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Return of Organization Exempt From Income Tax

2011

Open to Public Inspection

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

Department of the Treasury
Internal Revenue Service

▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

A For the 2011 calendar year, or tax year beginning **January 1**, 2011, and ending **December 31**, 20 **11**

B Check if applicable:
 Address change
 Name change
 Initial return
 Terminated
 Amended return
 Application pending

C Name of organization **FRIENDS OF SINNERS INC**
 Doing Business As
 Number and street (or P O box if mail is not delivered to street address) Room/suite
PO BOX 1156
 City or town, state or country, and ZIP + 4
OWENSBORO KY 42302

D Employer identification number
27 0332382

E Telephone number
270 275 9890

G Gross receipts \$ **228411**

H(a) Is this a group return for affiliates? Yes No
H(b) Are all affiliates included? Yes No
 If "No," attach a list (see instructions)

H(c) Group exemption number ▶

I Tax-exempt status 501(c)(3) 501(c) () ◀ (insert no) 4947(a)(1) or 527

J Website: ▶ **friendofsinner.org**

K Form of organization Corporation Trust Association Other ▶

L Year of formation **2009** **M** State of legal domicile **KY**

Part I Summary

| | | | | |
|-----------------------------|---|--|---------------|---------------|
| Activities & Governance | 1 | Briefly describe the organization's mission or most significant activities. A CHRIST CENTERED RESIDENTIAL SUBSTANCE RECOVERY PROGRAM FOCUSING ON THE RESTORATION AND RECONCILIATION OF MEN AND WOMEN TO CHRIST THROUGH BIBLICAL TRUTHS ACCOUNTABILITY AND LIFE SKILLS TRANSFORMING INDIVIDUALS INTO POSITIVE CONTRIBUTORS TO SOCIETY. | | |
| | 2 | Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets. | | |
| | 3 | Number of voting members of the governing body (Part VI, line 1a) | 3 | 7 |
| | 4 | Number of independent voting members of the governing body (Part VI, line 1b) | 4 | 7 |
| | 5 | Total number of individuals employed in calendar year 2011 (Part VII, line 2a) | 5 | 11 |
| | 6 | Total number of volunteers (estimate if necessary) | 6 | 63 |
| | 7a | Total unrelated business revenue from Part VIII, column (C), line 12 | 7a | 0 |
| | b Net unrelated business taxable income from Form 990-T, line 34 | 7b | 0 | |
| Revenue | 8 | Contributions and grants (Part VIII, line 1h) | 190106 | 162017 |
| | 9 | Program service revenue (Part VIII, line 2g) | 38958 | 62074 |
| | 10 | Investment income (Part VIII, column (A), lines 3, 4, and 7d) | 0 | 52 |
| | 11 | Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) | 0 | |
| | 12 | Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12) | 229073 | 224143 |
| Expenses | 13 | Grants and similar amounts paid (Part IX, column (A), lines 1–3) | | 0 |
| | 14 | Benefits paid to or for members (Part IX, column (A), line 4) | | 3664 |
| | 15 | Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10) | 42184 | 86408 |
| | 16a | Professional fundraising fees (Part IX, column (A), line 11e) | | 0 |
| | b | Total fundraising expenses (Part IX, column (D), line 25) ▶ | | 0 |
| | 17 | Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e) | 39619 | 70142 |
| | 18 | Total expenses. Add lines 13–17 (must equal Part IX, column (A), line 25) | 81803 | 160214 |
| | 19 Revenue less expenses. Subtract line 18 from line 12 | 147270 | 63929 | |
| Net Assets or Fund Balances | 20 | Total assets (Part X, line 16) | 231686 | 295616 |
| | 21 | Total liabilities (Part X, line 26) | 0 | 0 |
| | 22 | Net assets or fund balances. Subtract line 21 from line 20 | 231686 | 295616 |

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature of officer: *James H. McBryer*
 Date: **7-25-12**
 Type or print name and title: **James H. McBryer, President**

Paid Preparer Use Only

Preparer's name: **James H. McBryer** Preparer's signature: *James H. McBryer* Date: **7-25-12** Check if self-employed PTIN: **81512**

Firm's name ▶ Firm's EIN ▶
 Firm's address ▶ Phone no

May the IRS discuss this return with the preparer shown above? (see instructions) Yes No

SCANNED AUG 07 2012

81512

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III

- 1 Briefly describe the organization's mission:
A RESIDENTIAL CHRIST CENTERED MINISTRY FOCUSED ON THE RESTORATION OF PEOPLE WITH SUBSTANCE ADDICTIONS AND LIFE CONTROLLING ISSUES THROUGH THE APPLICATION OF BIBLICAL TRUTHS, REHABILITATION, AND LIFE SKILLS THAT WILL HELP THEM TRANSITION BACK TO THEIR FAMILIES AND COMMUNITIES AS POSITIVE CONTRIBUTORS.
- 2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? Yes No
 If "Yes," describe these new services on Schedule O.
- 3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? Yes No
 If "Yes," describe these changes on Schedule O.
- 4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code: 623990) (Expenses \$ 160381 including grants of \$ _____) (Revenue \$ _____)
THIRTY-ONE COURT RELATED RESIDENTS HAVE ENROLLED INTO OUR 18 MONTH RESIDENTIAL RECOVERY PROGRAM. TO DATE 12 RESIDENTS HAVE SUCCESSFULLY COMPLETED A FOUR PHASE, 12 STEP PROGRAM. CURRENTLY THERE ARE TWENTY-THREE MEN AND FIVE WOMEN WHO ARE PARTICIPATING IN VARIOUS PHASES OF THEIR RECOVERY.

4b (Code: _____) (Expenses \$ _____ including grants of \$ _____) (Revenue \$ _____)

4c (Code: _____) (Expenses \$ _____ including grants of \$ _____) (Revenue \$ _____)

4d Other program services (Describe in Schedule O.)
 (Expenses \$ _____ including grants of \$ _____) (Revenue \$ _____)

4e Total program service expenses **▶ 160381**

Part IV Checklist of Required Schedules

| | | Yes | No |
|------|--|-----|----|
| 1 | Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i> | ✓ | |
| 2 | Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> (see instructions)? | ✓ | |
| 3 | Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i> | | ✓ |
| 4 | Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i> | | ✓ |
| 5 | Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If "Yes," complete Schedule C, Part III</i> | | ✓ |
| 6 | Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i> | ✓ | |
| 7 | Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i> | | ✓ |
| 8 | Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i> | | ✓ |
| 9 | Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i> | | ✓ |
| 10 | Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i> | | ✓ |
| 11 | If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable. | | |
| a | Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i> | ✓ | |
| b | Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII</i> | | ✓ |
| c | Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII</i> | | ✓ |
| d | Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX</i> | | ✓ |
| e | Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i> | | ✓ |
| f | Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X</i> | | ✓ |
| 12 a | Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI, XII, and XIII</i> | | ✓ |
| b | Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional</i> | | ✓ |
| 13 | Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i> | | ✓ |
| 14 a | Did the organization maintain an office, employees, or agents outside of the United States? | | ✓ |
| b | Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If "Yes," complete Schedule F, Parts I and IV</i> | | ✓ |
| 15 | Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? <i>If "Yes," complete Schedule F, Parts II and IV</i> | | ✓ |
| 16 | Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? <i>If "Yes," complete Schedule F, Parts III and IV</i> | | ✓ |
| 17 | Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I (see instructions)</i> | | ✓ |
| 18 | Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i> | ✓ | |
| 19 | Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i> | | ✓ |
| 20 a | Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i> | | ✓ |
| b | If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return? | | |

Part IV Checklist of Required Schedules (continued)

| | | Yes | No |
|-----|--|-----|----|
| 21 | Did the organization report more than \$5,000 of grants and other assistance to any government or organization in the United States on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i> | | ✓ |
| 22 | Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i> | | ✓ |
| 23 | Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i> | | ✓ |
| 24a | Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25</i> | | ✓ |
| b | Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? | | ✓ |
| c | Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? | | ✓ |
| d | Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? | | ✓ |
| 25a | Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i> | | ✓ |
| b | Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i> | | ✓ |
| 26 | Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If "Yes," complete Schedule L, Part II</i> | | ✓ |
| 27 | Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i> | | ✓ |
| 28 | Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions): | | |
| a | A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i> | | ✓ |
| b | A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i> | | ✓ |
| c | An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i> | | ✓ |
| 29 | Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i> | | ✓ |
| 30 | Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i> | | ✓ |
| 31 | Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i> | | ✓ |
| 32 | Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i> | | ✓ |
| 33 | Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i> | | ✓ |
| 34 | Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1</i> | | ✓ |
| 35a | Did the organization have a controlled entity within the meaning of section 512(b)(13)? | | ✓ |
| b | Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i> | | ✓ |
| 36 | Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i> | | ✓ |
| 37 | Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i> | | ✓ |
| 38 | Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? Note. All Form 990 filers are required to complete Schedule O | ✓ | |

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response to any question in this Part V

| | | Yes | No |
|------------|--|--------------|----|
| 1a | Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable | 1a 0 | |
| b | Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable | 1b 0 | |
| c | Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners? | 1c | |
| 2a | Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return | 2a 11 | |
| b | If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions) | 2b ✓ | |
| 3a | Did the organization have unrelated business gross income of \$1,000 or more during the year? | 3a | ✓ |
| b | If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O | 3b | |
| 4a | At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)? | 4a | ✓ |
| b | If "Yes," enter the name of the foreign country: ▶ See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts. | | |
| 5a | Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? | 5a | ✓ |
| b | Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction? | 5b | ✓ |
| c | If "Yes" to line 5a or 5b, did the organization file Form 8886-T? | 5c | |
| 6a | Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible? | 6a | ✓ |
| b | If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? | 6b | |
| 7 | Organizations that may receive deductible contributions under section 170(c). | | |
| a | Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor? | 7a | ✓ |
| b | If "Yes," did the organization notify the donor of the value of the goods or services provided? | 7b | |
| c | Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282? | 7c ✓ | |
| d | If "Yes," indicate the number of Forms 8282 filed during the year | 7d 2 | |
| e | Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? | 7e | ✓ |
| f | Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? | 7f | ✓ |
| g | If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required? | 7g | |
| h | If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C? | 7h | |
| 8 | Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year? | 8 | ✓ |
| 9 | Sponsoring organizations maintaining donor advised funds. | | |
| a | Did the organization make any taxable distributions under section 4966? | 9a | ✓ |
| b | Did the organization make a distribution to a donor, donor advisor, or related person? | 9b | ✓ |
| 10 | Section 501(c)(7) organizations. Enter: | | |
| a | Initiation fees and capital contributions included on Part VIII, line 12 | 10a | |
| b | Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities | 10b | |
| 11 | Section 501(c)(12) organizations. Enter: | | |
| a | Gross income from members or shareholders | 11a | |
| b | Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.) | 11b | |
| 12a | Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041? | 12a | |
| b | If "Yes," enter the amount of tax-exempt interest received or accrued during the year | 12b | |
| 13 | Section 501(c)(29) qualified nonprofit health insurance issuers. | | |
| a | Is the organization licensed to issue qualified health plans in more than one state? Note. See the instructions for additional information the organization must report on Schedule O. | 13a | |
| b | Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans | 13b | |
| c | Enter the amount of reserves on hand | 13c | |
| 14a | Did the organization receive any payments for indoor tanning services during the tax year? | 14a | ✓ |
| b | If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O | 14b | |

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions. Check if Schedule O contains a response to any question in this Part VI

Section A. Governing Body and Management

| | | Yes | No |
|-----------|---|-------------------------------------|-------------------------------------|
| 1a | Enter the number of voting members of the governing body at the end of the tax year 1a 7 If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O. | | |
| b | Enter the number of voting members included in line 1a, above, who are independent 1b 7 | | |
| 2 | Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee? | | <input checked="" type="checkbox"/> |
| 3 | Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person? | | <input checked="" type="checkbox"/> |
| 4 | Did the organization make any significant changes to its governing documents since the prior Form 990 was filed? | <input checked="" type="checkbox"/> | |
| 5 | Did the organization become aware during the year of a significant diversion of the organization's assets? | | <input checked="" type="checkbox"/> |
| 6 | Did the organization have members or stockholders? | | <input checked="" type="checkbox"/> |
| 7a | Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body? | | <input checked="" type="checkbox"/> |
| b | Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body? | | <input checked="" type="checkbox"/> |
| 8 | Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following: | | |
| a | The governing body? | <input checked="" type="checkbox"/> | |
| b | Each committee with authority to act on behalf of the governing body? | <input checked="" type="checkbox"/> | |
| 9 | Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O | | <input checked="" type="checkbox"/> |

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

| | | Yes | No |
|------------|--|-------------------------------------|-------------------------------------|
| 10a | Did the organization have local chapters, branches, or affiliates? | | <input checked="" type="checkbox"/> |
| b | If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes? | | |
| 11a | Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form? | <input checked="" type="checkbox"/> | |
| b | Describe in Schedule O the process, if any, used by the organization to review this Form 990. | | |
| 12a | Did the organization have a written conflict of interest policy? If "No," go to line 13 | <input checked="" type="checkbox"/> | |
| b | Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts? | | <input checked="" type="checkbox"/> |
| c | Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done | <input checked="" type="checkbox"/> | |
| 13 | Did the organization have a written whistleblower policy? | <input checked="" type="checkbox"/> | |
| 14 | Did the organization have a written document retention and destruction policy? | | <input checked="" type="checkbox"/> |
| 15 | Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision? | | |
| a | The organization's CEO, Executive Director, or top management official | <input checked="" type="checkbox"/> | |
| b | Other officers or key employees of the organization | <input checked="" type="checkbox"/> | |
| | If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions). | | |
| 16a | Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year? | | <input checked="" type="checkbox"/> |
| b | If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements? | | |

Section C. Disclosure

- 17** List the states with which a copy of this Form 990 is required to be filed ► **KENTUCKY**
- 18** Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
 Own website Another's website Upon request
- 19** Describe in Schedule O whether (and if so, how), the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
- 20** State the name, physical address, and telephone number of the person who possesses the books and records of the organization: ► **JEANNIE PENROD, BOOKKEEPER PO BOX 1156 OWENSBORO, KY 42302 270-275-9890**

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response to any question in this Part VII

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers, key employees, highest compensated employees; and former such persons.

Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee

| (A) Name and Title | (B) Average hours per week (describe hours for related organizations in Schedule O) | (C) Position (do not check more than one box, unless person is both an officer and a director/trustee) | | | | | | (D) Reportable compensation from the organization (W-2/1099-MISC) | (E) Reportable compensation from related organizations (W-2/1099-MISC) | (F) Estimated amount of other compensation from the organization and related organizations |
|---------------------------------|--|---|-----------------------|---------|--------------|------------------------------|--------|--|---|---|
| | | Individual trustee or director | Institutional trustee | Officer | Key employee | Highest compensated employee | Former | | | |
| (1) JAMES H MCBRAYER, PRESIDENT | | | | ✓ | | | | 0 | 0 | 0 |
| (2) LARRY BIDWELL, CHAIRMAN | | | | ✓ | | | | 0 | 0 | 0 |
| (3) GLENN AMERSON, TREASURER | | | | ✓ | | | | 0 | 0 | 0 |
| (4) STEVE ENGLEHARDT, SECRETARY | | | | ✓ | | | | 0 | 0 | 0 |
| (5) RANDY SMITH | | | | | | | | 0 | 0 | 0 |
| (6) CAROL ADKINS | | ✓ | | | | | | 0 | 0 | 0 |
| (7) JOHN FOWLER | | ✓ | | | | | | 0 | 0 | 0 |
| (8) | | ✓ | | | | | | 0 | 0 | 0 |
| (9) | | | | | | | | | | |
| (10) | | | | | | | | | | |
| (11) | | | | | | | | | | |
| (12) | | | | | | | | | | |
| (13) | | | | | | | | | | |
| (14) | | | | | | | | | | |

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

| (A) Name and title | (B) Average hours per week (describe hours for related organizations in Schedule O) | (C) Position (do not check more than one box, unless person is both an officer and a director/trustee) | | | | | | (D) Reportable compensation from the organization (W-2/1099-MISC) | (E) Reportable compensation from related organizations (W-2/1099-MISC) | (F) Estimated amount of other compensation from the organization and related organizations |
|--|--|---|-----------------------|---------|--------------|------------------------------|--------|--|---|---|
| | | Individual trustee or director | Institutional trustee | Officer | Key employee | Highest compensated employee | Former | | | |
| (15) | | | | | | | | | | |
| (16) | | | | | | | | | | |
| (17) | | | | | | | | | | |
| (18) | | | | | | | | | | |
| (19) | | | | | | | | | | |
| (20) | | | | | | | | | | |
| (21) | | | | | | | | | | |
| (22) | | | | | | | | | | |
| (23) | | | | | | | | | | |
| (24) | | | | | | | | | | |
| (25) | | | | | | | | | | |
| 1b Sub-total | | | | | | | 0 | 0 | 0 | |
| c Total from continuation sheets to Part VII, Section A | | | | | | | | | | |
| d Total (add lines 1b and 1c) | | | | | | | 0 | 0 | 0 | |

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization **0**

| | Yes | No |
|--|-----|----|
| 3 Did the organization list any former officer, director, or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i> | | ✓ |
| 4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i> | | ✓ |
| 5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i> | | ✓ |

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

| (A) Name and business address | (B) Description of services | (C) Compensation |
|----------------------------------|--------------------------------|---------------------|
| NONE | | |
| | | |
| | | |
| | | |
| | | |

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization **0**

Part VIII Statement of Revenue

| | | | (A) Total revenue | (B) Related or exempt function revenue | (C) Unrelated business revenue | (D) Revenue excluded from tax under sections 512, 513, or 514 | |
|---|--|---|--|--|---|---|--|
| Contributions, Gifts, Grants and Other Similar Amounts | 1a | Federated campaigns | 1a 0 | | | | |
| | b | Membership dues | 1b 0 | | | | |
| | c | Fundraising events | 1c 39290 | | | | |
| | d | Related organizations | 1d 0 | | | | |
| | e | Government grants (contributions) | 1e 0 | | | | |
| | f | All other contributions, gifts, grants, and similar amounts not included above | 1f 110858 | | | | |
| | g | Noncash contributions included in lines 1a-1f \$ | 11869 | | | | |
| | h | Total. Add lines 1a-1f ▶ | 162017 | | | | |
| | Program Service Revenue | 2a | CLIENT FEES | Business Code 623990 | 62074 | 62074 | |
| b | | ----- | | | | | |
| c | | ----- | | | | | |
| d | | ----- | | | | | |
| e | | ----- | | | | | |
| f | | All other program service revenue . | | | | | |
| g | | Total. Add lines 2a-2f ▶ | 62074 | | | | |
| Other Revenue | 3 | Investment income (including dividends, interest, and other similar amounts) ▶ | 52 | | 52 | | |
| | 4 | Income from investment of tax-exempt bond proceeds ▶ | 0 | | | | |
| | 5 | Royalties ▶ | 0 | | | | |
| | 6a | Gross rents | (i) Real | | | | |
| | | | (ii) Personal | | | | |
| | | | | | | | |
| | | | | | | | |
| | b | Less: rental expenses | | | | | |
| | c | Rental income or (loss) | | | | | |
| | d | Net rental income or (loss) ▶ | 0 | | | | |
| | 7a | Gross amount from sales of assets other than inventory | (i) Securities | | | | |
| | | | (ii) Other | | | | |
| | | | | | | | |
| | | | | | | | |
| | b | Less: cost or other basis and sales expenses | | | | | |
| | c | Gain or (loss) | | | | | |
| | d | Net gain or (loss) ▶ | | | | | |
| 8a | Gross income from fundraising events (not including \$ 39290 of contributions reported on line 1c) See Part IV, line 18 | a | 14097 | | | | |
| | | b | 14097 | | | | |
| | | c | Net income or (loss) from fundraising events . ▶ | 0 | | | |
| 9a | Gross income from gaming activities. See Part IV, line 19 | a | 0 | | | | |
| | | b | | | | | |
| | | c | Net income or (loss) from gaming activities . ▶ | 0 | | | |
| 10a | Gross sales of inventory, less returns and allowances | a | 0 | | | | |
| | | b | | | | | |
| | | c | Net income or (loss) from sales of inventory . ▶ | 0 | | | |
| Miscellaneous Revenue | | Business Code | | | | | |
| 11a | ----- | | | | | | |
| b | ----- | | | | | | |
| c | ----- | | | | | | |
| d | All other revenue | | | | | | |
| e | Total. Add lines 11a-11d ▶ | 0 | | | | | |
| 12 | Total revenue. See instructions. ▶ | 224143 | 62074 | 52 | | | |

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

Check if Schedule O contains a response to any question in this Part IX

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.

| | (A) Total expenses | (B) Program service expenses | (C) Management and general expenses | (D) Fundraising expenses |
|--|-----------------------|---------------------------------|--|-----------------------------|
| 1 Grants and other assistance to governments and organizations in the United States. See Part IV, line 21 | | | | |
| 2 Grants and other assistance to individuals in the United States. See Part IV, line 22 | | | | |
| 3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16 | | | | |
| 4 Benefits paid to or for members | 3664 | 3664 | | |
| 5 Compensation of current officers, directors, trustees, and key employees | 17371 | 6080 | 5211 | 6080 |
| 6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) | 0 | | | |
| 7 Other salaries and wages | 52803 | 36962 | 10560 | 5281 |
| 8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions) | 0 | | | |
| 9 Other employee benefits | 0 | | | |
| 10 Payroll taxes | 16234 | 11364 | 3247 | 1623 |
| 11 Fees for services (non-employees): | | | | |
| a Management | 308 | | 308 | |
| b Legal | 337 | | 337 | |
| c Accounting | 436 | | 436 | |
| d Lobbying | | | | |
| e Professional fundraising services. See Part IV, line 17 | | | | |
| f Investment management fees | | | | |
| g Other | | | | |
| 12 Advertising and promotion | 1102 | | | 1102 |
| 13 Office expenses | 1875 | 1313 | 562 | |
| 14 Information technology | 9092 | 4546 | 4546 | |
| 15 Royalties | | | | |
| 16 Occupancy | 39546 | 31637 | 7909 | |
| 17 Travel | | | | |
| 18 Payments of travel or entertainment expenses for any federal, state, or local public officials | | | | |
| 19 Conferences, conventions, and meetings | 2392 | 2392 | | |
| 20 Interest | | | | |
| 21 Payments to affiliates | | | | |
| 22 Depreciation, depletion, and amortization | | | | |
| 23 Insurance | 8762 | 5257 | 1753 | 1752 |
| 24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.) | | | | |
| a | | | | |
| b BAD DEBT & CLIENT ASSISTANCE | 2524 | 2524 | | |
| c CURRICULUM & MATERIALS | 2484 | 2484 | | |
| d DRUG SCREENS | 1190 | 1190 | | |
| e All other expenses | 94 | 94 | | |
| 25 Total functional expenses. Add lines 1 through 24e | 160214 | 109507 | 34869 | 15838 |
| 26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720) | | | | |

Part X Balance Sheet

| | | (A) Beginning of year | | (B) End of year | |
|---|--|--------------------------|------------|--------------------|--|
| Assets | 1 Cash—non-interest-bearing | 49682 | 1 | 78205 | |
| | 2 Savings and temporary cash investments | 8361 | 2 | 29930 | |
| | 3 Pledges and grants receivable, net | | 3 | | |
| | 4 Accounts receivable, net | | 4 | 320 | |
| | 5 Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L | | 5 | | |
| | 6 Receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) | | 6 | | |
| | 7 Notes and loans receivable, net | | 7 | | |
| | 8 Inventories for sale or use | | 8 | | |
| | 9 Prepaid expenses and deferred charges | | 9 | | |
| | 10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D | 210115 | | | |
| | b Less: accumulated depreciation | 22954 | | | |
| | 11 Investments—publicly traded securities | 173643 | 10c | 187161 | |
| | 12 Investments—other securities. See Part IV, line 11 | | 11 | | |
| | 13 Investments—program-related. See Part IV, line 11 | | 12 | | |
| | 14 Intangible assets | | 13 | | |
| | 15 Other assets. See Part IV, line 11 | | 14 | | |
| 16 Total assets. Add lines 1 through 15 (must equal line 34) | 231686 | 15 | 295616 | | |
| 17 Accounts payable and accrued expenses | | 16 | | | |
| 18 Grants payable | | 17 | | | |
| 19 Deferred revenue | | 18 | | | |
| 20 Tax-exempt bond liabilities | | 19 | | | |
| 21 Escrow or custodial account liability. Complete Part IV of Schedule D | | 20 | | | |
| 22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L | | 21 | | | |
| 23 Secured mortgages and notes payable to unrelated third parties | | 22 | | | |
| 24 Unsecured notes and loans payable to unrelated third parties | | 23 | | | |
| 25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D | | 24 | | | |
| 26 Total liabilities. Add lines 17 through 25 | | 25 | | | |
| | | 26 | 0 | | |
| Organizations that follow SFAS 117, check here <input type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34. | | | | | |
| Net Assets or Fund Balances | 27 Unrestricted net assets | | 27 | | |
| | 28 Temporarily restricted net assets | | 28 | | |
| | 29 Permanently restricted net assets | | 29 | | |
| | Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34. | | | | |
| | 30 Capital stock or trust principal, or current funds | | 30 | | |
| | 31 Paid-in or capital surplus, or land, building, or equipment fund | | 31 | | |
| | 32 Retained earnings, endowment, accumulated income, or other funds | | 32 | | |
| | 33 Total net assets or fund balances | 231686 | 33 | 295616 | |
| 34 Total liabilities and net assets/fund balances | | 34 | | | |

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response to any question in this Part XI

| | | | |
|----------|--|----------|--------|
| 1 | Total revenue (must equal Part VIII, column (A), line 12) | 1 | 224143 |
| 2 | Total expenses (must equal Part IX, column (A), line 25) | 2 | 160214 |
| 3 | Revenue less expenses. Subtract line 2 from line 1 | 3 | 63929 |
| 4 | Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A)) | 4 | 231686 |
| 5 | Other changes in net assets or fund balances (explain in Schedule O) | 5 | 1 |
| 6 | Net assets or fund balances at end of year. Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B)) | 6 | 295616 |

Part XII Financial Statements and Reporting

Check if Schedule O contains a response to any question in this Part XII

| | | Yes | No |
|-----------|---|-----|----|
| 1 | Accounting method used to prepare the Form 990: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O | | |
| 2a | Were the organization's financial statements compiled or reviewed by an independent accountant? | | ✓ |
| 2b | Were the organization's financial statements audited by an independent accountant? | | ✓ |
| 2c | If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O. | | |
| d | If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis | | |
| 3a | As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133? | | ✓ |
| 3b | If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits | | |

SCHEDULE A
(Form 990 or 990-EZ)

Public Charity Status and Public Support

OMB No 1545-0047

2011

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

Open to Public Inspection

▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

Department of the Treasury
Internal Revenue Service

Name of the organization

FRIENDS OF SINNERS INC

Employer identification number

27 0332382

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 11, check only one box.)

- 1 A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i)**.
- 2 A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E.)
- 3 A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**.
- 4 A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state: _____
- 5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II.)
- 6 A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.
- 7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 8 A community trust described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 9 An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2)**. (Complete Part III.)
- 10 An organization organized and operated exclusively to test for public safety. See **section 509(a)(4)**.
- 11 An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See **section 509(a)(3)**. Check the box that describes the type of supporting organization and complete lines 11e through 11h
 - a Type I b Type II c Type III—Functionally integrated d Type III—Other
 - e By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).
 - f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box
 - g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?
 - (i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?

| | | |
|--------|-----|----|
| | Yes | No |
| 11g(i) | | |
 - (ii) A family member of a person described in (i) above?

| | | |
|---------|-----|----|
| | Yes | No |
| 11g(ii) | | |
 - (iii) A 35% controlled entity of a person described in (i) or (ii) above?

| | | |
|----------|-----|----|
| | Yes | No |
| 11g(iii) | | |
 - h Provide the following information about the supported organization(s).

| (i) Name of supported organization | (ii) EIN | (iii) Type of organization (described on lines 1-9 above or IRC section (see instructions)) | (iv) Is the organization in col. (i) listed in your governing document? | | (v) Did you notify the organization in col. (i) of your support? | | (vi) Is the organization in col. (i) organized in the U.S.? | | (vii) Amount of support |
|------------------------------------|----------|---|---|----|--|----|---|----|-------------------------|
| | | | Yes | No | Yes | No | Yes | No | |
| (A) | | | | | | | | | |
| (B) | | | | | | | | | |
| (C) | | | | | | | | | |
| (D) | | | | | | | | | |
| (E) | | | | | | | | | |
| Total | | | | | | | | | |

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)
 (Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

| Calendar year (or fiscal year beginning in) ▶ | (a) 2007 | (b) 2008 | (c) 2009 | (d) 2010 | (e) 2011 | (f) Total |
|---|----------|----------|----------|----------|----------|-----------|
| 1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.") | | | 115092 | 229064 | 224091 | 568247 |
| 2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf | | | | | | |
| 3 The value of services or facilities furnished by a governmental unit to the organization without charge | | | 0 | 0 | 0 | 0 |
| 4 Total. Add lines 1 through 3 | | | 115092 | 229064 | 224091 | 568247 |
| 5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f) | | | | | | 37147 |
| 6 Public support. Subtract line 5 from line 4. | | | | | | 531100 |

Section B. Total Support

| Calendar year (or fiscal year beginning in) ▶ | (a) 2007 | (b) 2008 | (c) 2009 | (d) 2010 | (e) 2011 | (f) Total |
|--|----------|----------|----------|----------|----------|-----------|
| 7 Amounts from line 4 | | | 115092 | 229064 | 224091 | 568247 |
| 8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources | | | | 9 | 52 | 61 |
| 9 Net income from unrelated business activities, whether or not the business is regularly carried on | | | | | | 0 |
| 10 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV.) | | | | | | 0 |
| 11 Total support. Add lines 7 through 10 | | | | | | 568308 |
| 12 Gross receipts from related activities, etc. (see instructions) | | | | | 12 | 0 |
| 13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here ▶ <input checked="" type="checkbox"/> | | | | | | |

Section C. Computation of Public Support Percentage

| | | |
|---|----|---|
| 14 Public support percentage for 2011 (line 6, column (f) divided by line 11, column (f)) | 14 | % |
| 15 Public support percentage from 2010 Schedule A, Part II, line 14 | 15 | % |
| 16a 33 1/3% support test—2011. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization ▶ <input type="checkbox"/> | | |
| b 33 1/3% support test—2010. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization ▶ <input type="checkbox"/> | | |
| 17a 10%-facts-and-circumstances test—2011. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ▶ <input type="checkbox"/> | | |
| b 10%-facts-and-circumstances test—2010. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ▶ <input type="checkbox"/> | | |
| 18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions ▶ <input type="checkbox"/> | | |

**SCHEDULE D
(Form 990)**

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ **Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.**
▶ **Attach to Form 990. ▶ See separate instructions.**

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization

Employer identification number

FRIENDS OF SINNERS INC

27 0332382

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

| | (a) Donor advised funds | (b) Funds and other accounts |
|---|-------------------------|------------------------------|
| 1 Total number at end of year | 22500 | |
| 2 Aggregate contributions to (during year) | | |
| 3 Aggregate grants from (during year) | | |
| 4 Aggregate value at end of year | 22500 | |
| 5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | | |
| 6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | | |

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

- 1 Purpose(s) of conservation easements held by the organization (check all that apply).
 Preservation of land for public use (e.g., recreation or education) Preservation of an historically important land area
 Protection of natural habitat Preservation of a certified historic structure
 Preservation of open space
- 2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year
- | | Held at the End of the Tax Year |
|--|---------------------------------|
| a Total number of conservation easements | 2a |
| b Total acreage restricted by conservation easements | 2b |
| c Number of conservation easements on a certified historic structure included in (a) | 2c |
| d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register | 2d |
- 3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶
- 4 Number of states where property subject to conservation easement is located ▶
- 5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? Yes No
- 6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ▶
- 7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶ \$
- 8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? Yes No
- 9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

- 1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items.
- b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:
 (i) Revenues included in Form 990, Part VIII, line 1 ▶ \$
 (ii) Assets included in Form 990, Part X ▶ \$
- 2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items:
 a Revenues included in Form 990, Part VIII, line 1 ▶ \$
 b Assets included in Form 990, Part X ▶ \$

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

- 3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply).
- a Public exhibition
 - b Scholarly research
 - c Preservation for future generations
 - d Loan or exchange programs
 - e Other
- 4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV.
- 5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

Part IV Escrow and Custodial Arrangements. Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

- 1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No
- b If "Yes," explain the arrangement in Part XIV and complete the following table.
- | | Amount |
|---------------------------------|--------|
| c Beginning balance | 1c |
| d Additions during the year | 1d |
| e Distributions during the year | 1e |
| f Ending balance | 1f |
- 2a Did the organization include an amount on Form 990, Part X, line 21? Yes No
- b If "Yes," explain the arrangement in Part XIV.

Part V Endowment Funds. Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

| | (a) Current year | (b) Prior year | (c) Two years back | (d) Three years back | (e) Four years back |
|--|------------------|----------------|--------------------|----------------------|---------------------|
| 1a Beginning of year balance | | | | | |
| b Contributions | | | | | |
| c Net investment earnings, gains, and losses | | | | | |
| d Grants or scholarships | | | | | |
| e Other expenditures for facilities and programs | | | | | |
| f Administrative expenses | | | | | |
| g End of year balance | | | | | |

- 2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:
- a Board designated or quasi-endowment ▶ %
 - b Permanent endowment ▶ %
 - c Temporarily restricted endowment ▶ %
- The percentages in lines 2a, 2b, and 2c should equal 100%.
- 3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:
- | | Yes | No |
|---|--------|----|
| (i) unrelated organizations | 3a(i) | |
| (ii) related organizations | 3a(ii) | |
| b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R? | 3b | |
- 4 Describe in Part XIV the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment. See Form 990, Part X, line 10.

| Description of property | (a) Cost or other basis (investment) | (b) Cost or other basis (other) | (c) Accumulated depreciation | (d) Book value |
|--|--------------------------------------|---------------------------------|------------------------------|----------------|
| 1a Land | | | | |
| b Buildings | | 143083 | 9343 | 133740 |
| c Leasehold improvements | | 16107 | 4272 | 11835 |
| d Equipment | | 50925 | 9339 | 41586 |
| e Other | | | | |
| Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).) | | | | 187161 |

Supplemental Information Regarding Fundraising or Gaming Activities

Complete if the organization answered "Yes" to Form 990, Part IV, lines 17, 18, or 19, or if the organization entered more than \$15,000 on Form 990-EZ, line 6a.
▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

Name of the organization

FRIENDS OF SINNERS INC

Employer identification number

27 0332382

Part I

Fundraising Activities. Complete if the organization answered "Yes" to Form 990, Part IV, line 17.
Form 990-EZ filers are not required to complete this part.

- 1 Indicate whether the organization raised funds through any of the following activities. Check all that apply.
- a Mail solicitations
 - b Internet and email solicitations
 - c Phone solicitations
 - d In-person solicitations
 - e Solicitation of non-government grants
 - f Solicitation of government grants
 - g Special fundraising events
- 2a Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services? Yes No
- b If "Yes," list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least \$5,000 by the organization.

| (i) Name and address of individual or entity (fundraiser) | (ii) Activity | (iii) Did fundraiser have custody or control of contributions? | | (iv) Gross receipts from activity | (v) Amount paid to (or retained by) fundraiser listed in col (i) | (vi) Amount paid to (or retained by) organization |
|---|---------------|--|----|-----------------------------------|--|---|
| | | Yes | No | | | |
| 1 NONE | | | | | | |
| 2 | | | | | | |
| 3 | | | | | | |
| 4 | | | | | | |
| 5 | | | | | | |
| 6 | | | | | | |
| 7 | | | | | | |
| 8 | | | | | | |
| 9 | | | | | | |
| 10 | | | | | | |
| Total | | | | | | |

3 List all states in which the organization is registered or licensed to solicit contributions or has been notified it is exempt from registration or licensing.

KENTUCKY

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Part II Fundraising Events. Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than \$15,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6b. List events with gross receipts greater than \$5,000.

| | | (a) Event #1 | (b) Event #2 | (c) Other events | (d) Total events | |
|-----------------|---|---|-------------------------------|---------------------|----------------------------------|-------|
| | | BANQUET (event type) | GOLF SCRAMBLE (event type) | 7 (total number) | (add col (a) through col (c)) | |
| Revenue | 1 | Gross receipts | 26511 | 9848 | 17027 | 53386 |
| | 2 | Less. Charitable contributions | 21502 | 5963 | 11825 | 39290 |
| | 3 | Gross income (line 1 minus line 2) | 5009 | 3885 | 5203 | 14097 |
| Direct Expenses | 4 | Cash prizes | | | | |
| | 5 | Noncash prizes | | | 2382 | 2382 |
| | 6 | Rent/facility costs | 1007 | 2800 | | 3807 |
| | 7 | Food and beverages | 4002 | 856 | 1710 | 6568 |
| | 8 | Entertainment | | | | |
| | 9 | Other direct expenses | | 229 | 1111 | 1340 |
| | 10 | Direct expense summary. Add lines 4 through 9 in column (d) ▶ | | | | |
| 11 | Net income summary. Combine line 3, column (d), and line 10 ▶ | | | | | 0 |

Part III Gaming. Complete if the organization answered "Yes" to Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

| | | (a) Bingo | (b) Pull tabs/instant bingo/progressive bingo | (c) Other gaming | (d) Total gaming (add col (a) through col. (c)) | |
|-----------------|---|---|---|---|---|-----|
| | | | | | | |
| Revenue | 1 | Gross revenue | | | | |
| Direct Expenses | 2 | Cash prizes | | | | |
| | 3 | Noncash prizes | | | | |
| | 4 | Rent/facility costs | | | | |
| | 5 | Other direct expenses | | | | |
| | 6 | Volunteer labor | <input type="checkbox"/> Yes _____ % <input type="checkbox"/> No | <input type="checkbox"/> Yes _____ % <input type="checkbox"/> No | <input type="checkbox"/> Yes _____ % <input type="checkbox"/> No | |
| | 7 | Direct expense summary. Add lines 2 through 5 in column (d) ▶ | | | | () |
| | 8 | Net gaming income summary. Combine line 1, column d, and line 7 ▶ | | | | |

- 9 Enter the state(s) in which the organization operates gaming activities: _____
- a Is the organization licensed to operate gaming activities in each of these states? Yes No
- b If "No," explain: _____
- 10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year? Yes No
- b If "Yes," explain: _____

- 11 Does the organization operate gaming activities with nonmembers? Yes No
- 12 Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming? Yes No

13 Indicate the percentage of gaming activity operated in:

| | | |
|-------------------------------|-----|---|
| a The organization's facility | 13a | % |
| b An outside facility | 13b | % |

14 Enter the name and address of the person who prepares the organization's gaming/special events books and records:

Name ► _____

Address ► _____

- 15a Does the organization have a contract with a third party from whom the organization receives gaming revenue? Yes No
- b If "Yes," enter the amount of gaming revenue received by the organization ► \$ _____ and the amount of gaming revenue retained by the third party ► \$ _____
- c If "Yes," enter name and address of the third party

Name ► _____

Address ► _____

16 Gaming manager information:

Name ► _____

Gaming manager compensation ► \$ _____

Description of services provided ► _____

Director/officer Employee Independent contractor

- 17 Mandatory distributions:
 - a Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license? Yes No
 - b Enter the amount of distributions required under state law to be distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ► \$ _____

Part IV **Supplemental information.** Complete this part to provide the explanations required by Part I, line 2b, columns (iii) and (v), and Part III, lines 9, 9b, 10b, 15b, 15c, 16, and 17b, as applicable. Also complete this part to provide any additional information (see instructions).

SCHEDULE O
(Form 990 or 990-EZ)

Supplemental Information to Form 990 or 990-EZ

OMB No 1545-0047

2011

**Open to Public
Inspection**

Department of the Treasury
Internal Revenue Service

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

Name of the organization

Employer identification number

FRIENDS OF SINNERS INC

27 0332382

PART VI SECTION B QUESTION 11: AFTER THE FORM 990 WAS PREPARED IT WAS MADE AVAILABLE TO THE BOARD OF DIRECTORS
AND EXECUTIVE DIRECTOR TO REVIEW IN ITS ENTIRETY. THE BOARD APPROVED THE FORM 990 AND ITS PROMPT FILING AT THE
AUGUST 2012 BOARD MEETING.

PART VI SECTION B QUESTIONS 15 THRU 15 B: THE PERSONNEL AND FINANCE COMMITTEE DEFINES THE REQUIREMENTS FOR A
POSITION INCLUDING JOB DESCRIPTION. THEY THEN DETERMINE THE AVAILABILITY OF FUNDS AND MAKE RECOMENDATIONS TO
THE BOARD OF DIRECTORS. THE BOARD APPROVES THE POSITION AND FUNDING FOR THE SALARY FOR THE POSITION.

PART IV SECTION C QUESTION 19: THE ORGANIZATION MAKES ITS GOVERNING DOCUMENTS, POLICIES, AND FINANCIAL STATEMENTS
AVAILABLE UPON REQUEST

Friends of Sinners, Inc.

Balance Sheet

As of December 31, 2011
Dec 31, 11

ASSETS

Current Assets

Checking/Savings

MONEY MARKET ACCT 29,929 60

South Central Bank II 78,205 23

Total Checking/Savings 108,134 83

Accounts Receivable

Accounts Receivable -75 00

Total Accounts Receivable -75 00

Other Current Assets

Undeposited Funds 395 00

Total Other Current Assets 395 00

Total Current Assets 108,454 83

Fixed Assets

13/ 2001 E250 Passenger Van 7,004 33

2/324 Clay St. Owensboro, KY 56,566 13

34/ 322 Clay St house 58,245 65

44/1100 W 11th St House 28,271 21

80/02 PK Ford Van 5,025 00

Accumulated Depreciation -22,954 00

Appliances 10,972 86

Home Furnishings 6,763 00

Home Improvements 16,106 79

Lawn Equipment 2,591 37

Office Equipment 18,568 53

Total Fixed Assets 187,160 87

TOTAL ASSETS 295,615.70

LIABILITIES & EQUITY

Equity

Retained Earnings 231,686 21

Net Income 63,929 49

Total Equity 295,615 70

TOTAL LIABILITIES & EQUITY 295,615.70

Friends of Sinners, Inc.
Profit & Loss
 January through December 2011
 Jan - Dec 11

Ordinary Income/Expense**Income**

| | |
|---------------------------------|-----------------|
| Client Fees | 62,074 14 |
| Client Fundraising | |
| Banquet 2011 | 21,502 29 |
| Client Fundrais. for Event Fees | 664 00 |
| Cornhole 2011 | 620 22 |
| Golf Scramble 11 | 5,963 39 |
| T SHIRT SALES | -293 63 |
| Unchained 11 | 3,439 26 |
| Women's Luncheon July 11 | 756 92 |
| Women's Luncheon May 2011 | 3,028 98 |
| Yard Sale 2011 | 1,762 62 |
| Yard Sale Fall 2011 | <u>1,846 00</u> |
| Total Client Fundraising | 39,290 05 |

Contributions Income

| | |
|-----------------------------------|------------------|
| Businesses | 21,361 82 |
| Churches | 23,069 74 |
| FOS Day Sponsor | 6,279 02 |
| Individuals | <u>40,147 22</u> |
| Total Contributions Income | 90,857 80 |

| | |
|-------------------|------------------|
| Grants | 20,000 00 |
| In Kind Donations | <u>11,868 89</u> |

Total Income 224,090 88

Gross Profit 224,090 88

Expense

| | |
|---|---------------|
| Administ. & Security Equipment | |
| Office Supplies | 1,874 92 |
| Administ. & Security Equipment - Other | <u>853 20</u> |
| Total Administ. & Security Equipment | 2,728 12 |

| | |
|-----------------------------|-----------------|
| Bad Debt | 2,524 22 |
| Communications | 8,238 58 |
| Contributions | 93 66 |
| Curriculum & Materials | 2,483 66 |
| Drug Screens | 1,190 00 |
| Facility Maintenance | |
| Building Repairs | 5,411 40 |
| Contract Labor | |
| Home Improvements | 3,664 00 |
| Contract Labor - Other | <u>1,959 00</u> |
| Total Contract Labor | 5,623 00 |

Friends of Sinners, Inc.
Profit & Loss
 January through December 2011
 Jan - Dec 11

| | |
|-------------------------------------|------------------|
| Maintenance Supplies | 2,004 07 |
| Facility Maintenance - Other | 2,463 23 |
| Total Facility Maintenance | 15,501 70 |
| Furnishings | 1,522 22 |
| Insurance | |
| Auto Insurance | 3,489 30 |
| Commercial Property Insurance | 1,872 12 |
| Director's/Officer's Insurance | 3,400 64 |
| Total Insurance | 8,762 06 |
| Ministry Promotions | |
| Postage and Delivery | 304 42 |
| Presentations | 232 72 |
| Ministry Promotions - Other | 76 43 |
| Total Ministry Promotions | 613 57 |
| Miscellaneous Expenses | |
| Bank Service Charges | 129 71 |
| Licenses and Permits | 269 38 |
| Meals and Entertainment | 488 11 |
| Program Expense | 894 42 |
| Safe Deposit Box | 38 00 |
| Miscellaneous Expenses - Other | 125 00 |
| Total Miscellaneous Expenses | 1,944 62 |
| Payroll Expense | |
| Assistant Staff | 17,789 78 |
| Bookkeeper | 3,870 00 |
| Emp. Benefits (Med. Ins Cindy) | 0 00 |
| Executive Director | 17,371 14 |
| On -Site Staff | 1,377 81 |
| Supervisor (Men's) | 28,150 81 |
| Supervisor (Women's) | 1,314 46 |
| Payroll Expense - Other | 300 00 |
| Total Payroll Expense | 70,174 00 |
| Professional Fees | |
| Accounting | 436 00 |
| Legal Fees | 67 73 |
| Professional Fees - Other | 15 00 |
| Total Professional Fees | 518 73 |
| Staff Education | 396 12 |
| Staff/Client Events | 1,101 94 |

Friends of Sinners, Inc.
Profit & Loss
 January through December 2011

| | <u>Jan - Dec 11</u> |
|--|---------------------|
| Supplies | |
| Food | 528 98 |
| Janitorial Supplies | 1,601 90 |
| Supplies - Other | 42 36 |
| Total Supplies | 2,173 24 |
| Taxes | |
| Payroll Withholding Tax | |
| KY Unemployment Insurance | 1,743 64 |
| Payroll Withholding Tax - Other | 14,490 34 |
| Total Payroll Withholding Tax | 16,233 98 |
| Total Taxes | 16,233 98 |
| Utilities | |
| Electric, Water, Sanitation | 11,550 09 |
| Natural Gas | 3,125 08 |
| Total Utilities | 14,675 17 |
| Vehicle Operations & Maint. | 9,337 57 |
| Total Expense | 160,213 16 |
| Net Ordinary Income | 63,877 72 |
| Other Income/Expense | |
| Other Income | |
| Interest Income | 51 58 |
| Other Income | 0 19 |
| Total Other Income | 51 77 |
| Net Other Income | 51 77 |
| Net Income | 63,929.49 |

Commonwealth of Kentucky
Alison Lundergan Grimes, Secretary of State

NARP
0730749
Alison Lundergan Grimes
KY Secretary of State
Received and Filed
3/1/2012 12:05:21 PM
Fee receipt: \$15.00

Alison Lundergan Grimes
Secretary of State
P. O. Box 1150
Frankfort, KY 40602-1150
(502) 564-3490
<http://www.sos.ky.gov>

Annual Report
Online Filing

ARP

Company: FRIENDS OF SINNERS, INC.
Company ID: 0730749
State of origin: Kentucky
Formation date: 5/28/2009 12:00:00 AM
Date filed: 3/1/2012 12:05:21 PM
Fee: \$15.00

Principal Office

PO BOX 1156 (BILLING ADDRESS)
924 CLAY ST (PHYSICAL ADDRESS)
OWENSBORO, KY 42302

Registered Agent Name/Address

JAMES H. MCBRAYER
10361 U.S. HWY 231
UTICA, KY 42376

Current Officers

| | | |
|-----------|------------------|---------------------------------|
| President | James McBrayer | 324 Clay St Owensboro, Ky 42303 |
| Secretary | Steve Englehardt | 324 Clay St Owensboro, Ky 42303 |
| Treasurer | Glenn Amerson | 324 Clay St Owensboro, Ky 42303 |

Directors

| | | |
|----------|---------------|---------------------------------|
| Director | Larry Bidwell | 324 Clay St Owensboro, Ky 42303 |
| Director | Roger Chilton | 324 Clay St Owensboro, Ky 42303 |
| Director | Randy Smith | 324 Clay St Owensboro, Ky 42303 |
| Director | Carol Adkins | 324 Clay St Owensboro, Ky 42303 |
| Director | John Fowler | 324 Clay St Owensboro, Ky 42303 |
| Director | Billie Penrod | 324 Clay St Owensboro, Ky 42303 |

Signatures

| | |
|-----------|-----------------|
| Signature | Billie J Penrod |
| Title | Bookkeeper |

Relationship TRUTH *Accountability*

Friends of Sinners

PO Box 8028 OWENSBORO, KY 42302-8028

BY LAWS

Friends of Sinners

A Nonprofit Corporation Formed Under the Laws of the State of Kentucky

ARTICLE ONE ORGANIZATION

Section 1.1 Registered Office. The registered office of the corporation shall initially be situated at the location stated within the Articles of Incorporation and may, at a later date be moved to such other location as the board of directors may from time to time designate.

Section 1.2 Other Offices. The corporation may maintain such other offices both within and without the State of Kentucky as the Board of directors may authorize.

Section 1.3 Purpose. The corporation has been organized for the purposes set forth in the Articles of Incorporation.

Section 1.4 Corporate Seal. The seal of the corporation shall be of such design as shall be approved and adopted from time to time by the board of directors, and the seal or a facsimile thereof may be affixed by any person authorized by the Board of Directors or these Bylaws by impression, by printing, by rubber stamp, or otherwise. The foregoing notwithstanding, however, unless otherwise required by the laws of the State of Kentucky, the board of directors may opt not to utilize a corporate seal.

ARTICLE TWO MEMBERS

Section 2.1 Membership. Membership is open to all persons who meet all of the following criteria:

1. Establish policies for the operation of Friends of Sinners (FOS) ensuring that the bylaws, policies, and procedures are being followed.
2. Set FOS overall program from year to year and engage in long-range planning to ensure and establish its general course for the future.
3. Establish fiscal policy, with budgets and financial controls.
4. Provide adequate resources for the activities of Friends of Sinners through direct financial contributions and a commitment to fundraising.
5. Evaluate the Executive Director annually.

6. Develop and maintain a communication link to the community, promoting the work of Friends of Sinners.
7. Regularly attend all scheduled board and other meetings.
8. Prepare for each board meeting by doing homework assigned or volunteered for at the previous meeting.
9. Support Friends of Sinners and the Executive Director through regular prayer
10. Committed to the Lordship of Jesus Christ & His principles and comply with Board Member's pledge

Section 2.2. Admission of Members. The board of directors shall enact procedures for the admission of members.

Section 2.3. Termination of Members. Membership may be terminated voluntarily by the member or involuntarily by consensus of Friends of Sinners board in accordance with member's pledge as enacted by the board of directors.

Section 2.4. Place of Meetings. Meetings of the members of the corporation shall be held at such place or places, within or without the State of Kentucky, as shall be determined by the board of directors; and the chairman of the board shall preside at all such meetings.

Section 2.5. Annual Meeting. The annual meeting of the members shall be held at ten o'clock in the morning of the **second Monday in January of each year**, if that day is not a legal holiday, and if a holiday, then on the first following day that is not a legal holiday. If any annual meeting is not held at the designated time, the meeting shall be held as promptly as practicable thereafter at a time to be determined by the board of directors.

Section 2.6. Special Meetings. Special meetings of the members may be called by the board of directors through a duly adopted resolution, by the chairman of the board, by the president of the corporation, or by written petition of not less than twenty-five (25) percent of all members in good standing. The day fixed for such meeting shall not be on a Saturday, Sunday or a legal holiday nor be convened at a time outside of standard business hours unless consented to in writing by all members. Business transacted at all special member meetings shall be confined to the subjects stated in the notice of said meeting. The individual or individuals who call for a special meeting of the members shall delivery a statement of the subject(s) to be addressed at the special meeting to the secretary of the corporation within 48 hours of calling for said meeting (or, if the office of secretary shall then be vacant, to the president of the corporation).

Section 2.7. Notice of Meetings -- Waiver and Adjourned Meetings. Written notice stating the place, date and hour of the meeting, and the purpose or purposes for which the member meeting is called, shall be delivered to each member by the secretary of the corporation (or, if the office of secretary shall then be vacant, by the president of the corporation) not less than ten (10) nor more than forty-five (45) days before the date of the meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail with first class postage prepaid addressed to the member at his or her

address as it appears in the records of the corporation or such other address as a member may have designated for delivery of notices in a written communication to the secretary. Waiver by a member in writing of notice of a members' meeting, signed either before or after the time of the meeting, shall be equivalent to the giving of such notice. Attendance by a member at a members' meeting, whether in person or by proxy, without objection to the notice or lack thereof, shall constitute a waiver of proper notice of the meeting. Any meeting of members may be adjourned by the chair of the meeting to reconvene at another time or place. When a meeting is adjourned to another time or place, notice need not be given of the adjourned meeting if the time and place thereof are announced at the meeting at which the adjournment is taken. At the adjourned meeting the corporation may transact any business which might have been transacted at the original meeting.

If the adjournment is for more than 30 days, or if after the adjournment a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting shall be given to each member of record entitled to vote.

Section 2.8. Quorum. A majority of the members, represented in person or by proxy, shall constitute a quorum at a meeting of members. The members present at a duly organized meeting may continue to do business until adjournment, notwithstanding the withdrawal of members during said meeting leaving less than a quorum then in attendance. If a meeting cannot be organized because a quorum has not attended, either the chair of the meeting, or those members present, in person or by proxy, by a majority of the votes cast by such members so present, may adjourn the meeting from time to time until a quorum is present when any business may be transacted that may have been transacted at the meeting as originally called.

Section 2.9. Proxies. A member may vote either in person or through a proxy executed in writing by the member or the holder of a lawful power of attorney of said member. No proxy shall be valid after one (1) year from the date of its execution, unless otherwise expressly provided in the proxy.

Section 2.10. Voting. Each member shall be entitled to one vote on each matter submitted to a vote at a meeting of members. The affirmative vote of a **simple** majority of the members represented at the meeting shall be the act of the members as a whole unless the vote of a greater number of member is required by law or otherwise in these Bylaws.

Section 2.11. Action by Consent. Any action which may be taken at any meeting of the members may be taken without a meeting if consents in writing, setting forth the action so taken, are signed by all of the members entitled to vote with respect to the subject matter thereof. The written consent may be executed in several identical counterparts by the members with the effect as if the members had executed a single document. Written consent includes the approval of actions via e-mail as long as the board member's e-mail address is validated.

ARTICLE THREE
BOARD OF DIRECTORS

Section 3.1. Initial Directors. The initial board of directors shall consist of 5 persons. The initial directors shall serve until the next annual meeting of members; however, in all cases, directors shall serve until their successors shall have been elected and qualified.

Section 3.2. Number, Election and Term. The number of directors to serve on the board of directors may be amended by a duly adopted resolution of the board of directors.. All directors after the initial board shall serve one-year terms. All directors shall be elected each year at the annual meeting of the members by majority vote of the board; however, in all cases, current directors shall serve until their successors have been elected and qualified. The positions chairman of the board and treasurer shall have one year of board tenure before being eligible for these positions. Upon filling these two positions the past board chairman and treasurer shall shadow the newly elected chairman and treasurer for 6 months to one year to assure a smooth transition. All board members are prohibited from serving more than three years consecutively. Any director may return to the board after a one-year break.

Section 3.2. Powers. The activities and assets of the corporation shall be managed and controlled by the board of directors which shall exercise all the powers of the corporation and do all acts and things as are not, by law, the Articles of Incorporation or these Bylaws, directed or required to be done or exercised by the members.

Section 3.3. Meetings; Quorum. Regular meetings of the board of directors shall be held at such places, within or without the State of Kentucky, and on such days and at such times as shall be fixed from time to time by the board of directors. Rules of procedure for the conduct of such meetings shall be adopted by resolution of the board of directors. Notice of such regular meetings need not be given. A majority of the board of directors shall constitute a quorum for the transaction of business, but a lesser number may adjourn to another day if a quorum is not present. The act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the board of directors, unless the act of a greater number is required by the Articles of Incorporation or these Bylaws. Special meetings of the board may be held at any time and place, within or without the State of Kentucky, upon the call of the chairman of the board, the president or secretary of the corporation by written notice delivered to each director not less than three (3) days before such meeting; provided, however, that any director may, at any time, in writing, waive notice of any meeting. Attendance of a director at any meeting shall constitute a waiver of notice of the meeting except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. For purposes of this section, "delivery" of notice of a board of director's meeting may be accomplished either by hand-delivery, through the U.S. Postal Service, through a private parcel carrier service, or electronically by facsimile transmission or e-mail. "Delivery" is completed upon receipt by the director through any of the aforementioned means except when delivery of notice is by U.S. Postal Service or

private parcel carrier service, in which case, delivery shall be completed upon delivery of the notice to the director's last known home address.

Section 3.4. Director meeting via telephone conference. Directors may appear at a meeting of the board by means of telephone conference or similar communication system whereby all persons participating in the meeting can hear each other, and participation in a meeting in this manner shall constitute presence in person at the meeting. Furthermore, a director appearing at board meeting via telephone conference shall also be allowed to vote by this medium. Furthermore, it is permissible for all directors to appear at a meeting of the board of directors via telephone conference or similar communication system.

Section 3.5. Action by Consent. Any action which is required to be or may be taken at a meeting of the directors may be taken without a meeting if consents in writing, setting forth the action so taken, are signed by all the directors. The written consent may be executed in several identical counterparts by the directors with the effect as if the directors had executed a single document.

Section 3.6. Resignation and Filling of Vacancies of Directors. Any director of the corporation may resign at any time by giving written notice of such resignation to the board of directors, the chairman of the board, or the corporation. Any such resignation shall take effect at the time specified therein or, if no time be specified, upon receipt thereof by the board of directors or one of the above-named officers. Vacancies on the board and newly created directorships resulting from any increase in the number of directors to constitute the board of directors may be filled by a duly approved resolution of a majority of the directors then in office. If the directors remaining in office constitute fewer than a quorum of the board, they may fill the vacancy by the affirmative vote of a majority of all the directors remaining in office. Any director elected to fill a vacancy or a newly created directorship shall serve until the next election of directors by the members of the corporation. The death of any director shall be treated as a voluntary resignation by the corporation.

Section 3.7. Compensation of Directors. Directors, as such, may receive such compensation and be reimbursed for expenses related to the ministry as shall be determined by resolution of the board of directors. Nothing herein contained shall be construed to preclude any director from serving the corporation in any other capacity and receiving compensation therefore.

Section 3.8. Committees. The board of directors, by resolution adopted by a majority of the whole board, may designate two or more directors to constitute a committee. Each such committee, to the extent provided in such resolution, shall have and may exercise the authority of the board of directors, as so delegated in the resolution, in the management of the corporation; but the designation of such committee and the delegation thereto of authority shall not operate to relieve the board of directors, or any member thereof, of any responsibility imposed upon it or such member by law.

Section 3.9. Power and duties of the board of directors. The property and business of a corporation shall be controlled and managed by a board of directors; however, the board may delegate duties to the officers of the corporation to the full extent allowed by law.

Section 3.10. Removal of directors. The board of directors may, by resolution adopted by the affirmative vote of 66% or more of the directors, remove a fellow board member. Sixty-six percent of all directors, not 66% of those directors in attendance at the meeting, most vote in favor of removal for the resolution to pass.

ARTICLE FOUR OFFICERS

Section 4.1. Number, Election and Term. The officers of the corporation shall be a chairman, president, treasurer, and secretary who shall be chosen by the board of directors at its first meeting. The board of directors may elect such other officers with such titles and duties as it may determine are appropriate. Any two or more offices may be held by the same person. All officers, unless sooner removed, shall hold their respective offices until the first meeting of the board of directors after the next succeeding election of the board of directors and until their successors shall have been duly elected and qualified.

Section 4.2. Removal. Any officer or agent elected or appointed by the board of directors may be removed by the board of directors whenever in its judgment the best interests of the corporation will be served thereby, but such removal shall not effect the contract rights, if any, of the officer or agent so removed.

Section 4.3. Chairman of the Board. The chairman of the board, if any, shall preside at all meetings of the members and directors at which he or she is present and shall perform such other duties as the board of directors or these Bylaws may prescribe.

Section 4.4. President. In the absence of the chairman of the board, the president shall preside at all meetings of the members and directors at which he or she is present. The president shall perform such duties as the board of directors may prescribe and shall see that all orders and resolutions of the board are carried into effect. The president shall execute bonds, mortgages and other contracts requiring a seal, under the seal of the corporation, except where permitted by law to be otherwise signed and executed and except where the signing and execution thereof shall be expressly delegated by the board of directors to some other officer or agent of the corporation.

Section 4.5. Vice Presidents. The vice presidents, if any, in the order of their seniority shall, in the absence or disability of the president and any executive vice president, perform the duties and exercise the powers of the president, and shall perform such other duties as the board of directors or the president may prescribe.

Section 4.6. Secretary and Assistant Secretaries. The secretary shall keep or cause to be kept a record of all meetings of the members and the board of directors and record all

votes and the minutes of all proceedings in a book to be kept for that purpose. The secretary shall give, or cause to be given, notice of all meetings of the members and special meetings of the board of directors, and shall perform such other duties as may be prescribed by the board of directors or president, under whose supervision the secretary shall be. The secretary shall keep in safe custody the seal of the corporation and shall affix the same to any instrument requiring it. The assistant secretaries, if any, in order of their seniority shall, in the absence or disability of the secretary, perform the duties and exercise the powers of the secretary and shall perform such other duties as the board of directors may prescribe.

Section 4.7. Treasurer and Assistant Treasurers. The treasurer shall have the custody of the corporate funds and securities, shall keep full and accurate accounts of receipts and disbursements in books belonging to the corporation, shall deposit all moneys and other valuable effects in the name and to the credit of the corporation in such depositories as may be designated by the board of directors and shall perform such other duties as the board of directors may prescribe. The treasurer shall disburse the funds of the corporation as may be ordered by the board, taking proper vouchers for such disbursements, and shall render to the president and directors, at the regular meetings of the board, or whenever they may require it, an account of all his transactions as treasurer and of the financial condition of the corporation. The assistant treasurers, if any, in the order of their seniority shall, in the absence or disability of the treasurer, perform the duties and exercise the powers of the treasurer and shall perform such other duties as the board of directors may prescribe.

ARTICLE FIVE INDEMNIFICATION OF DIRECTORS, OFFICERS, EMPLOYEES AND AGENTS

Section 5.1. Indentification of Directors and Officers. To the fullest extent permitted by the laws of State of Kentucky, including future amendments of those laws, the corporation shall indentify and hold harmless each director and officer of the corporation against any and all claims, liabilities, and expenses (including attorneys' fees, judgments, fines, and amounts paid in settlement) actually and reasonably incurred and arising from any threatened, pending, or completed action, suit or proceeding, whether civil, criminal, administrative, or investigative, to which any such person shall have become subject by reason of having held such a position or having allegedly taken or omitted to take any action in connection with any such position. However, the foregoing shall not apply to:

- a. any breach of such person's duty of loyalty to the corporation or its members;
- b. any act or omission by such person not in good faith or which involves intentional misconduct or where such person had reasonable cause to believe his conduct was unlawful; or
- c. any transaction from which such person derived any improper personal benefit.

Section 5.2. Determination of Entitlement of Directors and Officers to

Indemnification. The decision concerning whether a director or officer seeking indemnification has satisfied the provisions of Section 5.1 shall be made by (i) the board of directors by a majority vote of a quorum consisting of directors who are not parties to the action, suit, or proceeding giving rise to the claim for indemnity ("Disinterested Directors"), whether or not such majority constitutes a quorum; (ii) if there are no Disinterested Directors, or if the Disinterested Directors so direct, by independent legal counsel in a written opinion; or (iii) a vote of the members.

Section 5.3. Indemnification of employees and agents. The board of directors may, in such cases as, in its complete discretion, it deems appropriate, indemnify and hold harmless employees and agents of the corporation, and persons who formerly held such positions against any or all claims and liabilities (including reasonable legal fees and other expenses incurred in connection with such claims or liabilities) to which any such person shall have become subject by reason of having held such a position or having allegedly taken or omitted to take any action in connection with such position.

ARTICLE SIX MISCELLANEOUS

Section 6.1. Amendment of Bylaws. The Bylaws may be amended by a majority vote of the members present in person or by proxy at the annual meeting, at a special meeting called for that purpose, or by written consent. In those instances where the Bylaws explicitly grant the board of directors the authority to alter such designations as the registered office of the corporation, the corporate seal, or the total number of directors, action taken by the board within such grants of authority shall not be considered an "amendment" of these Bylaws.

Section 7.1. Fiscal year of the corporation. Unless the board of directors shall select another date through a duly adopted resolution, the fiscal year of the corporation shall begin on the first day of January of each year and end on the 31st day of December.

FRIENDS OF SINNERS, INC.
