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Return of Organization Exempt From Income Tax

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

2008

Department of the Treasury
Internal Revenue Service

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

Open to Public
Inspection

A For the 2008 calendar year, or tax year beginning

07-01, 2008, and ending

06-30, 2009

<input type="checkbox"/> Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input checked="" type="checkbox"/> Initial return <input type="checkbox"/> Termination <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization Anabaptist Financial		
	Doing Business As		
	Number and street (or P.O. box if mail is not delivered to street address) 1245 Old Route 15		
	Room/suite		
	City or town, state or country, and ZIP + 4 New Columbia, PA 17856		
	D Employer identification no. 32-0158554		
E Telephone number (800) 653-9817			
F Gross receipts \$ 1,547,871			

I Tax-exempt status: 501(c)(3) (insert no.) 4947(a)(1) or 527J Website: ► www.afweb.orgK Type of organization: Corporation Trust Association Other ►

L Year of formation: 2005

M State of legal domicile: PA

Part I Summary

A ctive govern ance 8	1 Briefly describe the organization's mission or most significant activities: Anabaptist Financial has been established to advance conservative Amish, Mennonite, and Brethren (Anabaptists) religious beliefs, cultural traditions and lifestyles. Anabaptist Financial was created to generate a source of funds for making (continued)			
	2 Check this box ► <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its assets.			
	3 Number of voting members of the governing body (Part VI, line 1a)	3	10	
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	4	
	5 Total number of employees (Part V, line 2a)	5	2	
	6 Total number of volunteers (estimate if necessary)	6		
	7a Total gross unrelated business revenue from Part VIII, line 12, column (C)	7a	0	
b Net unrelated business taxable income from Form 990-T, line 34	7b	0		
R ev enue 11	8 Contributions and grants (Part VIII, line 1h)	Prior Year		Current Year
	9 Program service revenue (Part VIII, line 2g)			141,200
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)			1,355,530
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)			34,679
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)			16,462
				1,547,871
E xp enses 12	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)			0
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)			112,551
	16a Professional fundraising fees (Part IX, column (A), line 1e)			0
	b Total fundraising expenses (Part IX, column (D), line 25) ► <input type="checkbox"/> 6,137			
	17 Other expenses (Part IX, column (A), lines 1a-1d, 11f-24f)			1,328,657
	18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)			1,441,208
19 Revenue less expenses. Subtract line 18 from line 12			106,663	
Net Assets or Fund Bal- ances 13	20 Total assets (Part X, line 16)	Beginning of Year		End of Year
	21 Total liabilities (Part X, line 26)			34,173,898
	22 Net assets or fund balances. Subtract line 21 from line 20			34,220,949
				(47,051)

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

Date

Tim Stoltzfus, Operations Officer

Type or print name and title

Paid Preparer's Use Only	Preparer's signature	Mark A Payne CPA	<i>Mark A Payne CPA</i>	Date 02-24-2010	Check if self- employed ► <input type="checkbox"/>	Preparer's Identifying number (see instructions) 1005 7582
	Firm's name (or yours if self-employed), address, and ZIP + 4	Byerley Payne & White CPA PA 114 W North 1st Street Seneca, SC 29678		EIN ►	Phone no. ► 864-882-1937	

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

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

EEA

Form 990 (2008)

G16

Part III Statement of Program Service Accomplishments (see instructions)

1 Briefly describe the organization's mission:

Anabaptist Financial has been established to advance conservative Amish, Mennonite, and Brethren (Anabaptists) religious beliefs, cultural traditions and lifestyles. Anabaptist Financial was created to generate a source of funds for making (continued)

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 exempt purpose achievements for each of the organization's three largest program services 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:) (Expenses \$ 1,292,772 including grants of \$) (Revenue \$ 1,355,530)
Loan Program: AF makes loans to Anabaptist individuals, businesses, and charitable organizations. Loans include business real estate, business operating, and home mortgages. As of its current year end, AF had 185 outstanding loans in its loan portfolio, totaling loan receivables of \$31,272,408. These loans assist Anabaptists in maintaining their religious beliefs and cultural lifestyles.

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

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

4d Other program services. (Describe in Schedule Q.)

(Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses ► \$ 1,292,772 (Must equal Part IX, Line 25, column (B).)

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)? If "Yes," complete Schedule A	X	
2	Is the organization required to complete Schedule B, Schedule of Contributors?	X	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I		X
4	Section 501(c)(3) organizations. Did the organization engage in lobbying activities? If "Yes," complete Schedule C, Part II		X
5	Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations. Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? If "Yes," complete Schedule C, Part III		
6	Did the organization maintain any donor advised funds or any accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part 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? If "Yes," complete Schedule D, Part II		X
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III		X
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? If "Yes," complete Schedule D, Part IV		
10	Did the organization hold assets in term, permanent, or quasi-endowments? If "Yes," complete Schedule D, Part V		X
11	Did the organization report an amount in Part X, lines 10, 12, 13, 15, or 25? If "Yes," complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable		
12	Did the organization receive an audited financial statement for the year for which it is completing this return that was prepared in accordance with GAAP? If "Yes," complete Schedule D, Parts XI, XII, and XIII		
13	Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E		
14a	Did the organization maintain an office, employees, or agents outside of the U.S.?		
b	Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the U.S.? If "Yes," complete Schedule F, Part I		X
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? If "Yes," complete Schedule F, Part II		
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? If "Yes," complete Schedule F, Part III		
17	Did the organization report more than \$15,000 on Part IX, column (A), line 11e? If "Yes," complete Schedule G, Part I		X
18	Did the organization report more than \$15,000 total on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II		
19	Did the organization report more than \$15,000 on Part VIII, line 9a? If "Yes," complete Schedule G, Part III		
20	Did the organization operate one or more hospitals? If "Yes," complete Schedule H		
21	Did the organization report more than \$5,000 on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II		
22	Did the organization report more than \$5,000 on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III		
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5? If "Yes," complete Schedule J		
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? If "Yes," answer questions 24b-24d and complete Schedule K. If "No," go to question 25		X
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? If "Yes," complete Schedule L, Part I		
b	Did the organization become aware that it had engaged in an excess benefit transaction with a disqualified person from a prior year? If "Yes," complete Schedule L, Part 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? If "Yes," complete Schedule L, Part II		
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, or substantial contributor, or to a person related to such an individual? If "Yes," complete Schedule L, Part III		

Part IV Checklist of Required Schedules (continued)

		Yes	No
28	During the tax year, did any person who is a current or former officer, director, trustee, or key employee:		
a	Have a direct business relationship with the organization (other than as an officer, director, trustee, or employee), or an indirect business relationship through ownership of more than 35% in another entity (individually or collectively with other person(s) listed in Part VII, Section A)? If "Yes," complete Schedule L, Part IV	28a	X
b	Have a family member who had a direct or indirect business relationship with the organization? If "Yes," complete Schedule L, Part IV	28b	X
c	Serve as an officer, director, trustee, key employee, partner, or member of an entity (or a shareholder of a professional corporation) doing business with the organization? If "Yes," complete Schedule L, Part IV	28c	X
29	Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M	29	X
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M	30	X
31	Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I	31	X
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II	32	X
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? If "Yes," complete Schedule R, Part I	33	X
34	Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1	34	X
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2	35	X
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2	36	X
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? If "Yes," complete Schedule R, Part VI	37	X

Part V Statements Regarding Other IRS Filings and Tax Compliance

1a Enter the number reported in Box 3 of Form 1096, Annual Summary and Transmittal of U.S. Information Returns. Enter -0- if not applicable

1a	454
1b	0

1c Yes No

1b Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable

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	2
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2b 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 this return. (see instructions)

3a Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?

3b Yes No

3c If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O

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)?

4b If "Yes," enter the name of the foreign country: ► See the instructions for exceptions and 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?

5b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?

5c If "Yes," to question 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?

6a Did the organization solicit any contributions that were not tax deductible?

6b Yes No

6c If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?

7 **Organizations that may receive deductible contributions under section 170(c).**

7a Did the organization provide goods or services in exchange for any quid pro quo contribution of more than \$75?

7b Yes No

7c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?

7d Yes No

7e Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?

7f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?

7g For all contributions of qualified intellectual property, did the organization file Form 8899 as required?

7h For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?

8 **Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?

9 **Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds.**

9a Did the organization make any taxable distributions under section 4966?

9b Yes No

10 **Section 501(c)(7) organizations.** Enter:

10a Initiation fees and capital contributions included on Part VIII, line 12

10b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities

11 **Section 501(c)(12) organizations.** Enter:

11a Gross income from members or shareholders

11b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)

12a **Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?

12b If "Yes," enter the amount of tax-exempt interest received or accrued during the year

	Yes	No
1a	454	
1b	0	
1c	X	
2a	2	
2b	X	
3a		X
3b		
4a		X
5a		X
5b		X
5c		
6a		X
6b		
7a		X
7b		
7c		X
7d		
7e		X
7f		X
7g		
7h		
8		
9a		
9b		
10a		
10b		
11a		
11b		
12a		
12b		

Part VI Governance, Management, and Disclosure (Sections A, B, and C request information about policies not required by the Internal Revenue Code.)

Section A. Governing Body and Management

For each "Yes" response to lines 2-7b below, and for a "No" response to lines 8 or 9b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

	Yes	No
1a	10	
1b	4	
2		X
3		X
4		X
5		X
6		X
7a		X
7b		X
8a	X	
8b	X	
9a		X
9b		
10	X	
11		X

1a Enter the number of voting members of the governing body 1a 10
 b Enter the number of voting members that are independent 1b 4
 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?
 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?
 4 Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?
 5 Did the organization become aware during the year of a material diversion of the organization's assets?
 6 Does the organization have members or stockholders?
 7a Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?
 b Are any decisions of the governing body subject to approval by members, stockholders, or other persons?
 8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:
 a The governing body?
 b Each committee with authority to act on behalf of the governing body?
 9a Does the organization have local chapters, branches, or affiliates?
 b If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?
 10 Was a copy of the Form 990 provided to the organization's governing body before it was filed? All organizations must describe in Schedule O the process, if any, the organization uses to review the Form 990
 11 Is there any officer, director or 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

Section B. Policies

	Yes	No
12a		X
12b		
12c		
13		X
14		X
15		
15a	X	
15b	X	
16a		X
16b		

12a Does the organization have a written conflict of interest policy? If "No," go to line 13
 b Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?
 c Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done
 13 Does the organization have a written whistleblower policy?
 14 Does the organization have a written document retention and destruction policy?
 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?
 b Other officers or key employees of the organization?
 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?
 b If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken 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 ► PA
 18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make 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 makes its governing documents, conflict of interest policy, and financial statements available to the public.
 20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: ► Tim Stoltzfus (800) 653-9817

1245 Old Route 15 New Columbia, PA 17856

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

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

1a Complete this table for all persons required to be listed. Use Schedule J-2 if additional space is needed.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation, and **current** key employees. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- 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

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

Check this box if the organization did not compensate any officers, directors, trustees, or key employees.

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

2 Total number of individuals (including those in 1a) who received more than \$100,000 in reportable compensation from the organization ►

3 Did the organization list any **former** officer, director or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual

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? If "Yes," complete Schedule J for such individual.

5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization for services rendered to the organization? If "Yes," complete Schedule J for such person.

	Yes	No
3		X
4		X
5		X

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.

2	Total number of independent contractors (including those in 1) who received more than \$100,000 in compensation from the organization ►	2	Total number of independent contractors (including those in 1) who received more than \$100,000 in compensation from the organization ►
(A)	(B)	(C)	
Name and business address	Description of services	Compensation	
		</	

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	
C o o o f t m o f t h o u t r e u t r a r b g s u r i m t a m t a n i t o t n s a s a n d	1a Federated campaigns	1a				
	b Membership dues	1b				
	c Fundraising events	1c				
	d Related organizations	1d				
	e Government grants (contributions) . . .	1e				
	f All other contributions, gifts, grants, and similar amounts not included above	1f	141,200			
	g Noncash contributions included in lines 1a-1f: \$					
h Total. Add lines 1a-1f		141,200				
P S R r e e r e v g v e r i n a c u m e e	2a LOAN ORIGINATION FEES	Business Code 900099	65,848	65,848		
	b LOAN PROGRAM INTEREST	900099	1,289,682	1,289,682		
	c					
	d					
	e					
	f All other program service revenue					
	g Total. Add lines 2a-2f		1,355,530			
O t h e r R e v e n u e	3 Investment income (including dividends, interest, and other similar amounts)		34,679		34,679	
	4 Income from investment of tax-exempt bond proceeds					
	5 Royalties					
	6a Gross Rents	(I) Real	(II) Personal			
	b Less: rental expenses					
	c Rental income or (loss)					
	d Net rental income or (loss)					
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 \$ _____ of contributions reported on line 1c). See Part IV, line 18	a					
b Less: direct expenses	b					
c Net income or (loss) from fundraising events						
9a Gross income from gaming activities See Part IV, line 19	a					
b Less: direct expenses	b					
c Net income or (loss) from gaming activities						
10a Gross sales of inventory, less returns and allowances	a					
b Less: cost of goods sold	b					
c Net income or (loss) from sales of inventory						
Miscellaneous Revenue	Business Code					
11a OFFICE SERVICE FEES	900099	16,462	16,462			
b						
c						
d All other revenue						
e Total. Add lines 11a-11d		16,462				
12 Total Revenue. Add lines 1h, 2g, 3, 4, 5, 6d, 7d, 8c, 9c, 10c, and 11e		1,547,871	1,371,992	0	34,679	

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).

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 U.S. See Part IV, line 21				
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	72,077	42,310	29,767	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	35,897	35,897		
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)				
9 Other employee benefits	282	282		
10 Payroll taxes	4,295	4,295		
11 Fees for services (non-employees):				
a Management				
b Legal	39,759		39,759	
c Accounting	16,366		16,366	
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other	10,575	10,575		
12 Advertising and promotion				
13 Office expenses	27,309	13,134	8,175	6,000
14 Information technology	3,310	3,000	310	
15 Royalties				
16 Occupancy	4,398	3,299	1,099	
17 Travel	4,793		4,656	137
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest	1,139,246	1,138,557	689	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	4,871	4,871		
23 Insurance				
24 Other expenses. Itemize expenses not covered above. (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below.)				
a Provision for loan losses	29,754	29,754		
b Mortgage filing fees	6,798	6,798		
c Removal - deferred tax asset	41,478		41,478	
d				
e				
f All other expenses				
25 Total functional expenses. Add lines 1 through 24f	1,441,208	1,292,772	142,299	6,137
26 Joint Costs. Check here ► <input type="checkbox"/> if following \ SOP 98-2. Complete this line only if the organization organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

		(A) Beginning of year		(B) End of year	
A s s e t s	1 Cash - non-interest-bearing		1	651,424	
	2 Savings and temporary cash investments		2	2,235,155	
	3 Pledges and grants receivable, net		3		
	4 Accounts receivable, net		4	3,103	
	5 Receivables from current and former officers, directors, trustees, key employees, or other related parties. Complete Part II of Schedule L		5	82,569	
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L		6	1,708,186	
	7 Notes and loans receivable, net		7	29,371,912	
	8 Inventories for sale or use		8		
	9 Prepaid expenses and deferred charges		9		
	10a Land, buildings, and equipment: cost basis	10a	24,354		
	b Less: accumulated depreciation. Complete Part VI of Schedule D	10b	17,048	10c	
	11 Investments - publicly traded securities		11		
	12 Investments - other securities. See Part IV, line 11		12		
	13 Investments - program-related. See Part IV, line 11		13		
	14 Intangible assets		14		
L i a b i t i e s	15 Other assets. See Part IV, line 11		15	114,243	
	16 Total assets. Add lines 1 through 15 (must equal line 34)	0	16	34,173,898	
	17 Accounts payable and accrued expenses		17	17,222	
	18 Grants payable		18		
	19 Deferred revenue		19		
	20 Tax-exempt bond liabilities		20		
N F e n d A s s e t a s c o r e s	21 Escrow account liability. Complete Part IV of Schedule D		21		
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	88,500	
	23 Secured mortgages and notes payable to unrelated third parties		23		
	24 Unsecured notes and loans payable		24		
	25 Other liabilities. Complete Part X of Schedule D		25	34,115,227	
	26 Total liabilities. Add lines 17 through 25	0	26	34,220,949	
Organizations that follow SFAS 117, check here ► <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.					
F u n d A s s e t a s c o r e s	27 Unrestricted net assets		27	(47,051)	
	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	0	33	(47,051)	
	34 Total liabilities and net assets/fund balances	0	34	34,173,898	

Part XI Financial Statements and Reporting

1 Accounting method used to prepare the Form 990: Cash Accrual Other

2a Were the organization's financial statements compiled or reviewed by an independent accountant?

 b Were the organization's financial statements audited by an independent accountant?

 c If "Yes" to lines 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?

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?

 b If "Yes," did the organization undergo the required audit or audits?

	Yes	No
2a		X
2b	X	
2c		X
3a		X
3b		

SCHEDULE A
(Form 990 or 990-EZ)

Public Charity Status and Public Support

OMB No. 1545-0047

2008

**Open to Public
Inspection**

Department of the Treasury
Internal Revenue Service

To be completed by all section 501(c)(3) organizations and section 4947(a)(1) nonexempt charitable trusts.

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

Name of the organization

Employer identification number

Anabaptist Financial

32-0158554

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: (Please check only one organization.)

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). (Attach Schedule H.)
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). (see Instructions)
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?
(ii) A family member of a person described in (i) above?
(iii) A 35% controlled entity of a person described in (i) or (ii) above?

	Yes	No
11g(i)		
11g(ii)		
11g(iii)		

h Provide the following information about the organizations the organization supports.

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.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
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						
4 Total. Add lines 1-3						
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)						
6 Public support. Subtract line 5 from line 4						

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
11 Total support. Add lines 7 through 10						
12 Gross receipts from related activities, etc. (see instructions)					12	
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 type="checkbox"/>						

Section C. Computation of Public Support Percentage

14 Public support percentage for 2008 (line 6, column (f) divided by line 11, column (f))	14	%
15 Public support percentage from 2007 Schedule A, Part IV-A, line 26f	15	%
16a 33 1/3% support test - 2008. 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 - 2007. 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 - 2008. 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 - 2007. 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"/>		

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 9 of Part I.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")					141,200	141,200
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose		12,526	270,539	816,092	1,355,530	2,454,687
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1-5	12,526	270,539	816,092	1,496,730	2,595,887	
7a Amounts included on lines 1, 2, and 3 received from disqualified persons				18,803	192,813	211,616
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of 1% of the total of lines 9, 10c, 11, and 12 for the year or \$5,000			89,616	183,665	136,094	409,375
c Add lines 7a and 7b		89,616	202,468	328,907	620,991	
8 Public support (Subtract line 7c from line 6.)						1,974,896

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
9 Amounts from line 6		12,526	270,539	816,092	1,496,730	2,595,887
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources			2,009	47,543	57,186	34,679
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						141,417
c Add lines 10a and 10b	2,009	47,543	57,186	34,679	34,679	141,417
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)					16,462	16,462
13 Total support. (Add lines 9, 10c, 11, and 12.)						2,753,766
14 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

15 Public support percentage for 2008 (line 8, column (f) divided by line 13, column (f))	15	0.00	%
16 Public support percentage from 2007 Schedule A, Part IV-A, line 27g	16		%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2008 (line 10c, column (f) divided by line 13, column (f))	17	0.00	%
18 Investment income percentage from 2007 Schedule A, Part IV-A, line 27h	18		%
19a 33 1/3% support tests - 2008. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization ► <input type="checkbox"/>			
b 33 1/3% support tests - 2007. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization ► <input type="checkbox"/>			
20 Private Foundation: If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ► <input type="checkbox"/>			

Part IV

Supplemental Information. Complete this part to provide the explanation required by Part II, line 10; Part II, line 17a or 17b; or Part III, line 12. Provide any other additional information. (see instructions)

Other income (Part II, line 10 or Part III, line 12)

Detail of Other Income:

Office service fees \$16,462

SCHEDULE D
(Form 990)Department of the Treasury
Internal Revenue Service**Supplemental Financial Statements**

OMB No. 1545-0047

2008**Open to Public
Inspection**

Name of the organization

Anabaptist FinancialEmployer identification number
32-0158554**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		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year		
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 type="checkbox"/> Yes	<input type="checkbox"/> No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor or other impermissible private benefit?	<input 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).	<input type="checkbox"/> Preservation of land for public use (e.g., recreation or pleasure) <input type="checkbox"/> Preservation of an historically important land area
	<input type="checkbox"/> Protection of natural habitat <input type="checkbox"/> Preservation of certified historic structure
	<input type="checkbox"/> Preservation of open space
2 Complete lines 2a-2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.	
a Total number of conservation easements	Held at the End of the Year
b Total acreage restricted by conservation easements	2a
c Number of conservation easements on a certified historic structure included in (a)	2b
d Number of conservation easements included in (c) acquired after 8/17/06	2c
3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable year ► _____	2d
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, violations, and enforcement of the conservation easements it holds?	<input type="checkbox"/> Yes <input type="checkbox"/> No
6 Staff or volunteer hours devoted to monitoring, inspecting, and enforcing easements during the year ► _____	
7 Amount of expenses incurred in monitoring, inspecting, and enforcing 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)?	<input type="checkbox"/> Yes <input type="checkbox"/> 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, 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, 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 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 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 d Loan or exchange programs
 b Scholarly research 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 Trust, Escrow and Custodial Arrangements. Complete if 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
1c	
1d	
1e	
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 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 Investment earnings or 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 year end balance held as:

a Board designated or quasi-endowment ► _____ %
 b Permanent endowment ► _____ %
 c Term endowment ► _____ %

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

(i) unrelated organizations
 (ii) related organizations
 b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

Yes	No
3a(i)	
3a(ii)	
3b	

4 Describe in Part XIV the intended uses of the organization's endowment funds.

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

	(a) Cost or other basis (Investment)	(b) Cost or other basis (other)	(c) Depreciation	(d) Book value
1a Land				
b Buildings				
c Leasehold improvements				
d Equipment		24,354	17,048	7,306
e Other				

Total. Add lines 1a-1e. (Column (d) should equal Form 990, Part X, column (B), line 10(c).) ► 7,306

Part VII Investments - Other Securities. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
Financial derivatives and other financial products		
Closely-held equity interests		
Other _____		

Total. (Column (b) should equal Form 990, Part X, col. (B) line 12.)

Part VIII Investments - Program Related. See Form 990, Part X, line 13.

Total. (Column (b) should equal Form 990, Part X, col. (B) line 13)

Part IX Other Assets. See Form 990, Part X, line 15.

(a) Description	(b) Book value
Interest Receivable	114,243

Total (Column (b) should equal Form 990, Part X, col. (B) line 15.)

Part X Other Liabilities. See Form 990 Part X, line 25.

(a) Description of liability	(b) Amount	
Federal income taxes		
Investment Agreements Payable	34,115,227	

In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48.

Part XI Reconciliation of Change in Net Assets from Form 990 to Financial Statements

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	1,547,871
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	1,441,208
3	Excess or (deficit) for the year. Subtract line 2 from line 1	3	106,663
4	Net unrealized gains (losses) on investments	4	
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	
9	Total adjustments (net). Add lines 4-8	9	
10	Excess or (deficit) for the year per financial statements. Combine lines 3 and 9	10	106,663

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	Total revenue, gains, and other support per audited financial statements	1	1,547,871
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a	Net unrealized gains on investments	2a	
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV)	2d	
e	Add lines 2a through 2d	2e	
3	Subtract line 2e from line 1	3	1,547,871
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	
c	Add lines 4a and 4b	4c	
5	Total revenue. Add lines 3 and 4c. (This should equal Form 990, Part I, line 12.)	5	1,547,871

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements	1	1,441,208
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Losses reported on Form 990, Part IX, line 25	2c	
d	Other (Describe in Part XIV)	2d	
e	Add lines 2a through 2d	2e	
3	Subtract line 2e from line 1	3	1,441,208
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	
c	Add lines 4a and 4b	4c	
5	Total expenses. Add lines 3 and 4c. (This should equal Form 990, Part I, line 18.)	5	1,441,208

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X; Part XI, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b.

Footnote for uncertain tax position under FIN 48 (Part X)

Management has deferred implementation of accounting for uncertain tax positions.

Accounting for uncertain tax positions must be implemented for fiscal years beginning

after December 15, 2008. Since implementation has been deferred, management continues to

utilize its prior policy of accounting for these positions as it would account of any loss

contingency. Disclosure is not required of a loss contingency involving an unasserted

claim or assessment when there has been no manifestation by a potential claimant of an

01. Footnote for uncertain tax position under FIN 48 (Part X)

awareness of a possible claim or assessment unless it is considered probable that a claim will be asserted and there is a reasonable possibility that the outcome will be unfavorable. Using this guidance, as of June 30, 2009 and June 30, 2008, the Company has no uncertain tax positions that qualify for either recognition or disclosure in the financial statements.

SCHEDULE L
(Form 990 or 990-EZ)

Transactions with Interested Persons

OMB No. 1545-0047

2008

Open to Public
Inspection

Department of the Treasury
Internal Revenue Service

Name of the organization

Employer Identification number

32-0158554

Anabaptist Financial

Part I Excess Benefit

To be completed by organizations that answered "Yes" on Form 990, Part IV, lines 25a or 25b, or Form 990, Part V, line 25.

► Attach to Form 990 or Form 990-EZ.

► To be completed by organizations that answered

**"Yes" on Form 990, Part IV, line 25a, 25b, 26, 27, 28a, 28b, or 28c,
or Form 990-EZ, Part V, line 38b or 40b.**

2 Enter the amount of tax imposed on the organization managers or disqualified persons during the year under section 4958 ► \$ _____

3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization ► \$ _____

Part II **Loans to and/or From Interested Persons.**

To be completed by organizations that answered "Yes" on Form 990, Part IV, line 26, or Form 990-EZ, Part V, line 38a.

(a) Name of interested person and purpose	(b) Loan to or from the organization?		(c) Original principal amount	(d) Balance due	(e) In default?		(f) Approved by board or committee?		(g) Written agreement?	
					Yes	No	Yes	No	Yes	No
See STM400	To	From								
Dwayne Borkholder		X	84,000	82,569	X	X				X
Borkholder Corporation		X	1,000,000	915,030	X	X				X
Martin Family Realty		X	475,000	456,355	X	X				X
Richard Herr		X	600,000	155,998	X	X				X
Angela Burkholder		X	84,000	54,903	X	X				X
Glenden Martin		X	175,000	125,900	X	X				X
Total				► \$ 1,879,255						

Part III Grants or Assistance Benefiting Interested Persons.

To be completed by organizations that answered "Yes" on Form 990, Part IV, line 27.

Part IV Business Transactions Involving Interested Persons.

To be completed by organizations that answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?
Yes	No			

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule L (Form 990, or 990-EZ) 2008

**SCHEDULE O
(Form 990)****Supplemental Information to Form 990**

OMB No. 1545-0047

2008**Open to Public
Inspection**Department of the Treasury
Internal Revenue Service
Name of the organization

Anabaptist Financial

Employer identification number
32-0158554**01. Form 990 governing body review (Part VI, line 10)**

AF's CFO, CEO, and Operation's Officer review Form 990 for accuracy prior to its filing with the IRS.

02. CEO, executive director, top management comp (Part VI, line 15a)

The compensation of the Executive Director is reviewed annually by the governing board. Comparative and other data is used to determine the proposed level of compensation. The governing board approves the compensation arrangements which is documented in the board minutes.

03. Other officer or key employee compensation (Part VI, line 15b)

Compensation is determined for Financial's Operation's Officer and other Executive Officer following the same procedure as described for Financial's Executive Director.

04. Governing documents, etc, available to public (Part VI, line 19)

Anabaptist Financial includes its financial statements in its annual registration statement with the Pennsylvania Securities Commission. Copies of financial statements and other governing documents are also available upon request. These documents may also be inspected at Financial's business office located in New Columbia, PA during normal business hours.

05. Audited by an independent accountant (Part XI, line 2b)

The governing board oversees the selection of the independent accountant and the review of the audited financial statements.

Name of the organization

Anabaptist Financial

Employer identification number

32-0158554

06. General explanation attachmentPart I and III, Line 1 (continuation):

low interest loans to Anabaptists to further the goals of preserving the Anabaptist religion and way of life.

Part III Identification of Related Organizations Taxable as a Partnership

Part IV Identification of Related Organizations Taxable as a Corporation or Trust

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
Name, address, and EIN of related organization	Primary activity	Legal domicile (state or foreign country)	Direct controlling entity	Type of entity (C corp, S corp, or trust)	Share of total income	Share of end-of-year assets	Percentage ownership
Anabaptist Financial Solutions	77-06988163	Business advising and seminars.	PA	N/A	C Corp	0	
1245 Old Route 15,	17856						

Part V**Transactions with Related Organizations**

Note. Complete line 1 if any entity is listed in Parts II, III, or IV.

1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

- a Receipt of (i) interest (ii) annuities (iii) royalties (iv) rent from a controlled entity
- b Gift, grant, or capital contribution to other organization(s)
- c Gift, grant, or capital contribution from other organization(s)
- d Loans or loan guarantees to or for other organization(s)
- e Loans or loan guarantees by other organization(s)
- f Sale of assets to other organization(s)
- g Purchase of assets from other organization(s)
- h Exchange of assets
- i Lease of facilities, equipment, or other assets to other organization(s)
- j Lease of facilities, equipment, or other assets from other organization(s)
- k Performance of services on membership or fundraising solicitations for other organization(s)
- l Performance of services on membership or fundraising solicitations by other organization(s)
- m Sharing of facilities, equipment, mailing lists, or other assets
- n Sharing of paid employees
- o Reimbursement paid to other organization for expenses
- p Reimbursement paid by other organization for expenses
- q Other transfer of cash or property to other organization(s)
- r Other transfer of cash or property from other organization(s)

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.

(A)	(B)	(C)
	Name of other organization	Amount involved
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		

Part VI Unrelated Organizations Taxable as a Partnership

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See Instructions regarding exclusion for certain investment partnerships.

Schedule H (Form 890) 2008

EE4

Federal Supporting Statements**2008**

Name(s) as shown on return

FEIN

Dennis Martin
Opering Cash Flow
To
\$5000
\$5000
No
Yes
Yes

Interested Person Dennis Martin
Purpose Operating Cash Flow
Loan to or from To
Principal amount \$25000
Balance due \$25000
In default? No
Approved by board? Yes
Written agreement? Yes

Interested Person David Martin
Purpose Operating Cash Flow
Loan to or from To
Principal amount \$15000
Balance due \$10000
In default? No
Approved by board? Yes
Written agreement? Yes

Interested Person David Martin
Purpose Operating Cash Flow
Loan to or from To
Principal amount \$15000
Balance due \$15000
In default? No
Approved by board? Yes
Written agreement? Yes

Interested Person Merle Herr
Purpose Operating Cash Flow
Loan to or from To
Principal amount \$10000
Balance due \$10000
In default? No
Approved by board? Yes
Written agreement? Yes

Federal Supporting Statements**2008**

Name(s) as shown on return

FEIN

Richard Herr
Operating Cash Flow
To
\$10000
\$10000
No
Yes
Yes

Interested Person Ken Burkholder
Purpose Operating Cash Flow
Loan to or from To
Principal amount \$5000
Balance due \$5000
In default? No
Approved by board? Yes
Written agreement? Yes

Interested Person Amos Kauffman
Purpose Operating Cash Flow
Loan to or from To
Principal amount \$3500
Balance due \$3500
In default? No
Approved by board? Yes
Written agreement? Yes

Interested Person Dwayne Borkholder
Purpose Operating Cash Flow
Loan to or from To
Principal amount \$5000
Balance due \$5000
In default? No
Approved by board? Yes
Written agreement? Yes

- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only Part II and check this box ►

Note. Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.

- If you are filing for an **Automatic 3-Month Extension**, complete only Part I (on page 1).

Part II Additional (Not Automatic) 3-Month Extension of Time. Only file the original (no copies needed).

Type or print File by the extended due date for filing the return. See instructions.	Name of Exempt Organization Anabaptist Financial	Employer identification number 32-0158554
	Number, street, and room or suite no. If a P O box, see instructions 1245 Old Route 15	For IRS use only
	City, town or post office, state, and ZIP code. For a foreign address, see instructions New Columbia, PA 17856	

Check type of return to be filed (File a separate application for each return):

<input checked="" type="checkbox"/> Form 990	<input type="checkbox"/> Form 990-PF	<input type="checkbox"/> Form 1041-A	<input type="checkbox"/> Form 6069
<input type="checkbox"/> Form 990-BL	<input type="checkbox"/> Form 990-T (sec. 401(a) or 408(a) trust)	<input type="checkbox"/> Form 4720	<input type="checkbox"/> Form 8870
<input type="checkbox"/> Form 990-EZ	<input type="checkbox"/> Form 990-T (trust other than above)	<input type="checkbox"/> Form 5227	

STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

- The books are in the care of ► **Tim Stoltzfus**

Telephone No. ► **800-653-9817** FAX No. ►

- If the organization does not have an office or place of business in the United States, check this box ►
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) If this is for the whole group, check this box . . ► . If it is for part of the group, check this box . . ► and attach a list with the names and EINs of all members the extension is for.

- 4 I request an additional 3-month extension of time until **05-17, 2010**.
- 5 For calendar year **2008**, or other tax year beginning **07-01, 2008** and ending **06-30, 2009**.
- 6 If this tax year is for less than 12 months, check reason: Initial return Final return Change in accounting period
- 7 State in detail why you need the extension **Need additional time to get needed information in order to complete the return.**

8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	8a	\$
b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868.	8b	\$
c Balance Due. Subtract line 8b from line 8a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	8c	\$

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature ► Tim Stoltzfus CPTX Title ► Asst. Date ► 1/22/10
EEA Form 8868 (Rev. 4-2009)