

AMERICAS CARMART INC  
Form 11-K  
June 27, 2014

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

Form 11-K

ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2013

OR

TRANSITION REPORT PURSUANT TO SECTION 15(d) OF  
THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number: 0-14939

America's Car-Mart, Inc. 401(K) Plan

(Full title of the plan and the address of the plan, if different from that of issuer named below)

America's Car-Mart, Inc.  
802 SE Plaza Avenue, Suite 200  
Bentonville, AR 72712

(Name of issuer of the securities held pursuant to the plan and the address of  
its principal executive office)

The following financial statements and reports, which have been prepared pursuant to the requirements of the Employee Retirement Income Security Act of 1974, are filed as part of this Annual Report on Form 11-K:

Report of Independent Registered Public Accounting Firm

Financial Statements:

Statements of Net Assets Available for Benefits, December 31, 2013 and 2012

Statement of Changes in Net Assets Available for Benefits, Year Ended December 31, 2013

Notes to Financial Statements

Supplemental Schedules:

Schedule of Delinquent Participant Contributions, Year Ended December 31, 2013

Schedule of Assets (Held at End of Year), December 31, 2013

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

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AMERICA'S CAR-MART, INC. 401(k) PLAN

FINANCIAL STATEMENTS  
AND SUPPLEMENTAL SCHEDULES

DECEMBER 31, 2013 and 2012

WITH

REPORT OF INDEPENDENT REGISTERED  
PUBLIC ACCOUNTING FIRM

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Administrative Committee  
America's Car-Mart, Inc. 401(k) Plan

We have audited the accompanying statements of net assets available for benefits of America's Car-Mart, Inc. 401(k) Plan (the Plan) as of December 31, 2013 and 2012, and the related statement of changes in net assets available for benefits for the year ended December 31, 2013. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Plan has determined it is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2013 and 2012, and the changes in net assets available for benefits for the year ended December 31, 2013, in conformity with accounting principles generally accepted in the United States of America.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedules of Schedule of Assets (Held at End of Year) and Schedule of Delinquent Participant Contributions as of and for the year ended December 31, 2013, are presented for the purpose of additional analysis and are not a required part of the basic financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. These supplemental schedules are the responsibility of the Plan's management. The supplemental schedules have been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

\\ HOGANTAYLOR LLP

Fayetteville, AR  
June 26, 2014

## AMERICA'S CAR-MART, INC. 401(k) PLAN

## STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

December 31, 2013 and 2012

	2013	2012
<b>Assets</b>		
Cash, non-interest bearing	\$1,686	\$42,875
Investments, at fair value	5,213,506	3,665,471
<b>Receivables:</b>		
Notes receivable from participants	324,140	321,432
Accrued interest and dividends	324	655
Due from brokers for securities sold	1,123	238
<b>Total receivables</b>	<b>325,587</b>	<b>322,325</b>
<b>Total assets</b>	<b>5,540,779</b>	<b>4,030,671</b>
<b>Liabilities</b>		
Refunds of excess contributions	19,262	41,534
Due to brokers for securities purchased	2,809	261
<b>Total liabilities</b>	<b>22,071</b>	<b>41,795</b>
<b>Net assets available for benefits</b>	<b>\$5,518,708</b>	<b>\$3,988,876</b>

See notes to financial statements.

## AMERICA'S CAR-MART, INC. 401(k) PLAN

## STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

Year ended December 31, 2013

	2013
Additions to net assets attributable to:	
Investment income:	
Interest and dividends	\$35,996
Net appreciation in fair value of investments	710,812
Total investment income	746,808
Interest income on notes receivable from participants	14,120
Contributions:	
Participants	890,819
Employer	226,241
Rollovers	346,524
Total contributions	1,463,584
Total additions	2,224,512
Deductions from net assets attributable to:	
Benefits paid to participants	694,680
Net increase in net assets available for benefits	1,529,832
Net assets available for benefits, beginning of year	3,988,876
Net assets available for benefits, end of year	\$5,518,708

See notes to financial statements.

AMERICA'S CAR-MART, INC. 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2013 and 2012

Note 1 – Description of Plan

America's Car-Mart, Inc. (the “Company” or “Employer”) sponsors the America's Car-Mart, Inc. 401(k) Plan (the “Plan”) for the benefit of its employees. The following description is provided for general information purposes only. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan established for the benefit of the employees of the Company. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (“ERISA”).

The Plan is administrated by a committee appointed by the Company. Bank of Oklahoma, N.A., (the “Trustee”) serves as the trustee of the Plan. Bank of Oklahoma processes and maintains the records of the participant data and serves as the Plan's custodian.

Eligibility

Employees of the Company are eligible to participate in the Plan and make salary reduction contributions immediately following the later of their employment commencement date or the day they reach 21 years of age and are enrolled in the Plan immediately upon eligibility. The plan also provides for automatic enrollment at a 2% deferral rate.

Contributions

Each year, participants may contribute up to the maximum dollar amount permissible under the Internal Revenue Code (the Code). Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. Participants may also rollover amounts from other qualified plans. Participants direct the investment of their contributions into various investment options offered by the Plan. The Plan currently offers various mutual funds, common collective trust funds and Company common stock as investment options for participants.

Under the automatic enrollment feature, participant contributions are initially invested in a MAP Target Date Fund based on the participant's birth date at the time of the first deferral contribution if no investment direction is made by the participant. Eligible employees who do not want to make a contribution may elect to opt out of automatic enrollment, or they may elect a different contribution percentage.

The Plan also provides for discretionary Employer matching contributions, subject to limitations under the Code. Employees of the Company who have completed one year of service are eligible to receive matching contributions. A year of service means a 12-consecutive month period in which an employee has 1,000 or more hours of service.

During 2013, the Company provided a matching contribution equal to 50% of each participant's contributions up to a maximum of 4% of qualifying participant's compensation. Employer matching contributions are based on deferrals made each pay period.





Additional amounts may be contributed at the discretion of the Board of Directors of the Company. There were no additional discretionary contributions made during 2013.

#### Vesting

Participants are immediately vested in their own contributions plus or minus any earnings or losses thereon. Vesting of Employer contributions is based upon years of service according to the following schedule:

Years of Service	Vesting Percentage
One, but less than two	20%
Two, but less than three	40%
Three, but less than four	60%
Four, but less than five	80%
Five or more	100%

Participants automatically become 100% vested upon: 1) normal retirement (attainment of age 65); 2) disability; or 3) death. Participants who terminate for any other reason are entitled to the vested amount of their accounts.

#### Notes receivable from participants

Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000, reduced by the highest outstanding loan balance during a 12-month period, or 50% of their vested account balance. Loan terms are not to exceed five years, unless the loan is for a primary residence in which case the term for repayment may not exceed 15 years. The loans are secured by the balance in the participant's account and bear interest at rates ranging from 4.25% to 5.00%, which is based on prime plus one percent on the date of origination. Only one loan may be outstanding at any given time. Principal and interest are paid ratably through payroll deductions.

#### Forfeitures

Forfeitures of Employer contributions resulting from participants withdrawing prior to becoming 100% vested are used to reduce Employer matching contributions. During 2013, forfeitures in the amount of \$22,371 were used to reduce the Employer match contribution. The Plan did not have any unallocated forfeitures at December 31, 2013 or 2012.

#### Participant accounts

Each participant's account is credited with the participant's contributions and Employer matching contributions, as well as allocations of Plan earnings. Participant accounts are charged with an allocation of administrative expenses that are paid by the Plan. Allocations are based on participant earnings, account balances, or specific participant transactions, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

#### Payment of benefits

Upon retirement, termination, disability or death, a participant may elect to receive a lump-sum amount equal to the vested value of his or her account. Additionally, participants are allowed to take an in-service withdrawal upon reaching the age 59½.

The Plan allows hardship withdrawals subject to account balance limits and applicable laws.

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Upon employee termination, mandatory distributions are required for balances of less than \$5,000. Mandatory distributions above \$1,000 made without the participant's consent are paid in a direct rollover to an individual retirement account designated by the Trustee. For inactive employees who have reached age 70½, certain minimum distributions are required.

#### Administrative expenses

The Plan allows administrative expenses to be paid from the Plan's assets.

#### Note 2 – Summary of Significant Accounting Policies

##### Basis of accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

##### Use of estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires the Plan's management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

##### Investment valuation and income recognition

Investments are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 4 for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Dividends are recorded on the ex-dividend date. Net appreciation includes the Plan's gains and losses on investments bought and sold, as well as held during the year.

##### Notes receivable from participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of December 31, 2013 or 2012. If a participant ceases to make loan repayments and the Plan Administrator deems the participant loan to be in default, the participant loan balance is reduced and a benefit payment is recorded based on the terms of the Plan.

##### Excess Contributions Payable

Amounts payable to participants for contributions in excess of amounts allowed by the Code are recorded as a liability with a corresponding reduction to contributions. The Plan distributed the 2013 and 2012 excess contributions to the applicable participants prior to March 15, 2014 and March 15, 2013, respectively.

##### Payment of benefits

Benefits are recorded when paid. There were no benefit payments requested before year end that were not paid.



## Note 3 – Investments

The following table presents the fair value of the participant directed investments. Individual investments that represent 5% or more of the Plan's net assets available for benefits at December 31, 2013 or 2012 are separately identified.

Investment Description	2013	2012
America's Car-Mart, Inc. Common Stock	\$ 578,316	\$ 554,972
Caval Hill Cash Management Fund	620,245	412,467
Fidelity Balanced	381,847	287,280
DFA International Value Fund	405,834	323,975
MAP Target 2030 Fund	334,248	201,211
PIMCO Total Return Fund Institutional	-	304,595
Prudential Jennison Mid Cap Growth	493,051	352,109
T. Rowe Price Growth Stock Fund	500,996	257,938
Vanguard Small Cap Index	382,048	268,935
Vanguard 500 Index	326,798	250,517

For the year ended December 31, 2013, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated in value as follows:

Mutual funds	\$562,388
Company stock	22,394
Common collective trust funds	126,030
<b>Total</b>	<b>\$710,812</b>

## Note 4 – Fair Value Measurements

Accounting guidance provides a framework for measuring fair value and provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Fair value measurements are classified and disclosed in one of the following categories:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2: Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets
- Quoted prices for identical or similar assets or liabilities in inactive markets
- Inputs other than quoted prices that are observable for the asset or liability
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used as of December 31, 2013 and 2012. During the years ended December 31, 2013 and 2012, there were no transfers of financial instruments between Level 1 and Level 2.

The Plan held no Level 3 assets as of December 31, 2013 or 2012.

Mutual funds: Valued at the net asset value of shares held by the Plan at year end.

Company common stock: Valued at the closing price reported on the active market on which the individual securities are traded.

Common collective trust funds: Stated at fair value as determined by the issuer of the common collective trust funds based on the fair market of the underlying investments. There are no restrictions on redemptions from the common collective trust funds, and there are no unfunded commitments to them as of December 31, 2013.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following tables set forth by level, within the fair value hierarchy, the Plan's investments at fair value:

	Fair Value Measurements at December 31, 2013 Using:			
	Quoted prices in active markets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Company common stock	\$ 578,316	\$ -	\$ -	\$ 578,316
Mutual funds:				
Balanced	381,847	-	-	381,847
Growth	994,047	-	-	994,047
Value	642,197	-	-	642,197
Blended	966,359	-	-	966,359
Cash equivalents	620,245	-	-	620,245
Total mutual funds	3,604,695	-	-	3,604,695
Common collective trust funds:				
Balanced	-	1,030,495	-	1,030,495
Total	\$ 4,183,011	\$ 1,030,495	\$ -	\$ 5,213,506



## Fair Value Measurements at December 31, 2012 Using:

	Quoted prices in active markets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Company common stock	\$ 554,972	\$ -	\$ -	\$ 554,972
<b>Mutual funds:</b>				
Balanced	287,280	-	-	287,280
Growth	610,047	-	-	610,047
Value	478,611	-	-	478,611
Blended	830,752	-	-	830,752
Cash equivalents	412,467	-	-	412,467
<b>Total mutual funds</b>	<b>2,619,157</b>	<b>-</b>	<b>-</b>	<b>2,619,157</b>
<b>Common collective trust funds:</b>				
Balanced	-	491,342	-	491,342
<b>Total</b>	<b>\$ 3,174,129</b>	<b>\$ 491,342</b>	<b>\$ -</b>	<b>\$ 3,665,471</b>

## Note 5 – Risks and Uncertainties

The Plan provides for investments in various investment securities, which are in general exposed to various risks, such as interest rate, credit and overall market volatility risks. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and such changes could materially affect participants account balances and the amounts reported in the statements of net assets available for benefits.

## Note 6 – Party-in-Interest Transactions

All common collective trust funds are managed by the Trustee. Transactions with such funds qualify as exempt party-in-interest transactions. Fees paid by the Plan for the investment management services are included in net appreciation in the fair value of investments.

Cavanal Hill Investment Management Inc. manages the Cavanal Hill Cash Management Fund and is a wholly-owned subsidiary of the Trustee.

Certain administrative expenses incurred in connection with the Plan are paid by the Company. In 2013, the Company paid approximately \$83,000 in administrative expenses on behalf of the Plan. The Company will not seek reimbursement from the Plan for the payment of these expenses. Certain administrative functions are performed by officers and employees of the Company. No officer or employee receives compensation from the Plan for these services.

The Plan assets at December 31, 2013 and 2012, also include 13,694 and 13,696 shares, respectively, of America's Car-Mart, Inc. common stock having a fair value of \$578,316 and \$554,972, respectively. The Company is the Plan Sponsor; therefore, these investment transactions qualify as exempt party-in-interest transactions. Investment in

Company common stock is participant directed.

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Note 7 – Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and terminate the Plan subject to the provisions of ERISA. In the event of plan termination, the participants would become fully vested in the Employer's contributions.

Note 8 – Tax Status

The Company adopted a non-standardized prototype plan (the “Prototype Plan”) sponsored by the Trustee. The Internal Revenue Service (IRS) has determined and informed the Trustee by an opinion letter dated March 31, 2008, that the Prototype Plan is designed in accordance with applicable sections of the Code. The Prototype Plan opinion letter has been relied on by the Plan. Although the Plan has been amended since receiving the opinion letter, the Plan Administrator believes the Plan is designed and is being operated in compliance with the applicable provisions of the Code. Therefore, the Plan Administrator believes the Plan is qualified and the related trust is tax-exempt and no provision for income taxes has been included in the Plan's financial statements.

The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan Administrator believes the Plan is no longer subject to income tax examinations for years prior to 2010.

Note 9 - Prohibited Transactions

During the year ended December 31, 2013, the Company inadvertently failed to deposit \$45,688 of participant contributions and loan repayments within the required timeframe as stated by the DOL. The DOL considers late deposits to be nonexempt prohibited transactions.

SUPPLEMENTAL SCHEDULES

AMERICA'S CAR-MART, INC. 401(k) PLAN

FORM 5500, SCHEDULE H – Part IV, LINE 4a

SCHEDULE OF DELIQUENT PARTICIPANT CONTRIBUTIONS

EIN: 71-0791606

Year Ended December 31, 2013

Plan Number: 001

Total that constituted nonexempt prohibited transactions

Date withheld	Participant contributions transferred late to plan	Contributions not corrected	Contributions corrected outside of VFCP	Contributions pending corrections in VFCP	Totally fully corrected under VFCP and PTE 2002-51
2013	\$ (a )	\$ 45,688	\$ -	\$ -	\$ -

(a) Participant contributions were remitted untimely during the year ended December 31, 2013. The Company will pay lost earnings in 2014.

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AMERICA'S CAR-MART, INC. 401(k) PLAN

FORM 5500, SCHEDULE H – Part IV, LINE 4i

SCHEDULE OF ASSETS (Held at End of Year)

EIN: 71-0791606

December 31, 2013

Plan Number: 001

(a)	(b) Identity of Issue, Borrower, Lessor, or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) Cost	(e) Current Value
*	Caval Hill	Caval Hill Cash Management Fund	\$ **	\$ 620,245
*	Bank of Oklahoma, N.A.	MAP Target 2010 Fund	**	67,205
*	Bank of Oklahoma, N.A.	MAP Target 2020 Fund	**	160,274
*	Bank of Oklahoma, N.A.	MAP Conservative Units	**	623
*	Bank of Oklahoma, N.A.	MAP Target 2030 Fund	**	334,248
*	Bank of Oklahoma, N.A.	MAP Target 2040 Fund	**	181,475
*	Bank of Oklahoma, N.A.	MAP Target 2050 Fund	**	242,858
*	Bank of Oklahoma, N.A.	MAP Target 2060 Fund	**	43,812
	Dimensional Fund Advisors	DFA International Value Fund	**	405,834
	Fidelity Investments	Fidelity Balanced	**	381,847
	MFS	MFS Value-A	**	186,570
	AIM	Invesco Intl Growth Fund Class A	**	10,371
	Artisan	Artisan Mid Cap Value	**	49,793
	PIMCO Funds	PIMCO Total Return Fund Institutional	**	247,142
	Prudential Jennison	Prudential Jennison Mid Cap Growth	**	493,051
	T. Rowe Price	T. Rowe Price Growth Stock Fund	**	500,996
	Vanguard	Vanguard Small Cap Index	**	382,048
	Vanguard	Vanguard 500 Index	**	326,798
*	America's Car-Mart, Inc.	America's Car-Mart, Inc. Common Stock	**	578,316
*	Notes receivable from participants	Loans to participants, interest rates ranging from 4.25% to 5.0%, varying maturity dates	-	324,140
				\$ 5,537,646

\* Issuer is a party-in-interest to the Plan  
 \*\* Column (d) cost information not required as accounts are participant directed.



SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the plan administrators of America's Car-Mart, Inc. 401(K) Plan has duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

AMERICA'S CAR-MART, INC. 401(K) PLAN

June 26, 2014

By:                   /s/ William H. Henderson  
                          William H. Henderson  
                          Plan Administrator



EXHIBIT INDEX

Exhibit Number	Description of Exhibit
23.1	Consent of Hogan Taylor LLP, Independent Registered Public Accounting Firm