

**NORTH CAROLINA YEARLY
MEETING OF FRIENDS**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

For the Year Ended December 31, 2010

NORTH CAROLINA YEARLY MEETING OF FRIENDS

December 31, 2010

TABLE OF CONTENTS

	Page
INDEPENDENT AUDITOR'S REPORT	1
FINANCIAL STATEMENTS	
Exhibit A Statement of Assets, Liabilities, and Net Assets Arising From Cash Transactions	3-4
Exhibit B Statement of Changes in Net Assets Arising From Cash Transactions	5-6
Notes to Financial Statements	7-9
SUPPLEMENTARY INFORMATION	
Exhibit C Schedules of Changes in Fund Balances - General Fund	11-13
Exhibit D Schedules of Changes in Fund Balances - Other Funds	14-41



Personal attention. Verifiable results.

INDEPENDENT AUDITOR'S REPORT

Representative Body
North Carolina Yearly Meeting of Friends
Greensboro, North Carolina

We have audited the accompanying statement of assets, liabilities and net assets arising from cash transactions of the North Carolina Yearly Meeting of Friends (Yearly Meeting) as of December 31, 2010, and the related statement of changes in net assets arising from cash transactions for the year then ended. These statements are the responsibility of the Yearly Meeting's management. Our responsibility is to express an opinion on these 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 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.

As described in Note 1, these financial statements are prepared on the basis of cash receipts and disbursements. This basis is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, the statements referred to above present fairly, in all material respects, the cash, investments, and net assets arising from cash transactions of the Yearly Meeting as of December 31, 2010, and the related statements of changes in net assets for the year then ended, on the basis of accounting described in Note 1.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The Schedules of Changes in Fund Balances – General Fund and Other Funds, beginning with Exhibit C and Exhibit D, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of the representative body and management of the Yearly Meeting and should not be used for any other purpose.

Davenport, Marvin, Joyce & Co., LLP

Certified Public Accountants
Greensboro, North Carolina

July 29, 2011

NORTH CAROLINA YEARLY MEETING OF FRIENDS

FINANCIAL STATEMENTS

For the Year Ended December 31, 2010

LIABILITIES AND NET ASSETS

Current Liabilities	
Short-term debt	\$ 99,174
Current portion of long-term debt	6,851
Other current liabilities	<u>3,175</u>
Total Current Liabilities	109,200
Long-Term Liabilities	
Long-term debt	<u>115,804</u>
Total Liabilities	<u>225,004</u>
Unrestricted Net Assets	611,349
Temporarily Restricted Net Assets	<u>356,633</u>
Total Net Assets	<u>967,982</u>
Total Liabilities and Net Assets	<u>\$ 1,192,986</u>

NORTH CAROLINA YEARLY MEETING OF FRIENDS

STATEMENT OF CHANGES IN NET ASSETS
ARISING FROM CASH TRANSACTIONS

For the Year Ended December 31, 2010

	Unrestricted Net Assets	Temporarily Restricted Net Assets	Total Net Assets
Revenue and Support			
Budget assessments collected	\$ 796,061	\$ -	\$ 796,061
Contributions	3,760	353,081	356,841
Trust Fund income	195,539	-	195,539
Interest and dividend income	53,746	-	53,746
Transfer from Pension Fund	-	242,496	242,496
Edgerton Trust Funds	-	7,382	7,382
Insurance payments received	128,813	-	128,813
Gain on sale of investments from various funds	41,971	-	41,971
Miscellaneous income	18,355	-	18,355
Other revenue from sales and fees:			
Christian Education Committee Fund	100	-	100
Christian Vocation Committee Fund	2,800	-	2,800
Committee on Creative Aging Fund	3,020	-	3,020
Evangelism Committee Fund	5,175	-	5,175
Literature Committee Fund	1,568	-	1,568
Peace & Social Issues Committee Fund	3,737	-	3,737
Publications Fund	4,808	-	4,808
Quaker Lake General Fund	4,315	-	4,315
Quaker Lake Camp Fund	187,156	-	187,156
Spiritual Life Fund	500	-	500
Young Adult Committee Fund	7,665	-	7,665
Young Friends Committee Fund	54,102	-	54,102
Intern Program Fund	34,728	-	34,728
Cemetery Fund	200	-	200
Mowa Choctow Fund	24,725	-	24,725
Net assets released from restrictions:			
Satisfaction of program restrictions	476,193	(476,193)	-
Total Revenue and Support	2,049,037	126,766	2,175,803
Expenses			
Administrative disbursements [Exhibit C-2]	882,745	-	882,745
General Fund – Friends United Meeting – assessment [Exhibit C-1]	40,000	-	40,000
Special donations disbursed [Exhibit C-1]	960	-	960
Benefits and Insurance Board [Exhibit D-1]	251,296	-	251,296
Committee on Care of Yearly Meeting Records [Exhibit D-2]	5,414	-	5,414
Christian Education Committee [Exhibit D-3]	1,895	-	1,895
Christian Vocation Committee [Exhibit D-4]	11,504	-	11,504
Church Extension Committee [Exhibit D-5]	88,375	-	88,375

See accompanying notes to financial statements.

NORTH CAROLINA YEARLY MEETING OF FRIENDS

STATEMENT OF CHANGES IN NET ASSETS
ARISING FROM CASH TRANSACTIONS

For the Year Ended December 31, 2010

	Unrestricted Net Assets	Temporarily Restricted Net Assets	Total Net Assets
Expenses [cont'd]			
Committee on Creative Aging [Exhibit D-6]	\$ 2,513	\$ -	\$ 2,513
Evangelism Committee [Exhibit D-7]	3,102	-	3,102
F.W.C.C. – Local Committee [Exhibit D-8]	298	-	298
F.C.N.L. – Local Committee [Exhibit D-8]	540	-	540
Friends Disaster Service [Exhibit D-9]	29,050	-	29,050
Ministry and Counsel [Exhibit D-10]	65	-	65
Literature Committee [Exhibit D-11]	1,753	-	1,753
Missions Committee – General [Exhibit D-13]	21,367	-	21,367
Missions Committee – Mexico [Exhibit D-13]	27,493	-	27,493
Missions Committee – Other [Exhibit D-13]	5,991	-	5,991
Music Committee [Exhibit D-14]	1	-	1
Nominating Committee [Exhibit D-14]	112	-	112
Pastoral Care Committee [Exhibit D-15]	1,195	-	1,195
Peace and Social Issues Committee [Exhibit D-16]	5,324	-	5,324
Publications Board [Exhibit D-16]	5,730	-	5,730
Quaker Lake Board [Exhibit D-17]	329,526	-	329,526
Quaker Lake Development [Exhibit D-18]	42,423	-	42,423
Quaker Lake Capital Campaign [Exhibit D-19]	7,915	-	7,915
Committee on Recording [Exhibit D-20]	739	-	739
Spiritual Life Committee [Exhibit D-20]	532	-	532
Stewardship-Finance Committee [Exhibit D-21]	540	-	540
Young Adult Committee [Exhibit D-21]	14,453	-	14,453
Young Friends Committee [Exhibit D-22]	94,187	-	94,187
Friends Affiliated Organizations [Exhibit D-23]	4,500	-	4,500
Jamaica VBS [Exhibit D-24]	42,237	-	42,237
Intern Program [Exhibit D-25]	71,525	-	71,525
Cemetery [Exhibit D-25]	6,120	-	6,120
Mowa Choctaw [Exhibit D-26]	159,806	-	159,806
Share the Blessing II [Exhibit D-27]	32,672	-	32,672
Mexico Task Force [Exhibit D-27]	30,136	-	30,136
Total Expenses	2,224,034	-	2,224,034
Change in Net Assets	(174,997)	126,766	(48,231)
Net Assets, beginning	786,346	229,867	1,016,213
Net Assets, ending	\$ 611,349	\$ 356,633	\$ 967,982

See accompanying notes to financial statements.

NORTH CAROLINA YEARLY MEETING OF FRIENDS

NOTES TO FINANCIAL STATEMENTS

December 31, 2010

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

The North Carolina Yearly Meeting of Friends (the Yearly Meeting) is a not-for-profit organization formed in 1698 that is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. In addition, the Yearly Meeting qualifies for the charitable contribution deduction under Section 170(b)(1)(A)(i) and has been classified as an organization that is not a private foundation under Section 509(a)(1).

“The Yearly Meeting, as a fellowship in the Society of Friends, creates and directs the organization and procedures through which Friends seek to translate their faith to the larger society in which they live. Historically, North Carolina Yearly Meeting in annual session has been the principal legislative and administrative organization entrusted with the care and responsibility for Monthly and Quarterly Meetings and for the direction of the whole widespread mission of the Society” (Faith and Practice, Book of Discipline, North Carolina Yearly Meeting of Friends, 1985 edition, page 66). The first session of the Yearly Meeting was held in July 1698.

Method of Accounting

The financial statements are prepared on the basis of cash receipts and disbursements, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America; consequently, revenues and the related assets are recognized only when received and expenses are recognized when paid rather than when the obligation is incurred. It has been the practice of the Yearly Meeting to show fixed asset acquisitions as current expenditures rather than as an increase in total assets as would be under generally accepted accounting principles. Accordingly, the financial statements are not intended to present the financial position and results of operations in conformity with accounting principles generally accepted in the United States of America.

Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board Codification, *Financial Statements of Not-for-Profit Organizations*. Under Financial Accounting Standards Board Codification, the Yearly Meeting is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted.

Contributions of cash and other assets are reported as temporarily restricted support if they are received with donor restrictions that limit the use of the donated assets. When a donor restriction expires, that is, when the restrictions end or are accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and are reported in the statement of activities as net assets released from restrictions. The Yearly Meeting shows restricted contributions whose restrictions are met in the same reporting period as unrestricted support.

2. CONCENTRATION OF CASH

The Yearly Meeting maintains its cash in bank deposits accounts which, at times, may exceed federally insured limits. The Yearly Meeting has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash and cash equivalents.

NORTH CAROLINA YEARLY MEETING OF FRIENDS

NOTES TO FINANCIAL STATEMENTS

December 31, 2010

3. INVESTMENTS

Investments are stated at cost.

Investment income consists of the following components:

Interest and dividend income	\$ 53,746
Investment losses, net:	
Realized gain on sale of investments	41,971
Investment fees	<u>(8,461)</u>
Total	<u><u>\$ 87,256</u></u>

Market value at December 31, 2010, was \$1,275,235. Due to market fluctuations, the fair market values may vary. Investment securities, in general, are exposed to various risks such as interest rate, credit, and overall market volatility risks. Furthermore, due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the value of investment securities will occur in the near term. Such changes would not affect the amounts reported in the accompanying statements of financial position.

4. SHORT-TERM DEBT

Short-term debt as of December 31, 2010, consisted of the following:

\$200,000 line of credit, monthly interest rate of 4.50%, expires September 2011	<u>\$ 99,174</u>
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5. LONG-TERM DEBT

Long-term debt as of December 31, 2010, consisted of the following:

Note agreement payable to First National Bank & Trust, monthly payments of \$1,387 including principal and interest at 6%, secured by Yearly Meeting assets, matures March 15, 2016.	\$ 122,655
Less current portion	<u>(6,851)</u>
	<u><u>\$ 115,804</u></u>

Long-term debt matures as follows:

2011	\$ 6,851
2012	9,967
2013	10,582
2014	11,234
2015	11,927
Thereafter	<u>72,094</u>
Total	<u><u>\$ 122,655</u></u>

NORTH CAROLINA YEARLY MEETING OF FRIENDS

NOTES TO FINANCIAL STATEMENTS

December 31, 2010

6. PENSION PLAN

The Yearly Meeting has a defined benefit pension plan, "North Carolina Yearly Meeting of Friends Pension Plan," covering full-time pastors within the Yearly Meeting. The accumulated plan benefits and plan net assets are maintained within the Trust Fund of the North Carolina Yearly Meeting of Friends. Pastors are eligible based on years of service and accumulation of benefits ceases once a church withdraws its membership with the Yearly Meeting. Any budgeted contributions not required for funding the defined benefit plan are put into tax-exempt accounts for the pastors' benefit. During the year ended December 31, 2010, the Yearly Meeting made required contributions of \$105,000 from the Yearly Meeting budget.

7. DONATED SERVICES

The Yearly Meeting prepares the financial statements on the basis of cash receipts and disbursements. Accordingly, the value of donated services is not recorded.

8. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are restricted for the following purposes at December 31, 2010:

Christian Vocation (Student Aid) Committee Fund	\$ 11,575
Friends Disaster Service Fund	60,959
Share the Blessing II	218,234
Benefits and Insurance	<u>67,815</u>
Total	<u><u>\$ 358,583</u></u>

9. SUBSEQUENT EVENT

The Yearly Meeting evaluated events occurring subsequent to the Statement of Assets, Liabilities, and Net Assets Arising from Cash Transactions date through July 29, 2011, the date the financial statements were available to be issued.

On March 3, 2011, the Yearly Meeting refinanced the note agreement payable to First National Bank & Trust. See Note 5.

SUPPLEMENTARY INFORMATION

NORTH CAROLINA YEARLY MEETING OF FRIENDS

SCHEDULE OF CHANGES IN FUND BALANCES

For the Year Ended December 31, 2010

GENERAL FUND

	Actual	Budget
General Fund Balance, beginning	\$ 57,782	\$ -
Receipts		
Budget assessments collected [Exhibit C-2]	796,061	894,832
Trust funds income – undesignated	30,890	29,435
Interest income	49,636	33,000
Special donations received	3,760	-
Miscellaneous contributions	-	10,000
Gain on sale of investments	47,354	-
Insurance payments received	122,494	132,600
Unappropriated General Fund	18,355	150,000
Total Receipts	<u>1,068,550</u>	<u>1,249,867</u>
Total Funds Available	<u>1,126,332</u>	<u>1,249,867</u>
Disbursements		
Administrative disbursements [Exhibit C-2]	882,745	1,014,760
Friends United Meeting – assessment	40,000	92,700
Committees Affiliated Organizations	-	142,407
Special donations disbursed	960	-
Total Disbursements	<u>923,705</u>	<u>1,249,867</u>
Balance before 2010 Appropriation and Transfers	202,627	-
Transfers from Funds	17,296	-
Appropriation by Yearly Meeting, December 31, 2010	<u>(254,275)</u>	-
Balance on Deposit with General Fund, December 31, 2010	<u>\$ (34,352)</u>	<u>\$ -</u>

See accompanying notes to financial statements.

NORTH CAROLINA YEARLY MEETING OF FRIENDS
SCHEDULE OF CHANGES IN FUND BALANCES
For the Year Ended December 31, 2010

SCHEDULE OF SELECTED RECEIPTS AND DISBURSEMENTS - GENERAL FUND

	Actual	Budget
Budget Assessments Collected		
Contentnea	\$ 77,343	
Deep River	69,347	
Eastern	29,621	
New Garden	42,418	
Northwest Preparative Quarter	6,934	
Southern	263,797	
Surry	46,928	
Western	121,915	
Yadkin	137,758	
	796,061	
Total Budget Assessments	796,061	\$ 946,176
Budgeted Allowance for Unpaid Asking	-	(51,344)
Total Budget Assessments Collected	796,061	894,832
Administrative Disbursements - Budget Part I-A		
Salaries	295,452	300,000
Travel	19,855	17,000
Conference expense and travel -- other	1,718	-
Office supplies -- net of cost recovery	6,165	7,650
Friendly newsletter -- net of Trust Funds	112	-
Minutes and report booklet -- printing	3,097	3,150
Utilities -- Yearly Meeting office	13,467	13,500
Social security taxes -- employer's contribution	12,137	12,000
Property insurance and workers' compensation	5,797	8,550
Ministers' group health insurance	303,317	373,000
Staff and other health insurance	51,186	40,000
Ministers' retirement plan	105,000	105,000
Equipment purchases and upkeep -- accumulative	18,353	13,500
Yearly Meeting expense	1,110	6,750
Audit	7,550	10,350
Contribution for preservation of records	6,300	6,300
Investment fees	7,647	-
Interest expense	7,592	-
Vehicle purchase and upkeep	588	-
Maintenance	5,425	5,400
Visioning project	1,659	900
Designated projects	2,374	-
Mid Year Gathering	-	900
Miscellaneous expense	6,844	-
	882,745	923,950
Total Administrative Disbursements	882,745	923,950
Quaker Lake Operating Expenses	-	90,810
Total Administrative Disbursements and Expenses	\$ 882,745	\$ 1,014,760

See accompanying notes to financial statements.

NORTH CAROLINA YEARLY MEETING OF FRIENDS

SCHEDULE OF CHANGES IN FUND BALANCES

For the Year Ended December 31, 2010

SCHEDULE OF GENERAL APPROPRIATIONS - GENERAL FUND

Budget Part II-A	
Committee on Care of Records	\$ 10,602
Christian Education Committee	9,720
F.C.N.L. (Local Committee)	540
F.W.C.C. (Local Committee)	1,500
Literature Committee	450
Ministry and Counsel Committee	180
Nominating Committee	50
Pastoral Care Committee	4,000
Publications Board Committee	135
Recording Committee	6,750
Spiritual Life Commission	630
Stewardship-Finance Committee	450
Young Adult Committee	6,750
Young Friends Activities Committee	31,950
MOWA Choctaw Committee	30,000
Intern Program Committee	34,200
	<hr/>
Total Budget Part II-A Appropriations	137,907
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Budget Part II-B	
A.F.S.C. — Material Aids	500
F.C.N.L. — Washington	500
William Penn House	500
Friends Home — Quaker Assist	500
F.W.C.C. — Philadelphia	500
Guilford College	500
Right Sharing of World Resources	500
NC Council of Churches	500
Quaker Earthcare Witness	500
	<hr/>
Total Budget Part II B	4,500
	<hr/>
Total General Appropriations	\$ 142,407
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See accompanying notes to financial statements.

NORTH CAROLINA YEARLY MEETING OF FRIENDS

SCHEDULE OF CHANGES IN FUND BALANCES

For the Year Ended December 31, 2010

BENEFITS AND INSURANCE BOARD FUND

Balance on Deposit with General Fund, beginning	<u>\$ 115,032</u>
Receipts and Transfers	
Transfer from Pension Fund	242,496
Receipts from Trust Funds:	
Edgerton Trust	<u>7,382</u>
Total Receipts and Transfers	<u>249,878</u>
Total Funds Available	<u>364,910</u>
Disbursements	
Benefits paid	242,496
Service fee	8,290
Office expenses and miscellaneous expenses	<u>510</u>
Total Disbursements	<u>251,296</u>
Balance on Deposit with General Fund, December 31, 2010	<u><u>\$ 113,614</u></u>

See accompanying notes to financial statements.

NORTH CAROLINA YEARLY MEETING OF FRIENDS

SCHEDULE OF CHANGES IN FUND BALANCES

For the Year Ended December 31, 2010

COMMITTEE ON CARE OF YEARLY MEETING RECORDS FUND

Balance on Deposit with General Fund, beginning	\$ 10,602
Receipts	
Receipts from Trust Funds	<u>1,025</u>
Total Funds Available	<u>11,627</u>
Disbursements	
Salary — Archives Assistant	5,024
Microfilm expense	384
Miscellaneous	<u>6</u>
Total Disbursements	<u>5,414</u>
Balance before 2010 Appropriation and Transfers	6,213
Transfer to the General Fund	(6,213)
Appropriation by Yearly Meeting, December 31, 2010	<u>8,500</u>
Balance on Deposit with General Fund, December 31, 2010	<u><u>\$ 8,500</u></u>

See accompanying notes to financial statements.

NORTH CAROLINA YEARLY MEETING OF FRIENDS

SCHEDULE OF CHANGES IN FUND BALANCES

For the Year Ended December 31, 2010

CHRISTIAN EDUCATION COMMITTEE FUND

	<u>General</u>
Balance on Deposit with General Fund, beginning	<u>\$ 9,720</u>
Receipts	
Receipts from Trust Funds	336
Junior Yearly Meeting receipts	<u>100</u>
Total Receipts	<u>436</u>
Total Funds Available	<u>10,156</u>
Disbursements	
Resource material	270
Junior Yearly Meeting disbursements	735
Office expense	690
Miscellaneous expense	200
Transfers to other funds	<u>8,261</u>
Total Disbursements	<u>10,156</u>
Balance before 2010 Appropriation	-
Appropriation by Yearly Meeting, December 31, 2010	<u>9,500</u>
Balance on Deposit with General Fund, December 31, 2010	<u><u>\$ 9,500</u></u>

See accompanying notes to financial statements.

NORTH CAROLINA YEARLY MEETING OF FRIENDS

SCHEDULE OF CHANGES IN FUND BALANCES

For the Year Ended December 31, 2010

CHRISTIAN VOCATION [STUDENT AID] COMMITTEE FUND

	Barker Fund	General	Total
Balance on Deposit with General Fund, beginning	\$ 37,350	\$ 41	\$ 37,391
Receipts and Transfers			
Receipts from Trust Funds	6,774	1,345	8,119
Transfers from Other Funds	-	2,118	2,118
Loan repayments	800	2,000	2,800
Total Receipts and Transfers	<u>7,574</u>	<u>5,463</u>	<u>13,037</u>
Total Funds Available	<u>44,924</u>	<u>5,504</u>	<u>50,428</u>
Disbursements and Transfers			
Payments for students	6,000	5,500	11,500
Office expense	-	4	4
Transfers to other funds	2,118	-	2,118
Total Disbursements	<u>8,118</u>	<u>5,504</u>	<u>13,622</u>
Balance on Deposit with General Fund, December 31, 2010	<u>\$ 36,806</u>	<u>\$ -</u>	<u>\$ 36,806</u>

See accompanying notes to financial statements.

NORTH CAROLINA YEARLY MEETING OF FRIENDS

SCHEDULE OF CHANGES IN FUND BALANCES

For the Year Ended December 31, 2010

CHURCH EXTENSION COMMITTEE FUND

Balance on Deposit with General Fund, beginning	<u>\$ 135,105</u>
Receipts	
Receipts from Trust Funds	46,919
Contributions	<u>3,950</u>
Total Receipts	<u>50,869</u>
Total Funds Available	<u>185,974</u>
Disbursements	
Payroll taxes	2,295
Other Meetings	34,481
Office expense	10
College ministry salary expense	<u>51,589</u>
Total Disbursements	<u>88,375</u>
Balance on Deposit with General Fund, December 31, 2010	<u><u>\$ 97,599</u></u>

CHURCH EXTENSION EMERGENCY FUND

Balance on Deposit with General Fund, beginning	<u>\$ 113,000</u>
Receipts	
Transfers from Other Funds	<u>-</u>
Balance on Deposit with General Fund, December 31, 2010	<u><u>\$ 113,000</u></u>

See accompanying notes to financial statements.

NORTH CAROLINA YEARLY MEETING OF FRIENDS

SCHEDULE OF CHANGES IN FUND BALANCES

For the Year Ended December 31, 2010

COMMITTEE ON CREATIVE AGING FUND

Balance on Deposit with General Fund, beginning	\$ 965
Receipts	
Fall Retreat	<u>3,020</u>
Total Funds Available	<u>3,985</u>
Disbursements	
Retreat expense	2,416
Office expense	<u>97</u>
Total Disbursements	<u>2,513</u>
Balance on Deposit with General Fund, December 31, 2010	<u><u>\$ 1,472</u></u>

See accompanying notes to financial statements.

NORTH CAROLINA YEARLY MEETING OF FRIENDS

SCHEDULE OF CHANGES IN FUND BALANCES

For the Year Ended December 31, 2010

EVANGELISM COMMITTEE FUND

Balance on Deposit with General Fund, beginning	<u>\$ 8,071</u>
Receipts	
Receipts from Trust Funds	2,884
Earnings allocation	477
Event receipts	<u>5,175</u>
Total Receipts	<u>8,536</u>
Total Funds Available	<u>16,607</u>
Disbursements	
Materials	558
Events	2,097
Office expenses	<u>447</u>
Total Disbursements	<u>3,102</u>
Appropriation by Yearly Meeting, December 31, 2010	<u>3,000</u>
Balance on Deposit with General Fund, December 31, 2010	<u><u>\$ 16,505</u></u>

See accompanying notes to financial statements.

NORTH CAROLINA YEARLY MEETING OF FRIENDS

SCHEDULE OF CHANGES IN FUND BALANCES

For the Year Ended December 31, 2010

F. C. N. L. [LOCAL COMMITTEE] FUND

Balance on Deposit with General Fund, beginning	\$ 540
Disbursements	
Travel expense	540
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Balance before 2010 Appropriation and Transfers	-
Transfer to the General Fund	-
Appropriation by Yearly Meeting, December 31, 2010	500
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Balance on Deposit with General Fund, December 31, 2010	<u>\$ 500</u>

F. W. C. C. [LOCAL COMMITTEE] FUND

Balance on Deposit with General Fund, beginning	<u>\$ 1,500</u>
Disbursements	
Travel	203
Conference expense	95
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Total Disbursements	<u>298</u>
Balance before 2010 Appropriation and Transfers	1,202
Transfer to the General Fund	(1,202)
Appropriation by Yearly Meeting, December 31, 2010	1,200
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Balance on Deposit with General Fund, December 31, 2010	<u>\$ 1,200</u>

See accompanying notes to financial statements.

NORTH CAROLINA YEARLY MEETING OF FRIENDS

SCHEDULE OF CHANGES IN FUND BALANCES

For the Year Ended December 31, 2010

FRIENDS DISASTER SERVICE FUND

Balance on Deposit with General Fund, beginning	<u>\$ 71,441</u>
Receipts	
Receipts from Trust Funds	569
Insurance receipts	6,319
Contributions	<u>20,840</u>
Total Receipts	<u>27,728</u>
Total Funds Available	<u>99,169</u>
Disbursements	
Travel	14,013
Disaster Relief	4,409
Auto insurance	1,862
Auto expense	1,102
Equipment expense	7,613
Office expense	<u>51</u>
Total Disbursements	<u>29,050</u>
Balance on Deposit with General Fund, December 31, 2010	<u><u>\$ 70,119</u></u>

See accompanying notes to financial statements.

NORTH CAROLINA YEARLY MEETING OF FRIENDS

SCHEDULE OF CHANGES IN FUND BALANCES

For the Year Ended December 31, 2010

MINISTRY AND COUNSEL FUND

	<u>General</u>
Balance on Deposit with General Fund, beginning	\$ 180
Disbursements	
Office expense	<u>65</u>
Balance before 2010 Appropriation and Transfers	115
Transfer to the General Fund	(115)
Appropriation by Yearly Meeting, December 31, 2010	<u>100</u>
Balance on Deposit with General Fund, December 31, 2010	<u><u>\$ 100</u></u>

See accompanying notes to financial statements.

NORTH CAROLINA YEARLY MEETING OF FRIENDS

SCHEDULE OF CHANGES IN FUND BALANCES

For the Year Ended December 31, 2010

LITERATURE COMMITTEE FUND

Balance on Deposit with General Fund, beginning	\$ 450
Receipts	
Sales receipts	1,568
Total Funds Available	<u>2,018</u>
Disbursements	
Disbursements for books, literature, and videos	1,596
Office expense	52
Disbursements for North Carolina sales tax	105
Total Disbursements	<u>1,753</u>
Balance before 2010 Appropriation and Transfers	265
Transfer to the General Fund	(265)
Appropriation by Yearly Meeting, December 31, 2010	<u>350</u>
Balance on Deposit with General Fund, December 31, 2010	<u><u>\$ 350</u></u>

See accompanying notes to financial statements.

NORTH CAROLINA YEARLY MEETING OF FRIENDS

SCHEDULE OF CHANGES IN FUND BALANCES

For the Year Ended December 31, 2010

MISSIONS COMMITTEE FUND

	<u>Mexico</u>	<u>Other</u>	<u>General</u>	<u>Total</u>
Balance on Deposit with General Fund, beginning	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 49,505</u>	<u>\$ 49,505</u>
Receipts and Transfers				
Receipts from Trust Funds	4,095	-	30,818	34,913
Contributions	12,421	5,991	1,220	19,632
Transfers from Other Funds	10,977	-	-	10,977
Total Receipts and Transfers	<u>27,493</u>	<u>5,991</u>	<u>32,038</u>	<u>65,522</u>
Total Funds Available	27,493	5,991	81,543	115,027
Disbursements and Transfers				
Disbursements and transfers [Exhibit D-13]	<u>27,493</u>	<u>5,991</u>	<u>32,344</u>	<u>65,828</u>
Balance on Deposit with General Fund, December 31, 2010	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 49,199</u></u>	<u><u>\$ 49,199</u></u>

See accompanying notes to financial statements.

NORTH CAROLINA YEARLY MEETING OF FRIENDS

SCHEDULE OF CHANGES IN FUND BALANCES

For the Year Ended December 31, 2010

SCHEDULE OF MISSIONS COMMITTEE FUND DISBURSEMENTS AND TRANSFERS

	<u>Mexico</u>	<u>Other</u>	<u>General</u>
Mexico Mission			
Jorge Reyes:			
Compensation	\$ 16,950	\$ -	\$ -
Other Matamoros disbursements:			
Travel	525	-	-
Fellowship food	250	-	-
Building maintenance	2,466	-	-
Vehicle maintenance	1,208	-	-
Vehicle insurance	407	-	-
Ministry gas	2,100	-	-
Miscellaneous	1,101	-	-
Christmas gifts	800	-	-
Office expense	124	-	-
Property taxes	160	-	-
SS Material	200	-	-
Mexico Workcamp	-	-	-
Conferences	775	-	-
Upper Room	427	-	-
Other Designated			
FUM	-	5,991	-
General Uses – Other			
Contributions to other missions	-	-	20,200
Office	-	-	41
Travel	-	-	1,126
Transfers to Other Funds	-	-	10,977
	<u> </u>	<u> </u>	<u> </u>
Total Disbursements and Transfers	<u>\$ 27,493</u>	<u>\$ 5,991</u>	<u>\$ 32,344</u>

See accompanying notes to financial statements.

NORTH CAROLINA YEARLY MEETING OF FRIENDS

SCHEDULE OF CHANGES IN FUND BALANCES

For the Year Ended December 31, 2010

MUSIC COMMITTEE FUND

Balance on Deposit with General Fund, beginning	\$ 211
Disbursements	
Office expense	<u>1</u>
Balance on Deposit with General Fund, December 31, 2010	<u>\$ 210</u>

NOMINATING COMMITTEE FUND

Balance on Deposit with General Fund, beginning	\$ 50
Disbursements	
Office expense	<u>112</u>
Balance before 2010 Appropriation and Transfers	(62)
Transfer to the General Fund	-
Appropriation by Yearly Meeting, December 31, 2010	<u>125</u>
Balance on Deposit with General Fund, December 31, 2010	<u>\$ 63</u>

See accompanying notes to financial statements.

NORTH CAROLINA YEARLY MEETING OF FRIENDS
SCHEDULE OF CHANGES IN FUND BALANCES

For the Year Ended December 31, 2010

PASTORAL CARE COMMITTEE FUND

Balance on Deposit with General Fund, beginning	<u>\$ 4,000</u>
Disbursements	
Counseling	675
Office expense	20
Materials	<u>500</u>
Total Disbursements	<u>1,195</u>
Balance before 2010 Appropriation and Transfers	2,805
Transfer to the General Fund	(2,805)
Appropriation by Yearly Meeting, December 31, 2010	<u>3,000</u>
Balance on Deposit with General Fund, December 31, 2010	<u><u>\$ 3,000</u></u>

See accompanying notes to financial statements.

NORTH CAROLINA YEARLY MEETING OF FRIENDS
SCHEDULE OF CHANGES IN FUND BALANCES
For the Year Ended December 31, 2010

PEACE & SOCIAL ISSUES COMMITTEE FUND

Balance on Deposit with General Fund, beginning	\$ 2,460
Receipts	
Miscellaneous	3,737
Total Funds Available	6,197
Disbursements	
Travel	1,419
The Peace Booth	100
Contributions	1,135
Office expense	2,670
Total Disbursements	5,324
Balance before 2010 Appropriation and Transfers	873
Transfer to the General Fund	-
Appropriation by Yearly Meeting, December 31, 2010	500
Balance on Deposit with General Fund, December 31, 2010	\$ 1,373

PUBLICATIONS BOARD FUND

Balance on Deposit with General Fund, beginning	\$ 26,413
Receipts	
Receipts from Trust Funds	735
Receipts from book sales and special projects	4,808
Total Receipts	5,543
Total Funds Available	31,956
Disbursements	
Production cost	4,610
Office expenses	229
Sales tax	1
QUIP dues	50
Travel	750
Negative storage	90
Total Disbursements	5,730
Balance before 2010 Appropriation	26,226
Appropriation by Yearly Meeting, December 31, 2010	500
Balance on Deposit with General Fund, December 31, 2010	\$ 26,726

See accompanying notes to financial statements.

NORTH CAROLINA YEARLY MEETING OF FRIENDS

SCHEDULE OF CHANGES IN FUND BALANCES

For the Year Ended December 31, 2010

QUAKER LAKE BOARD FUND

	<u>Camp</u>	<u>General</u>	<u>Total</u>
Balance on Deposit with General Fund, beginning	\$ 17,346	\$ 116,220	\$ 133,566
Receipts			
Transfers from [to] Other Funds	-	20,000	20,000
Receipts from Trust Funds	3,368	7,349	10,717
Contributions	3,295	120	3,415
Camper fees — net of refunds	155,512	-	155,512
Camp sales	5,491	-	5,491
Rental receipts	-	3,840	3,840
Mountain bike income	-	50	50
Tower income	-	425	425
Share project	505	-	505
Miscellaneous receipts	25,648	-	25,648
Total Receipts	<u>193,819</u>	<u>31,784</u>	<u>225,603</u>
Total Funds Available	<u>211,165</u>	<u>148,004</u>	<u>359,169</u>
Disbursements			
Staff salaries	63,396	12,451	75,847
Mileage and travel	1,891	1,827	3,718
Vehicle expense	-	268	268
Payroll taxes	6,285	580	6,865
Electricity	-	36,554	36,554
Fuel	-	915	915
Telephone	-	8,218	8,218
Insurance	4,960	6,987	11,947
Off site program	1,735	-	1,735
Kitchen supplies	-	1,928	1,928
Paper and cleaning products	-	4,537	4,537
Pool service and supplies	-	4,181	4,181
Garbage service	-	3,234	3,234
Gasoline	-	5,120	5,120
Miscellaneous	5,257	578	5,835
Building repairs and maintenance	-	10,416	10,416
Lake and grounds care	-	5,005	5,005
Equipment maintenance	-	8,485	8,485
Equipment purchases	5,206	21,855	27,061
Office expense	5,276	299	5,575
Pest control	-	2,926	2,926
Water testing	-	4,445	4,445

See accompanying notes to financial statements.

NORTH CAROLINA YEARLY MEETING OF FRIENDS

SCHEDULE OF CHANGES IN FUND BALANCES

For the Year Ended December 31, 2010

QUAKER LAKE BOARD FUND

	<u>Camp</u>	<u>General</u>	<u>Total</u>
Disbursements [cont'd]			
Inspections and permits	\$ -	\$ 1,480	\$ 1,480
Sub-contract labor	-	606	606
Publicity	5,490	-	5,490
Program staff	29,729	1,406	31,135
Tower expense	-	3,677	3,677
Food	29,088	-	29,088
Infirmary	978	-	978
Craft and store supplies	10,222	-	10,222
Program materials	5,622	-	5,622
Staff training	4,579	-	4,579
Hospitality	1,834	-	1,834
Transfers to Other Funds	20,000	-	20,000
	<u>201,548</u>	<u>147,978</u>	<u>349,526</u>
Total Disbursements			
Balance before 2010 Appropriation	9,617	26	9,643
Appropriation by Yearly Meeting, December 31, 2010	-	115,800	115,800
Transfer to the General Fund	<u>-</u>	<u>(26)</u>	<u>(26)</u>
Balance on Deposit with General Fund, December 31, 2010	<u>\$ 9,617</u>	<u>\$ 115,800</u>	<u>\$ 125,417</u>

See accompanying notes to financial statements.

NORTH CAROLINA YEARLY MEETING OF FRIENDS

SCHEDULE OF CHANGES IN FUND BALANCES

For the Year Ended December 31, 2010

QUAKER LAKE DEVELOPMENT FUND

Balance on Deposit with General Fund, beginning	<u>\$ 184,151</u>
Receipts	
Receipts from Trust Funds	3,325
Interest income	2,766
Gain on sale of stock	5,512
Here We Grow	1,009
Contributions	<u>4,268</u>
Total Receipts	<u>16,880</u>
Total Funds Available	<u>201,031</u>
Disbursements	
Development expense	41,838
Hospitality expense	135
Investment fees	<u>450</u>
Total Disbursements	<u>42,423</u>
Balance on Deposit with General Fund, December 31, 2010	<u><u>\$ 158,608</u></u>

See accompanying notes to financial statements.

NORTH CAROLINA YEARLY MEETING OF FRIENDS

SCHEDULE OF CHANGES IN FUND BALANCES

For the Year Ended December 31, 2010

QUAKER LAKE CAPITAL CAMPAIGN FUND

Balance on Deposit with General Fund, beginning	<u>\$ (152,033)</u>
Receipts	
Interest	150
Contributions	<u>21,185</u>
Total Receipts	<u>21,335</u>
Total Funds Available	<u>(130,698)</u>
Disbursements	
Office expense	2
Interest expense on Bridge Loan	<u>7,913</u>
Total Disbursements	<u>7,915</u>
Balance on Deposit with General Fund, December 31, 2010	<u><u>\$ (138,613)</u></u>

See accompanying notes to financial statements.

NORTH CAROLINA YEARLY MEETING OF FRIENDS

SCHEDULE OF CHANGES IN FUND BALANCES

For the Year Ended December 31, 2010

COMMITTEE ON RECORDING FUND

Balance on Deposit with General Fund, beginning	<u>\$ 6,750</u>
Disbursements	
Counseling	545
Office expense	<u>194</u>
Total Disbursements	<u>739</u>
Balance before 2010 Appropriation and Transfers	6,011
Transfer to the General Fund	(6,011)
Appropriation by Yearly Meeting, December 31, 2010	<u>5,000</u>
Balance on Deposit with General Fund, December 31, 2010	<u><u>\$ 5,000</u></u>

SPIRITUAL LIFE COMMITTEE FUND

Balance on Deposit with General Fund, beginning	\$ 630
Receipts	
Miscellaneous	<u>500</u>
Total Funds Available	<u>1,130</u>
Disbursements	
Office expense	82
Conference expense	<u>450</u>
Total Disbursements	<u>532</u>
Balance before 2010 Appropriation and Transfers	598
Transfer to the General Fund	(598)
Appropriation by Yearly Meeting, December 31, 2010	<u>500</u>
Balance on Deposit with General Fund, December 31, 2010	<u><u>\$ 500</u></u>

See accompanying notes to financial statements.

NORTH CAROLINA YEARLY MEETING OF FRIENDS

SCHEDULE OF CHANGES IN FUND BALANCES

For the Year Ended December 31, 2010

STEWARDSHIP-FINANCE COMMITTEE FUND

Balance on Deposit with General Fund, beginning	\$ 450
Disbursements	
Office expenses	540
	<hr/>
Balance before 2010 Appropriation and Transfers	(90)
Transfer from the General Fund	-
Appropriation by Yearly Meeting, December 31, 2010	200
	<hr/>
Balance on Deposit with General Fund, December 31, 2010	<u>\$ 110</u>

YOUNG ADULT COMMITTEE FUND

Balance on Deposit with General Fund, beginning	\$ 6,750
Receipts	
Activities receipts	3,665
Contributions	100
College Ministry - Young Adult	4,000
	<hr/>
Total Funds Available	<u>14,515</u>
Disbursements	
Winter retreat	379
Office expense	237
Beach Trip	3,982
Yearly Meeting expense	616
College Ministry - Young Adult	7,619
Other activities	1,620
	<hr/>
Total Disbursements	<u>14,453</u>
Balance before 2010 Appropriation and Transfers	62
Transfer to the General Fund	(62)
Appropriation by Yearly Meeting, December 31, 2010	6,000
	<hr/>
Balance on Deposit with General Fund, December 31, 2010	<u>\$ 6,000</u>

See accompanying notes to financial statements.

NORTH CAROLINA YEARLY MEETING OF FRIENDS

SCHEDULE OF CHANGES IN FUND BALANCES

For the Year Ended December 31, 2010

YOUNG FRIENDS COMMITTEE FUND

Balance on Deposit with General Fund, beginning	<u>\$ 31,950</u>
Receipts	
Receipts from Trust Funds	691
Yearly Meeting proceeds	19,835
Mid Year receipts	620
Mexico contributions	110
Serenity contributions	7,334
Ambassadors for Christ	1,345
Youth Tremors proceeds	10,822
SOUL receipts	19,120
Youth Leadership	<u>2,360</u>
Total Receipts	<u>62,237</u>
Total Funds Available	<u>94,187</u>
Disbursements	
Yearly Meeting expenses	24,538
Youth Tremors	7,210
Scholarship — Young Friends	2,326
Office expenses	2,653
Serenity expenses	11,846
Insurance	1,752
SOUL expenses	39,932
Mid Year expenses	417
Youth Ministry development	710
Leadership	<u>2,803</u>
Total Disbursements	<u>94,187</u>
Balance before 2010 Appropriation	-
Appropriation by Yearly Meeting, December 31, 2010	<u>30,000</u>
Balance on Deposit with General Fund, December 31, 2010	<u><u>\$ 30,000</u></u>

See accompanying notes to financial statements.

NORTH CAROLINA YEARLY MEETING OF FRIENDS

SCHEDULE OF CHANGES IN FUND BALANCES

For the Year Ended December 31, 2010

FRIENDS AFFILIATED ORGANIZATIONS FUND

Balance on Deposit with General Fund, beginning	<u>\$ 4,500</u>
Distributions	
Friends Center at Guilford College	500
F.W.C.C. — Section of America	500
Friends Community National Legislative	500
Friends Homes — Quaker Assistance	500
William Penn House	500
NC Council of Churches	500
Quaker Earthcare	500
A.F.S.C. — Material Assistance	500
Right-Sharing World Resources	<u>500</u>
Total Distributions	<u>4,500</u>
Balance before 2010 Appropriation	-
Appropriation by Yearly Meeting, December 31, 2010	<u>4,500</u>
Balance on Deposit with General Fund, December 31, 2010	<u><u>\$ 4,500</u></u>

See accompanying notes to financial statements.

NORTH CAROLINA YEARLY MEETING OF FRIENDS

SCHEDULE OF CHANGES IN FUND BALANCES

For the Year Ended December 31, 2010

JAMAICA VBS FUND

Balance on Deposit with General Fund, beginning	<u>\$ (7,026)</u>
Receipts and Transfers	
Transfers from other funds	8,261
Contributions	<u>30,203</u>
Total Receipts and Transfers	<u>38,464</u>
Total Funds Available	31,438
Disbursements	
Jamaica VBS expense	<u>42,237</u>
Balance on Deposit with General Fund, December 31, 2010	<u><u>\$ (10,799)</u></u>

See accompanying notes to financial statements.

NORTH CAROLINA YEARLY MEETING OF FRIENDS
SCHEDULE OF CHANGES IN FUND BALANCES
For the Year Ended December 31, 2010

INTERN PROGRAM FUND

Balance on Deposit with General Fund, beginning	<u>\$ 34,200</u>
Receipts and Transfers	
Fees received	34,728
Contributions	<u>1,000</u>
Total Receipts and Transfers	<u>35,728</u>
Total Funds Available	<u>69,928</u>
Disbursements	
Salaries	63,505
Payroll taxes	5,396
Travel	2,079
Office expense	105
Material	<u>440</u>
Total Disbursements	<u>71,525</u>
Balance before 2010 Appropriation and Transfers	(1,597)
Transfer to the General Fund	-
Appropriation by Yearly Meeting, December 31, 2010	<u>35,000</u>
Balance on Deposit with General Fund, December 31, 2010	<u><u>\$ 33,403</u></u>

CEMETERY FUND

Balance on Deposit with General Fund, beginning	<u>\$ 2,546</u>
Receipts	
Miscellaneous Income	200
Receipts from Trust Funds	<u>4,416</u>
Total Funds Available	<u>7,162</u>
Disbursements	
Elizabeth City Cemetery maintenance	480
Old Quaker Cemetery maintenance	2,124
Woodland Cemetery maintenance	1,100
Hollowell Cemetery maintenance	1,300
Symonds Creek Cemetery	816
Cemetery maintenance – other	<u>300</u>
Total Disbursements	<u>6,120</u>
Balance on Deposit with General Fund, December 31, 2010	<u><u>\$ 1,042</u></u>

See accompanying notes to financial statements.

NORTH CAROLINA YEARLY MEETING OF FRIENDS

SCHEDULE OF CHANGES IN FUND BALANCES

For the Year Ended December 31, 2010

MOWA CHOCTAW FUND

Balance on Deposit with General Fund, beginning	<u>\$ 25,471</u>
Receipts and Transfers	
Contributions	57,717
Receipts from Trust Funds	50,000
Interest income	717
Scholarship program	2,075
Missionary support	11,821
Visiting groups	2,450
Miscellaneous income	10,829
Total Receipts and Transfers	<u>135,609</u>
Total Funds Available	<u>161,080</u>
Disbursements	
Salaries	60,653
Payroll taxes	3,837
Health insurance	12,942
After school and tutoring expenses	550
Travel	11,401
Loss on sale of stock	10,895
Insurance	7,194
Office expense	7,290
Internet	4,593
Fuel	2,955
Miscellaneous	16,309
Hospitality	365
Food	1,356
Supplies	3,023
Utilities	16,513
Maintenance	9,766
Emergency relief expense	695
Investment fees	364
Total Disbursements	<u>170,701</u>
Balance before 2010 Appropriation	(9,621)
Appropriation by Yearly Meeting, December 31, 2010	<u>30,000</u>
Balance on Deposit with General Fund, December 31, 2010	<u><u>\$ 20,379</u></u>

See accompanying notes to financial statements.

NORTH CAROLINA YEARLY MEETING OF FRIENDS

SCHEDULE OF CHANGES IN FUND BALANCES

For the Year Ended December 31, 2010

SHARE THE BLESSING II FUND

Balance on Deposit with General Fund, beginning	\$ 79,890
Receipts	
Contributions	<u>169,066</u>
Total Funds Available	<u>248,956</u>
Disbursements	
Office expense	514
Consultant expense	<u>32,158</u>
Total Disbursements	<u>32,672</u>
Balance on Deposit with General Fund, December 31, 2010	<u><u>\$ 216,284</u></u>

MEXICO TASK FORCE FUND

Balance on Deposit with General Fund, beginning	\$ 20,000
Receipts	
Contributions	<u>10,803</u>
Total Funds Available	<u>30,803</u>
Disbursements	
Office expense	57
Miscellaneous expense	<u>30,079</u>
Total Disbursements	<u>30,136</u>
Balance on Deposit with General Fund, December 31, 2010	<u><u>\$ 667</u></u>

See accompanying notes to financial statements.