investments in debt securities are valued at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets.

F. Property and Equipment

Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method. Property and equipment with an original cost of at least \$5,000 are capitalized.

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FIRST BAPTIST CHURCH OF MCKINNEY

Notes to Financial Statements

December 31, 2009

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(1) **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

G. Revenue Recognition

Contributions received are recorded as increases in unrestricted, temporarily restricted, or permanently restricted net assets, depending on the existence and/or nature of any donor restrictions.

All donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

H. Income Taxes

The Church is exempt from income taxes under Internal Revenue Code Section 501(c)(3).

(2) **FINANCIAL INSTRUMENTS**

The Church maintains its cash and certificate of deposit balances in three banks. The balances in the banks are insured by the Federal Deposit Insurance Corporation up to \$250,000 per bank. At December 31, 2009, the Church had uninsured cash balances of \$956,331 in the banks.

(3) **INVESTMENTS**

Investments are stated at fair value and are summarized as follows as of December 31, 2009:

	<u>Cost</u>	<u>Fair Value</u>
Certificates of Deposit	\$ 197,187	197,187
U.S. Treasury Securities	95,000	134,496
Mutual Funds	109,221	102,902
Partnership interest in land	<u>114,304</u>	<u>114,304</u>
Total	<u>\$ 515,712</u>	<u>548,889</u>

(4) **CAPITAL ASSETS**

Capital assets are recorded at cost or, if obtained through donation, the fair market value on the date received.

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FIRST BAPTIST CHURCH OF MCKINNEY

Notes to Financial Statements

December 31, 2009

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(4) **CAPITAL ASSETS** (continued)

The following summarizes the changes in capital assets for the year ended December 31, 2009:

	Balance December <u>31, 2008</u>	<u>Additions</u>	<u>Deletions</u>	Balance December <u>31, 2009</u>
Vehicles	\$ 70,100			70,100
Church equipment	1,502,812	9,214		1,512,026
Buildings & improvements	23,990,746			23,990,746
Land	<u>783,453</u>			<u>783,453</u>
Total	26,347,111	9,214		26,356,325
Less: accumulated depreciation	<u>(6,837,308)</u>	<u>(716,932)</u>		<u>(7,554,240)</u>
Capital assets	\$ <u>19,509,803</u>	<u>(707,718)</u>		<u>18,802,085</u>

Depreciation is calculated on the straight-line basis with the following estimated useful lives:

Equipment and vehicles	5 - 10 years
Buildings and organ	20 - 40 years

(5) **LONG-TERM DEBT**

Changes in the Church's long-term debt for the fiscal year ended December 31, 2009 were as follows:

<u>Description</u>	Balance Outstanding at <u>12/31/08</u>	<u>Additions</u>	<u>Deletions</u>	Balance Outstanding at <u>12/31/09</u>
Note Payable - Children's Bldg.	\$ 4,204,580		(130,825)	4,073,755
Note payable - Children's Bldg.	2,986,969		(53,000)	2,933,969
Note payable - Phone System	7,440		(7,440)	
Note payable - Sound System	75,782		(41,781)	34,001
Note payable - Missionary House	<u>75,000</u>		<u>(20,000)</u>	<u>55,000</u>
	\$ <u>7,349,771</u>		<u>(253,046)</u>	<u>7,096,725</u>

A. Note Payable - Children's Building

This note bears interest at 5.75% through April 4, 2010, and will be adjusted every three years thereafter. The rate will not be less than 5.75% or greater than 9.00%. Monthly payments are \$30,837. The note matures May 4, 2027. Total interest paid in 2009 was \$239,220.

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FIRST BAPTIST CHURCH OF MCKINNEY

Notes to Financial Statements

December 31, 2009

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(5) **LONG-TERM DEBT** (continued)

A. Note Payable - Children's Building (continued)

The estimated annual requirements to amortize the debt are as follows:

Year <u>Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ 139,454	230,591	370,045
2011	147,687	222,358	370,045
2012	155,788	214,257	370,045
2013	165,604	204,441	370,045
2014	175,381	194,664	370,045
Thereafter	<u>3,289,841</u>	<u>1,329,185</u>	<u>4,619,026</u>
Total	<u>\$ 4,073,755</u>	<u>2,395,496</u>	<u>6,469,251</u>

B. Note Payable - Children's Building

On August 8, 2006, the Church entered into a multiple advance loan with Independent Bank for the purpose of building an addition to the children's building. Interest at prime minus 1% (currently 6%), with a minimum of 6% and a maximum of 9%, is payable monthly through March 12, 2010. Beginning April 12, 2010, monthly payments of principal and interest will be made with a final payment due March 12, 2035. Total interest paid in 2009 was \$180,731.

The estimated annual requirements to amortize the debt are as follows:

Year <u>Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ 38,354	174,315	212,669
2011	54,730	172,240	226,970
2012	57,618	169,352	226,970
2013	61,659	165,311	226,970
2014	65,462	161,508	226,970
Thereafter	<u>2,656,146</u>	<u>1,939,993</u>	<u>4,596,139</u>
Total	<u>\$ 2,933,969</u>	<u>2,782,719</u>	<u>5,716,688</u>

C. Note Payable - Sound System

On September 29, 2006, the Church borrowed \$156,388 to finance a new sound system. Payments of \$3,833.67 including interest at 8.36% are due monthly through September, 2010. Interest paid in 2009 was \$4,223.

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FIRST BAPTIST CHURCH OF MCKINNEY

Notes to Financial Statements

December 31, 2009

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(5) **LONG-TERM DEBT** (continued)

C. Note Payable - Sound System (continued)

The annual requirements to amortize the debt are as follows:

<u>Year</u> <u>Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ <u>34,001</u>	<u>502</u>	<u>34,503</u>
Total	\$ <u>34,001</u>	<u>502</u>	<u>34,503</u>

D. Note Payable - Missionary House

On May 23, 2008, the Church borrowed \$75,000 to finance a missionary house. Interest at prime minus .50% (currently 5.25%), with a minimum of 5.25% and a maximum of 7.25%, is payable monthly through May 23, 2011. Beginning June 23, 2011, monthly payments of principal and interest will be made with a final payment due May 23, 2013. Total interest paid in 2009 was \$3,849.

The estimated annual requirements to amortize the debt are as follows:

<u>Year</u> <u>Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$	2,888	2,888
2011	15,446	2,685	18,131
2012	27,613	1,423	29,036
2013	<u>11,941</u>	<u>156</u>	<u>12,097</u>
Total	\$ <u>55,000</u>	<u>7,152</u>	<u>62,152</u>

(6) **TEMPORARILY RESTRICTED ASSETS**

The Church reports gifts of cash and other assets as temporarily restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

The Church reports gifts of land, buildings, and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long lived assets are reported as temporarily restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Church reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

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FIRST BAPTIST CHURCH OF MCKINNEY

Notes to Financial Statements

December 31, 2009

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(6) TEMPORARILY RESTRICTED ASSETS (continued)

Temporarily restricted net assets are available for the following purposes at December 31, 2009:

Adult ministry	\$ 14,269
Childhood education	74,291
Media center	5,936
Maintenance and operations	2,902
Building and equipment	(46,773)
Missions	398,777
Music ministry	16,478
Education and promotion	76,655
Recreation	13,319
Senior adult ministry	17,534
Youth ministry	<u>42,862</u>
Total	\$ <u>616,250</u>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors during 2009.

Purpose restrictions accomplished:	
Adult ministry	\$ 6,235
Childhood education	31,104
Media center	2,150
General administration	502,394
Building, equipment and debt retirement	157,432
Missions	970,441
Music ministry	3,707
Education and promotion	37,785
Recreation	37,753
Youth ministry	98,794
Senior adult ministry	<u>8,756</u>
Total	\$ <u>1,856,551</u>

(7) PERMANENTLY RESTRICTED NET ASSETS

These assets were given with donor imposed restrictions that stipulate the original gift must be permanently maintained but permits the Church to use part or all of derived income.

Permanently restricted net assets are restricted to investment in perpetuity, the income from which is expendable to support:

Music	\$ 131,002
Education	213,747
Maintenance and operations	<u>100,000</u>
Total	\$ <u>444,749</u>

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FIRST BAPTIST CHURCH OF MCKINNEY

Notes to Financial Statements

December 31, 2009

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(8) COMPENSATED ABSENCES

Vacation must be used by December 31 of each year and may not be carried forward. Sick leave is not paid upon termination. Therefore, no liability exists at December 31, 2009 for compensated absences.

(9) TEMPORARILY/PERMANENTLY RESTRICTED ENDOWMENT NET ASSETS

Changes in Endowment Net Assets for Year Ended December 31, 2009

	Temporarily <u>Restricted</u>	Permanently <u>Restricted</u>	<u>Total</u>
Endowment net assets, beginning of year	\$ <u>54,857</u>	<u>442,758</u>	<u>497,615</u>
Investment return:			
Investment income	13,862	5,327	19,189
Net realized and unrealized gains/(losses)	<u>(7,924)</u>	<u>(3,336)</u>	<u>(11,260)</u>
Total investment return	<u>5,938</u>	<u>1,991</u>	<u>7,929</u>
Contributions	<u>300</u>		<u>300</u>
Appropriation of endowment assets for expenditure	<u>(19,037)</u>		<u>(19,037)</u>
Endowment net assets, end of year	\$ <u>42,058</u>	<u>444,749</u>	<u>486,807</u>

During the year, the changes in unrestricted net assets included \$19,563 of unrealized gains on investments for donor-restricted endowment funds in which there was an excess with respect to the amount required to be retained in perpetuity.

(10) RESTATEMENT OF BEGINNING NET ASSETS

Unrestricted net assets at December 31, 2008 have been restated to reflect a 5.195% partnership interest in a partnership that owns 89.687 acres of land in Collin County, Texas.

	Unrestricted <u>Net Assets</u>
Balance at December 31, 2008 as previously reported	\$ 12,871,015
Restatement	<u>114,304</u>
Balance at December 31, 2009 as restated	\$ <u>12,985,319</u>

SUPPLEMENTAL SCHEDULE

FIRST BAPTIST CHURCH OF MCKINNEY
Schedule of Changes in Temporarily and Permanently Restricted Net Assets
December 31, 2009

<u>NET ASSETS</u>	REVENUE AND OTHER SUPPORT				
	Balance <u>12/31/08</u>	Gifts and <u>Offerings</u>	Fee <u>Income</u>	Investment Income <u>(Loss)</u>	Loan <u>Proceeds</u>
<u>Temporarily restricted:</u>					
Adult Ministry:					
Cancer ministry	\$ 3,191	3,022			
Counseling & enrichment	<u>22,871</u>	<u>225</u>	<u>65,474</u>		
Total adult ministry	<u>26,062</u>	<u>3,247</u>	<u>65,474</u>		
Children's Ministry:					
First learning	14,783		272,519		
First steps	(1,958)		194,315		
Mothers of preschoolers	1,064		937		
Kids Incredible	5,128				
Early children's ministry	1,554	2,000			
Children's ministry	<u>1,086</u>	<u>2,161</u>			
Total children's ministry	<u>21,657</u>	<u>4,161</u>	<u>467,771</u>		
Media center/Library	<u>4,635</u>	<u>945</u>	<u>2,506</u>		
Maintenance and Operations:					
Organ maintenance				<u>2,902</u>	
Total maintenance and operations				<u>2,902</u>	
Capital campaign:					
2010 Renovation	(20,261)	4,789			
Building	<u>2,533</u>	<u>94,980</u>		<u>21</u>	
Total capital campaign	<u>(17,728)</u>	<u>99,769</u>		<u>21</u>	
Missions:					
Youth mission trip	35,750	97,233	14,436		
Barnabas ministry	50,417	42,903	8,087		
Jail ministry	1,349	400			
Victim relief ministry	1,050				
Lottie Moon	6,679	75,693			
World hunger	750	1,005			
Poverty assistance enterprise	329	2,518	13,005		
Agape BFG	9,284	26,305			
Golden Heirs BFG	869	3,059			
Grace BFG	6,220	6,137			
Solid Rock BFG	33,425	29,067			
Grace BFG/Second Chance Min.		2,026			
Military support	4,218	1,900			
Boys missions	139				
Girls missions	128				
Annie Armstrong	4,023	13,727			
Mary Hill Davis	375	7,460			
Missions	99,058	137,450			
Prior year initiatives	\$				

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EXPENSES

<u>Program Services</u>	<u>Education and Promotion</u>	<u>General Administration</u>	<u>Maintenance and Operations</u>	<u>Capital Assets/ Debt</u>	<u>Transfers (In) Out</u>	<u>Balance 12/31/09</u>
						2,699
3,514						<u>11,570</u>
<u>2,721</u>		<u>74,279</u>				<u>14,269</u>
<u>6,235</u>		<u>74,279</u>				
15,531		227,413			10,000	34,358
6,982		160,781			(10,000)	34,594
1,217						784
1,610						3,518
2,882						672
<u>2,882</u>						<u>365</u>
<u>31,104</u>		<u>388,194</u>				<u>74,291</u>
<u>2,150</u>						<u>5,936</u>
						<u>2,902</u>
						<u>2,902</u>
				75,804	(17,957)	(73,319)
		<u>31</u>		<u>53,000</u>	<u>17,957</u>	<u>26,546</u>
		<u>31</u>		<u>128,804</u>		<u>(46,773)</u>
105,722					20,600	21,097
51,924						49,483
100						1,649
						1,050
78,722						3,650
1,590						165
8,063						7,789
22,305						13,284
2,500						1,428
3,307						9,050
31,021						31,471
854						1,172
413						5,705
						139
						128
17,750						
7,500						335
68,266					121,264	46,978
7,500					(35,000)	27,500

FIRST BAPTIST CHURCH OF MCKINNEY
Schedule of Changes in Temporarily and Permanently Restricted Net Assets
December 31, 2009
-continued-

<u>NET ASSETS</u>	REVENUE AND OTHER SUPPORT				
	Balance <u>12/31/08</u>	Gifts and <u>Offerings</u>	Fee <u>Income</u>	Investment Income <u>(Loss)</u>	Loan <u>Proceeds</u>
<u>Temporarily restricted (continued):</u>					
Missions: (continued)					
2009 Mission initiatives	\$				
Direct missions	42,506	674			
Missionary House	23,202	2,275			
Partnership missions	34,231	159,414			
Callaway missions	445	3,305			
TYW01/Even	7,999	29,710			
TYW02/Anderson	1,523	2,307			
TYW03/Fudge		22,116			
FBC Support/ TYW net	13,930				
TYW network	24,952	14,037			
Mission trip sponsorship	2,092	525		811	
Care givers ministry	7,218	65,007			
Men's ministry/mission	2,275				
Templo de Alabanza	12,249	27,425			
Mission loan fund	10,000				
Mission endowment fund	56,792			847	
Malawi 2009		13,660			
S. Africa (Nov) 2009		2,670			
Germany 2009		880			
Latvia 2009					
Ft. White 2010		52,297			
Zambia 2009		18,139			
Dominican Republic 2009		1,600			
Austria 2009		2,904			
Baltimore 2009		9,695			
India 2009		274			
Uganda 2010		2,969			
Columbia 2010		421			
Guatemala 2010		817			
Sierra Leone 2010		300			
Total missions	<u>493,477</u>	<u>880,304</u>	<u>35,528</u>	<u>1,658</u>	
Music Ministry:					
W & A mission trip	209				
Music endowment	6,988			3,422	
Worship & Arts	500				
School of the arts	4,670		13,931		
Total music ministry	<u>12,367</u>		<u>13,931</u>	<u>3,422</u>	
Promotion:					
Martha endowment scholarship	42,863			(2,294)	
Memorial education scholarship	5,006	300		250	
WMU College scholarship	1,110				
Warren 10 th Anniversary		7,664	12,397		
Food service	\$ 1,145				

EXPENSES

<u>Program Services</u>	<u>Education and Promotion</u>	<u>General Administration</u>	<u>Maintenance and Operations</u>	<u>Capital Assets/ Debt</u>	<u>Transfers (In) Out</u>	<u>Balance 12/31/09</u>
76,554					(82,513)	5,959
3,823					29,578	9,779
			1,149	20,000		4,328
155,527					32,135	5,983
3,750						
42,156					(10,000)	5,553
6,414					(2,584)	
2,000						20,116
29,898					(26,264)	10,296
					15,848	23,141
6,710					(5,329)	2,047
64,766						7,459
						2,275
37,874						1,800
1,105						8,895
						57,639
37,059					(29,110)	5,711
2,670						
						880
1,600					(1,600)	
50,161						2,136
24,403					(6,425)	161
						1,600
2,739						165
9,695						
						274
						2,969
						421
4,000						(3,183)
						<u>300</u>
<u>970,441</u>			<u>1,149</u>	<u>20,000</u>	<u>20,600</u>	<u>398,777</u>
						209
529						9,881
						500
<u>3,178</u>		<u>9,535</u>				<u>5,888</u>
<u>3,707</u>		<u>9,535</u>				<u>16,478</u>
	12,000					28,569
	4,850					706
						1,110
		19,362				699
958						187

FIRST BAPTIST CHURCH OF MCKINNEY
Schedule of Changes in Temporarily and Permanently Restricted Net Assets
December 31, 2009
-continued-

<u>NET ASSETS</u>	REVENUE AND OTHER SUPPORT				
	Balance <u>12/31/08</u>	Gifts and <u>Offerings</u>	Fee <u>Income</u>	Investment Income <u>(Loss)</u>	Loan <u>Proceeds</u>
<u>Temporarily restricted</u> (continued):					
Promotions: (continued)					
Kitchen equipment	\$ 274				
Building rental	5,263		10,899		
Grace Walk/Tape ministry	2,062		820		
Grounds of Hope		16,373			
Miscellaneous	22,897	1,870			
Transfer		5,507			
Transportation fund	1,381				
Wedding fees	<u>2,590</u>		<u>8,198</u>		
Total promotion	<u>84,591</u>	<u>31,714</u>	<u>32,314</u>	<u>(2,044)</u>	
Recreation Ministry:					
Sports camp	1,301				
FSC fees	13,431	10,414			
Ceramics	1,440				
Upward basketball	<u>1,401</u>		<u>23,784</u>		
Total recreation ministry	<u>17,573</u>	<u>10,414</u>	<u>23,784</u>		
Senior Adult Ministry:					
Senior adult scholarship	11,315	9,485			
Senior adult ministry	<u>5,794</u>	<u>4,696</u>			
Total senior adult ministry	<u>17,109</u>	<u>14,181</u>			
Youth Ministry:					
Youth	3,902	3,825	4,520		
Youth camp	2,882	16,860	64,963		
The Rock	<u>20,959</u>	<u>3,145</u>			
Total youth ministry	<u>27,743</u>	<u>23,830</u>	<u>69,483</u>		
Total temporarily restricted	<u>\$ 687,486</u>	<u>1,068,565</u>	<u>710,791</u>	<u>5,959</u>	
<u>Permanently restricted:</u>					
Martha endowment scholarship	\$ 166,662			(765)	
Memorial education scholarship	28,512			1,045	
Mission endowment scholarship	18,293				
Organ maintenance	100,000				
Music endowment	<u>129,291</u>			<u>1,711</u>	
Total permanently restricted net assets	<u>\$ 442,758</u>			<u>1,991</u>	

EXPENSES

<u>Program Services</u>	<u>Education and Promotion</u>	<u>General Administration</u>	<u>Maintenance and Operations</u>	<u>Capital Assets/Debt</u>	<u>Transfers (In) Out</u>	<u>Balance 12/31/09</u>
						274
		2,557	6,780			6,825
2,873						9
181						16,192
3,233						21,534
5,507						1,381
<u>3,183</u>		<u>8,436</u>				<u>(831)</u>
<u>15,935</u>	<u>16,850</u>	<u>30,355</u>	<u>6,780</u>			<u>76,655</u>
						1,279
22						6,175
16,971			699			1,440
<u>20,760</u>						<u>4,425</u>
<u>37,753</u>			<u>699</u>			<u>13,319</u>
						15,800
5,000						1,734
<u>8,756</u>						<u>17,534</u>
<u>8,756</u>	<u>5,000</u>					
15,130					(20,600)	17,717
66,216						18,489
<u>17,448</u>						<u>6,656</u>
<u>98,794</u>					<u>(20,600)</u>	<u>42,862</u>
<u>1,174,875</u>	<u>21,850</u>	<u>502,394</u>	<u>8,628</u>	<u>148,804</u>		<u>616,250</u>
						165,897
						29,557
						18,293
						100,000
						<u>131,002</u>
						<u>444,749</u>