AMERICAS CARMART INC
Form 11-K
May 28, 2010

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

Form 11-K

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

For the fiscal year ended December 31, 2009

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, 2009 and 2008
Statement of Changes in Net Assets Available for Benefits, Year Ended December 31, 2009
Notes to Financial Statements

Supplemental Schedule:
Schedule of Assets (Held at End of Year), December 31, 2009

Exhibit 23.1
Consent of Independent Registered Public Accounting Firm

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

FINANCIAL STATEMENTS
AND SUPPLEMENTAL SCHEDULE

DECEMBER 31, 2009 and 2008

WITH

REPORT OF INDEPENDENT REGISTERED
PUBLIC ACCOUNTING FIRM

CONTENTS

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

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

We have audited the accompanying statements of net assets available for benefits of the America's Car-Mart, Inc. 401(k) Plan (the “Plan”) as of December 31, 2009 and 2008, and the related statement of changes in net assets available for benefits for the year ended December 31, 2009. 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 auditing 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 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 also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, 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, 2009 and 2008, and the changes in net assets available for benefits for the year ended December 31, 2009, in conformity with accounting principles generally accepted in the United States of America.

Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental Schedule of Assets (Held at End of Year) as of December 31, 2009, is presented for the purpose of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by the United States Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental schedule is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Fayetteville, Arkansas
May 28, 2010

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

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

December 31, 2009 and 2008

	2009	2008
Assets		
Cash	$360	$17,319
Investments, at fair value:		
Money market	308,968	300,251
Company stock	229,586	73,807
Common collective trust funds	73,748	25,570
Mutual funds	1,380,641	967,393
Participant loans	197,997	210,250
Total investments	2,190,940	1,577,271
Receivables:		
Participant contributions	10,539	-
Employer contributions	4,155	-
Accrued investment income	521	733
Due from brokers for securities sold	17	-
Total receivables	15,232	733
Total assets	2,206,532	1,595,323
Liabilities		
Refunds of excess contributions	30,127	-
Due to brokers for securities purchased	360	-
Total liabilities	30,487	-
Net assets available for benefits	$2,176,045	$1,595,323

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, 2009

Investment income:	
Interest and dividends	$34,656
Net appreciation in fair value of investments	379,208
Total investment income	413,864
Contributions:	
Participants	292,335
Employer	123,893
Rollovers	33,789
Total contributions	450,017
Total additions	863,881
Deductions from net assets attributable to:	
Benefits paid to participants	283,159
Net increase	580,722
Net assets available for benefits, beginning of year	1,595,323
Net assets available for benefits, end of year	$2,176,045

See notes to financial statements.

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

NOTES TO FINANCIAL STATEMENTS

December 31, 2009 and 2008

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 intended to satisfy all of the requirements for a qualified retirement plan under the appropriate provisions of the Internal Revenue Code (the "Code") and similar state tax laws. 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.

Eligibility

Employees of the Company who have reached 21 years of age and have completed one year of service are eligible to participate in the Plan. A year of service means a 12-consecutive month period in which an employee has 1,000 or more hours of service. Participants may enroll in the Plan on the first day of the quarter after satisfying eligibility requirements.

Contributions

Eligible employees may contribute up to the maximum percentage of their compensation as defined by the Plan and dollar amount permissible under 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 also provides for discretionary Employer matching contributions. During 2009, 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. Additional amounts may be contributed at the discretion of the Board of Directors of the Company. There were no additional discretionary contributions made during 2009.

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.

Participant loans

Participants may borrow from their fund accounts a minimum of $1,000 up to a maximum equal to the lesser of $50,000 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 prime plus one percent. 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 2009, forfeitures in the amount of $8,820 were used to reduce the Employer match contribution. The Plan did not have unallocated forfeitures at December 31, 2009 and 2008, respectively.

Participant accounts

Each participant's account is credited with the participant's contributions and allocations of (a) the Employer's contribution and (b) Plan earnings, which are allocated to a participant's account based on the ratio of each participant's account to the total of all participants' accounts. 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 59 ½.

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.

Administrative expenses

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

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Note 2 – Summary of Significant Accounting Policies

Basis of accounting

The accompanying financial statements have been prepared on the accrual basis of accounting.

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 use estimates and assumptions that affect the accompanying financial statements and disclosures. Actual results could differ from these estimates.

Investment valuation

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. Interest income is recorded on the accrual basis. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Payment of benefits

Benefits are recorded when paid. As of December 31, 2009, there were no distributions that had been requested but not paid.

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

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 at December 31, 2009 or 2008, are separately identified.

Description of Asset	2009	2008
American Growth Fund of America	$198,440	$128,920
America's Car-Mart, Inc. Common Stock	229,586	73,807
Cavanal Hill Cash Management Fund	308,968	300,251
Federated Kaufman	247,941	194,789
Fidelity Balanced	185,009	150,602
DFA International Value Fund	239,285	143,986
Lord Abbett Small Cap Blend Fund	120,754	-
Neuberger Berman Guardian Trust Fund	199,325	144,833
PIMCO Total Return Fund Institutional	182,004	132,936
Participant Loans	197,997	210,250
All Others Less than 5%	81,631	96,897
	$2,190,940	$1,577,271

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During 2009, 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	$310,951
Company stock	53,089
Common collective trust funds	15,168
Total	$379,208

Note 4 - Fair Value Measurements

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 (exit price). 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.

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, 2009 and 2008:

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

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

Common collective trust funds: Valued at the net asset value per unit held by the Plan at year end as quoted by the funds.

Participant loans: Valued at amortized cost, which approximates fair value.

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.

Financial assets and liabilities are classified based on the lowest level of input that is significant to the fair value measurement. The Plan's assessment of the significance of a particular input to the fair value measurement requires judgment, and may affect the valuation of the fair value of assets and liabilities and their placement within the fair value hierarchy levels.

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2009 and 2008:

	Fair Value Measurements at December 31, 2009 Using:			
	Quoted prices in active markets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Money market	$ 308,968	$ -	$ -	$ 308,968
Company stock	229,586	-	-	229,586
Mutual funds	1,380,641	-	-	1,380,641
Common collective trust funds	-	73,748	-	73,748
Participant loans	-	197,997	-	197,997
Total	$ 1,919,195	$ 271,745	$ -	$ 2,190,940

	Fair Value Measurements at December 31, 2008 Using:			
	Quoted prices in active markets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Money market	$ 300,251	$ -	$ -	$ 300,251
Company stock	73,807	-	-	73,807
Mutual funds	967,393	-	-	967,393
Common collective trust funds	-	25,570	-	25,570
Participant loans	-	210,250	-	210,250
Total	$ 1,341,451	$ 235,820	$ -	$ 1,577,271

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

Certain investments are managed by the Trustee. Transactions with such funds qualify as exempt party-in-interest transactions.

Certain administrative functions are performed by officers and employees of the Company. No officer or employee receives compensation from the Plan for these expenses.

Certain administrative expenses incurred in connection with the Plan are paid by the Company. In 2009, the Company paid approximately $31,000 in administrative expenses on behalf of the Plan. The Company will not seek reimbursement from the Plan for the payment of these expenses.

The Plan assets at December 31, 2009 and 2008, also include 8,720 and 5,344 shares, respectively, of America's Car-Mart, Inc. common stock having a fair value of $229,586 and $73,807, respectively. The Company is the Plan sponsor; therefore, these investment transactions qualify as exempt party-in-interest transactions. Investment in Company stock is participant directed.

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 full or partial termination of the Plan, 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 Bank of Oklahoma, N.A. The Internal Revenue Service has determined and informed the prototype sponsor 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. The Plan Administrator (as defined in the Plan) believes the Plan is designed and is being operated in compliance with the applicable provisions of the Code. Therefore, no provision for income taxes has been included in the Plan's financial statements.

The Plan Administrator evaluated the Plan's tax positions and concluded that the Plan had taken no uncertain tax positions that require adjustment to the financial statements to comply with the provisions of this guidance.

SUPPLEMENTAL SCHEDULE

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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, 2009

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) Historical Cost	(e) Current Value
*	Bank of Oklahoma, N.A.	Cavanal Hill Cash Management Fund	**	$308,968
*	Bank of Oklahoma, N.A.	MAP Target 2010 Fund	**	8,591
*	Bank of Oklahoma, N.A.	MAP Target 2020 Fund	**	16,268
*	Bank of Oklahoma, N.A.	MAP Target 2030 Fund	**	15,004
*	Bank of Oklahoma, N.A.	MAP Target 2040 Fund	**	15,740
*	Bank of Oklahoma, N.A.	MAP Target 2050 Fund	**	18,145
	Dimensional Fund Advisors	DFA International Value Fund	**	239,285
	Federated	Federated Kaufman	**	247,941
	Fidelity Investments	Fidelity Balanced	**	185,009
	American Funds	American Growth Fund of America	**	198,440
	MFS	MFS Value-A	**	7,883
	PIMCO Funds	PIMCO Total Return Fund Institutional	**	182,004
	Neuberger Berman	Neuberger Berman Guardian Trust Fund	**	199,325
	Lord Abbett	Lord Abbett Small Cap Blend Fund	**	120,754
*	America's Car-Mart, Inc.	America's Car-Mart, Inc. Common Stock	**	229,586
*	Participant Loans	Rates ranging from 5.00% to 9.25%, varying maturity dates	-	197,997
				$2,190,940

* 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

May 28, 2010

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

EXHIBIT INDEX

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