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Form **990-PF**

Department of the Treasury
Internal Revenue Service

Return of Private Foundation

or Section 4947(a)(1) Nonexempt Charitable Trust
Treated as a Private Foundation

Note: *The foundation may be able to use a copy of this return to satisfy state reporting requirements*

OMB No 1545-0052

2008

For calendar year 2008 , or tax year beginning 11-01-2008 and ending 10-31-2009

G Check all that apply ☐ Initial return ☐ Final return ☐ Amended return ☐ Address change ☐ Name change

Use the IRS label. Otherwise, print or type. See Specific Instructions.

Name of foundation
GROVES-CHANEY FOUNDA

Number and street (or P O box number if mail is not delivered to street address) Room/suite
PO BOX 2907 - TRUST TAX DEPT

City or town, state, and ZIP code
WILSON, NC 278942907

A Employer identification number
52-1403789

B Telephone number (see the instructions)
(252) 246-4637

C If exemption application is pending, check here ☐

D 1. Foreign organizations, check here ☐

2. Foreign organizations meeting the 85% test, check here and attach computation ☐

E If private foundation status was terminated under section 507(b)(1)(A), check here ☐

F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ☐

H Check type of organization ☑ Section 501(c)(3) exempt private foundation
☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation

I Fair market value of all assets at end of year *(from Part II, col. (c), line 16)* ▶$ 1,309,512

J Accounting method ☐ Cash ☐ Accrual
☐ Other (specify) _
(Part I, column (d) must be on cash basis.)

Part I **Analysis of Revenue and Expenses** *(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see the instructions))*

			(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1	Contributions, gifts, grants, etc , received (attach schedule)				
	2	Check ▶ ☑ if the foundation is **not** required to attach Sch B				
	3	Interest on savings and temporary cash investments	8,264	8,264		
	4	Dividends and interest from securities	36,712	36,712		
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10	32,900			
	b	Gross sales price for all assets on line 6a 623,257				
	7	Capital gain net income (from Part IV, line 2)		32,900		
	8	Net short-term capital gain			0	
	9	Income modifications				
	10a	Gross sales less returns and allowances				
	b	Less Cost of goods sold				
	c	Gross profit or (loss) (attach schedule)				
	11	Other income (attach schedule)	4,602	4,602		
	12	**Total.** Add lines 1 through 11	82,478	82,478		
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc	6,079	6,079		
	14	Other employee salaries and wages		0	0	0
	15	Pension plans, employee benefits		0	0	
	16a	Legal fees (attach schedule)				0
	b	Accounting fees (attach schedule)	500	500		
	c	Other professional fees (attach schedule)	25	25		0
	17	Interest				0
	18	Taxes (attach schedule) (see the instructions)	938			0
	19	Depreciation (attach schedule) and depletion	0	0		
	20	Occupancy				
	21	Travel, conferences, and meetings		0	0	
	22	Printing and publications		0	0	
	23	Other expenses (attach schedule)	8	8		
	24	**Total operating and administrative expenses.** Add lines 13 through 23	7,550	6,612	0	0
	25	Contributions, gifts, grants paid	65,000			65,000
	26	**Total expenses and disbursements.** Add lines 24 and 25	72,550	6,612	0	65,000
	27	Subtract line 26 from line 12				
	a	**Excess of revenue over expenses and disbursements**	9,928			
	b	**Net investment income** (if negative, enter -0-)		75,866		
	c	**Adjusted net income** (if negative, enter -0-)			0	

Part II **Balance Sheets** Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)

		Beginning of year (a) Book Value	End of year (b) Book Value	(c) Fair Market Value
Assets				
1	Cash—non-interest-bearing		-65,000	-65,000
2	Savings and temporary cash investments	66,184	85,103	85,103
3	Accounts receivable ▶			
	Less allowance for doubtful accounts ▶		0	0
4	Pledges receivable ▶			
	Less allowance for doubtful accounts ▶			
5	Grants receivable			
6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see the instructions)			
7	Other notes and loans receivable (attach schedule) ▶			
	Less allowance for doubtful accounts ▶ 0			
8	Inventories for sale or use			
9	Prepaid expenses and deferred charges			
10a	Investments—U S and state government obligations (attach schedule)	165,535	21,671	22,679
b	Investments—corporate stock (attach schedule)	272,832	312,746	561,246
c	Investments—corporate bonds (attach schedule)			
11	Investments—land, buildings, and equipment basis ▶			
	Less accumulated depreciation (attach schedule) ▶			
12	Investments—mortgage loans			
13	Investments—other (attach schedule)	501,023	661,318	705,484
14	Land, buildings, and equipment basis ▶			
	Less accumulated depreciation (attach schedule) ▶			
15	Other assets (describe ▶)			
16	**Total assets** (to be completed by all filers—see the instructions Also, see page 1, item I)	1,005,574	1,015,838	1,309,512
Liabilities				
17	Accounts payable and accrued expenses			
18	Grants payable			
19	Deferred revenue			
20	Loans from officers, directors, trustees, and other disqualified persons			
21	Mortgages and other notes payable (attach schedule)			
22	Other liabilities (describe ▶)			
23	**Total liabilities** (add lines 17 through 22)		0	
Net Assets or Fund Balances				
	Foundations that follow SFAS 117, check here ▶ ☐ and complete lines 24 through 26 and lines 30 and 31.			
24	Unrestricted			
25	Temporarily restricted			
26	Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ ☑ and complete lines 27 through 31.			
27	Capital stock, trust principal, or current funds	1,005,574	1,015,838	
28	Paid-in or capital surplus, or land, bldg , and equipment fund			
29	Retained earnings, accumulated income, endowment, or other funds			
30	**Total net assets or fund balances** (see the instructions)	1,005,574	1,015,838	
31	**Total liabilities and net assets/fund balances** (see the instructions)	1,005,574	1,015,838	

Part III **Analysis of Changes in Net Assets or Fund Balances**

1	Total net assets or fund balances at beginning of year—Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	1,005,574
2	Enter amount from Part I, line 27a	2	9,928
3	Other increases not included in line 2 (itemize) ▶	3	336
4	Add lines 1, 2, and 3	4	1,015,838
5	Decreases not included in line 2 (itemize) ▶	5	0
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	1,015,838

Part IV Capital Gains and Losses for Tax on Investment Income

	(a) List and describe the kind(s) of property sold (e g , real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)	(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo , day, yr)	(d) Date sold (mo , day, yr)
1a	See Additional Data Table			
b				
c				
d				
e				

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a	See Additional Data Table			
b				
c				
d				
e				

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

	(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	(l) Gains (Col (h) gain minus col (k), but not less than -0-) **or** Losses (from col (h))
a	See Additional Data Table			
b				
c				
d				
e				

2	Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7; If (loss), enter -0- in Part I, line 7 }	2	32,900
3	Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see the instructions) If (loss), enter -0- in Part I, line 8	3	

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income)

If section 4940(d)(2) applies, leave this part blank

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? ☐ Yes ☐ No
If "Yes," the foundation does not qualify under section 4940(e) Do not complete this part

1 Enter the appropriate amount in each column for each year, see the instructions before making any entries

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2007			
2006			
2005			
2004			
2003			

2	**Total** of line 1, column (d)	2	
3	Average distribution ratio for the 5-year base period—divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	
4	Enter the net value of noncharitable-use assets for 2008 from Part X, line 5	4	
5	Multiply line 4 by line 3	5	
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	
7	Add lines 5 and 6	7	
8	Enter qualifying distributions from Part XII, line 4	8	

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate See the Part VI instructions

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948—see the instructions)

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1 Date of ruling letter ______ **(attach copy of ruling letter if necessary–see instructions)**				
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☐ and enter 1% of Part I, line 27b			1	1,517
c	All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (b)				
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)			2	0
3	Add lines 1 and 2			3	1,517
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)			4	0
5	**Tax based on investment income.** Subtract line 4 from line 3 If zero or less, enter -0-			5	1,517
6	Credits/Payments				
a	2008 estimated tax payments and 2007 overpayment credited to 2008	6a	1,696		
b	Exempt foreign organizations—tax withheld at source	6b			
c	Tax paid with application for extension of time to file (Form 8868)	6c	0		
d	Backup withholding erroneously withheld	6d			
7	Total credits and payments Add lines 6a through 6d			7	1,696
8	Enter any **penalty** for underpayment of estimated tax Check here ☐ if Form 2220 is attached			8	0
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶			9	
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid.** ▶			10	179
11	Enter the amount of line 10 to be **Credited to 2009 estimated tax** ▶ 179	**Refunded** ▶		11	0

Part VII-A Statements Regarding Activities

			Yes	No
1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		No
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see the instructions for definition)?	1b		No
	*If the answer is "Yes" to **1a** or **1b**, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.*			
c	Did the foundation file **Form 1120-POL** for this year?	1c		No
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year **(1)** On the foundation ▶ $ ______ **(2)** On foundation managers ▶ $ ______			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ $ ______			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? *If "Yes," attach a detailed description of the activities.*	2		No
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If "Yes," attach a conformed copy of the changes*	3		No
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		No
b	If "Yes," has it filed a tax return on **Form 990-T** for this year?	4b		
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T.*	5		No
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	Yes	
7	Did the foundation have at least $5,000 in assets at any time during the year? *If "Yes," complete Part II, col (c), and Part XV*	7	Yes	
8a	Enter the states to which the foundation reports or with which it is registered (see the instructions) ▶ VA			
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? *If "No," attach explanation*	8b	Yes	
9	Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2008 or the taxable year beginning in 2008 (see instructions for Part XIV)? *If "Yes," complete Part XIV*	9		No
10	Did any persons become substantial contributors during the tax year? *If "Yes," attach a schedule listing their names and addresses*	10	Yes	

Part VII-A Statements Regarding Activities Continued

		Line	Yes	No
11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see page 20 of the instructions)	11a		No
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract?	12		No
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	Yes	

Web site address ▶

14 The books are in care of ▶BRANCH BANKING AND TRUST COMPANY Telephone no ▶(276) 666-3103

Located at ▶P O BOX 5228 MARTINSVILLE VA ZIP+4 ▶24115

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of **Form 1041** —Check here ▶ ☐

and enter the amount of tax-exempt interest received or accrued during the year ▶ | 15 |

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

			Line	Yes	No
1a	During the year did the foundation (either directly or indirectly)				
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	☐ Yes ☑ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	☐ Yes ☑ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	☐ Yes ☑ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	☐ Yes ☑ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	☐ Yes ☑ No			
	(6) Agree to pay money or property to a government official? (**Exception.** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days).	☐ Yes ☑ No			
b	If any answer is "Yes" to 1a(1)–(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53 4941(d)-3 or in a current notice regarding disaster assistance (see the instructions)?		1b		
	Organizations relying on a current notice regarding disaster assistance check here ▶ ☐				
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2008?		1c		No
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))				
a	At the end of tax year 2008, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2008?	☐ Yes ☑ No			
	If "Yes," list the years ▶ 20____ , 20____ , 20____ , 20____				
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement—see the instructions)		2b		
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ▶ 20____ , 20____ , 20____ , 20____				
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	☐ Yes ☑ No			
b	If "Yes," did it have excess business holdings in 2008 as a result of **(1)** any purchase by the foundation or disqualified persons after May 26, 1969, **(2)** the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or **(3)** the lapse of the 10-, 15-, or 20-year first phase holding period? *(Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2008.)*		3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		4a		No
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2008?		4b		No

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required Continued

			Yes	No
5a	During the year did the foundation pay or incur any amount to			
	(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☑ No			
	(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☑ No			
	(3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☑ No			
	(4) Provide a grant to an organization other than a charitable, etc, organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions) ☐ Yes ☑ No			
	(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☑ No			
b	If any answer is "Yes" to 5a(1)–(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53 4945 or in a current notice regarding disaster assistance (see the instructions)?	5b		
	Organizations relying on a current notice regarding disaster assistance check here ▶ ☐			
c	If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? ☐ Yes ☐ No			
	If "Yes," attach the statement required by Regulations section 53.4945–5(d).			
6a	Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☑ No			
b	Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	6b		No
	If you answered "Yes" to 6b, also file Form 8870.			
7a	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☑ No			
b	If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?	7b		

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors

1 List all officers, directors, trustees, foundation managers and their compensation (see the instructions).

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
IRVING M GROVES JR 1517 MULBERRY ROAD MARTINSVILLE, VA 24112	PRESIDENT/DIRECTOR 1	0		
RUTH G CHANEY 1212 SAM LIONS TRAIL MARTINSVILLE, VA 24112	VP/DIRECTOR 1	0		
LYNANNE L NEWMAN P O BOX 5228 MARTINSVILLE, VA 24115	SECRETARY/TREASURER 1	0		
BRANCH BANKING AND TRUST COMPANY P O BOX 5228 MARTINSVILLE, VA 24115	TRUSTEE 1	6,079		

2 Compensation of five highest-paid employees (other than those included on line 1—see the instructions). If none, enter "NONE."

(a) Name and address of each employee paid more than $50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
NONE				

Total number of other employees paid over $50,000 ▶	0

Part VIII **Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors** Continued

3 Five highest-paid independent contractors for professional services—(see the instructions). If none, enter "NONE."

(a) Name and address of each person paid more than $50,000	**(b)** Type of service	**(c)** Compensation
NONE		
Total number of others receiving over $50,000 for professional services . . . . ▶		0

Part IX-A **Summary of Direct Charitable Activities**

List the foundation's four largest direct charitable activities during the tax year Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc	Expenses
1	
2	
3	
4	

Part IX-B **Summary of Program-Related Investments** (see the instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1	
2	
All other program-related investments See the instructions 3	
Total Add lines 1 through 3. . . . . ▶	

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see page 24 of the instructions.)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc , purposes		
a	Average monthly fair market value of securities	1a	1,198,583
b	Average of monthly cash balances	1b	62,387
c	Fair market value of all other assets (see the instructions)	1c	0
d	**Total** (add lines 1a, b, and c)	1d	1,260,970
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) — 1e: 0		
2	Acquisition indebtedness applicable to line 1 assets	2	0
3	Subtract line 2 from line 1d	3	1,260,970
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see the instructions)	4	18,915
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4	5	1,242,055
6	**Minimum investment return.** Enter 5% of line 5	6	62,103

Part XI Distributable Amount (see page 25 of the instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here ▶ ☐ and do not complete this part.)

1	Minimum investment return from Part X, line 6	1	62,103
2a	Tax on investment income for 2008 from Part VI, line 5 — 2a: 1,517		
b	Income tax for 2008 (This does not include the tax from Part VI) — 2b:		
c	Add lines 2a and 2b	2c	1,517
3	Distributable amount before adjustments Subtract line 2c from line 1	3	60,586
4	Recoveries of amounts treated as qualifying distributions	4	0
5	Add lines 3 and 4	5	60,586
6	Deduction from distributable amount (see the instructions)	6	0
7	**Distributable amount** as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1	7	60,586

Part XII Qualifying Distributions (see page 25 of the instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc , purposes		
a	Expenses, contributions, gifts, etc —total from Part I, column (d), line 26	1a	65,000
b	Program-related investments—total from Part IX-B	1b	0
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc , purposes	2	0
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	0
b	Cash distribution test (attach the required schedule)	3b	0
4	**Qualifying distributions.** Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	65,000
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b (see page 26 of the instructions)	5	0
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	65,000

Note: *The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years.*

Part XIII **Undistributed Income** (see page 26 of the instructions)

	(a) Corpus	(b) Years prior to 2007	(c) 2007	(d) 2008
1 Distributable amount for 2008 from Part XI, line 7				60,586
2 Undistributed income, if any, as of the end of 2007				
a Enter amount for 2007 only.			0	
b Total for prior years 2006 , 20___ , 20___		0		
3 Excess distributions carryover, if any, to 2008				
a From 2003. 0				
b From 2004. 0				
c From 2005. 0				
d From 2006. 0				
e From 2007. 1,938				
f Total of lines 3a through e.	1,938			
4 Qualifying distributions for 2008 from Part XII, line 4 ▶ $ 65,000				
a Applied to 2007, but not more than line 2a			0	
b Applied to undistributed income of prior years (Election required—see the instructions). . . .		0		
c Treated as distributions out of corpus (Election required—see the instructions).	0			
d Applied to 2008 distributable amount.				60,586
e Remaining amount distributed out of corpus	4,414			
5 Excess distributions carryover applied to 2008 *(If an amount appears in column (d), the same amount must be shown in column (a).)*	0			0
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	6,352			
b Prior years' undistributed income Subtract line 4b from line 2b		0		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed.		0		
d Subtract line 6c from line 6b Taxable amount—see the instructions		0		
e Undistributed income for 2006 Subtract line 4a from line 2a Taxable amount—see the instructions			0	
f Undistributed income for 2008 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2008				0
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see the instructions)	0			
8 Excess distributions carryover from 2002 not applied on line 5 or line 7 (see page 27 of the instructions)	0			
9 Excess distributions carryover to 2008. Subtract lines 7 and 8 from line 6a	6,352			
10 Analysis of line 9				
a From 2004. 0				
b From 2005. 0				
c From 2006. 0				
d From 2007. 1,938				
e From 2008. 4,414				

Part XIV Private Operating Foundations (see the instructions and Part VII-A, question 9)

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2008, enter the date of the ruling . . . . ▶

b Check box to indicate whether the organization is a private operating foundation described in section ☐ 4942(j)(3) or ☐ 4942(j)(5)

	Tax year	Prior 3 years			
	(a) 2008	**(b)** 2007	**(c)** 2006	**(d)** 2005	**(e) Total**
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon **a** "Assets" alternative test—enter **(1)** Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test— enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test—enter **(1)** Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the organization had $5,000 or more in assets at any time during the year—see the instructions.)

1 Information Regarding Foundation Managers:

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than $5,000) (See section 507(d)(2))

NONE

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest

NONE

2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:

Check here ▶ ☑ if the organization only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds If the organization makes gifts, grants, etc (see the instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d

a The name, address, and telephone number of the person to whom applications should be addressed

b The form in which applications should be submitted and information and materials they should include

c Any submission deadlines

d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors

Part XV Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year* See Additional Data Table				
Total . . . . ▶ **3a**				65,000
b *Approved for future payment*				
Total . . . . ▶ **3b**				

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See the instructions)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments			14	8,264	
4 Dividends and interest from securities			14	36,712	
5 Net rental income or (loss) from real estate					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income					
8 Gain or (loss) from sales of assets other than inventory			18	32,900	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue a LITIGATION PROCEED			14	4,602	
b					
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e)				82,478	

13 **Total.** Add line 12, columns (b), (d), and (e) . . . 13 82,478

(See worksheet in line 13 instructions to verify calculations)

Part XVI-B Relationship of Activities to the Accomplishment of Exempt Purposes

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes) (See the instructions)
4	INCOME IS USED TO MAKE CHARITABLE DONATIONS
8	INCOME IS USED TO MAKE CHARITABLE DONATIONS
11	INCOME IS USED TO MAKE CHARITABLE DONATIONS

Part XVII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations

			Yes	No
1	Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?			
a	Transfers from the reporting organization to a noncharitable exempt organization of			
	(1) Cash	1a(1)		No
	(2) Other assets	1a(2)		No
b	Other transactions			
	(1) Sales of assets to a noncharitable exempt organization	1b(1)		No
	(2) Purchases of assets from a noncharitable exempt organization	1b(2)		No
	(3) Rental of facilities, equipment, or other assets	1b(3)		No
	(4) Reimbursement arrangements	1b(4)		No
	(5) Loans or loan guarantees	1b(5)		No
	(6) Performance of services or membership or fundraising solicitations	1b(6)		No
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c		No

d If the answer to any of the above is "Yes," complete the following schedule Column **(b)** should always show the fair market value of the goods, other assets, or services given by the reporting organization If the foundation received less than fair market value in any transaction or sharing arrangement, show in column **(d)** the value of the goods, other assets, or services received

(a) Line No	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ☐ Yes ☑ No

b If "Yes," complete the following schedule

(a) Name of organization	(b) Type of organization	(c) Description of relationship

Sign Here

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 taxpayer or fiduciary) is based on all information of which preparer has any knowledge

******	2010-01-28	******
Signature of officer or trustee	Date	Title

Paid Preparer's Use Only

	Date	Check if self-employed ☐	Preparer's SSN or PTIN (See **Signature** in the instructions)
Preparer's Signature			
Firm's name (or yours if self-employed), address, and ZIP code		EIN	
		Phone no	

Additional Data

Software ID: 08000137
Software Version: 08-0
EIN: 52-1403789
Name: GROVES-CHANEY FOUNDA

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Lines a - d

(a) List and describe the kind(s) of property sold (e g , real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)	**(b)** How acquired P—Purchase D—Donation	**(c)** Date acquired (mo , day, yr)	**(d)** Date sold (mo , day, yr)
100 ABBOTT LABORATORIES		2008-12-24	2009-05-20
60 AMGEN INCORPORATED		2006-06-08	2009-05-20
10 AMGEN INCORPORATED		2006-06-08	2009-06-17
30 AMGEN INCORPORATED		2006-06-08	2009-10-07
90 ANADARKO PETE CORP		1997-01-06	2009-06-17
80 APACHE CORPORATION COMMON		2009-05-20	2009-06-17
110 ARCHER DANIELS MIDLAND COMPANY		2008-12-24	2009-05-20
290 ARCHER DANIELS MIDLAND COMPANY		2008-12-24	2009-10-07
200 AUTOMATIC DATA PROCESSING INC		2006-06-08	2008-12-24
110 AVERY DENNISON CORP COMMON		2008-12-24	2009-05-20
60 AVERY DENNISON CORP COMMON		2008-12-24	2009-06-17
200 BB&T CORP		1978-04-26	2009-05-14
1379 809 BB&T INTER US GOVT CL I FUND #0341		2003-03-26	2009-06-17
5091 788 BB&T INTER US GOVT CL I FUND #0341			2009-10-07
8003 756 BB&T SHORT INTER US GOVT INCOME FUND			2009-10-07
2041 455 BB&T TOTAL RETURN BOND CL I FUND #0342			2009-05-20
100 BANK OF AMER CORP COMMON		2008-12-24	2009-05-20
200 BANK OF AMER CORP COMMON		2007-03-02	2009-05-20
200 BRISTOL MYERS SQUIBB COMPANY		1998-11-05	2008-12-24
340 COACH INC		2009-05-20	2009-06-17
220 COCA COLA COMPANY		1988-03-03	2009-05-20
80 CONOCOPHILLIPS COM		2009-05-20	2009-06-17
400 CORNING INCORPORATED		1995-07-24	2009-05-20
190 CORNING INCORPORATED		1994-09-13	2009-06-17
30000 DAIMLERCHRYSLER GLOBAL 7 20% DUE 09/01/09		2000-09-19	2009-09-01
660 DELL INC		2009-05-20	2009-06-17
210 EBAY INC		2009-05-20	2009-06-17
340 ELECTRONIC ARTS INC COMMON		1994-09-13	2009-05-20
340 EXXON MOBIL CORPORATION		1990-05-23	2009-05-20
15 FAIRPOINT COMMUNICATIONS INC			2008-11-03

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Lines e - h

(e) Gross sales price	**(f)** Depreciation allowed (or allowable)	**(g)** Cost or other basis plus expense of sale	**(h)** Gain or (loss) (e) plus (f) minus (g)
4,338		5,274	-936
3,034		4,090	-1,056
528		682	-154
1,755		2,045	-290
4,237		2,899	1,338
6,273		6,590	-317
2,933		3,023	-90
8,468		7,969	499
7,618		8,130	-512
3,057		3,451	-394
1,524		1,882	-358
4,386		241	4,145
14,336		14,626	-290
54,024		51,823	2,201
77,476		77,415	61
20,945		21,317	-372
1,159		1,283	-124
2,318		10,058	-7,740
4,626		10,249	-5,623
8,960		8,473	487
10,327		1,058	9,269
3,402		3,748	-346
6,000		3,558	2,442
2,903		1,644	1,259
30,000		29,330	670
8,408		7,448	960
3,604		3,780	-176
7,568		1,562	6,006
23,864		4,057	19,807
64		89	-25

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Lines i - l

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
			-936
			-1,056
			-154
			-290
			1,338
			-317
			-90
			499
			-512
			-394
			-358
			4,145
			-290
			2,201
			61
			-372
			-124
			-7,740
			-5,623
			487
			9,269
			-346
			2,442
			1,259
			670
			960
			-176
			6,006
			19,807
			-25

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Lines a - d

(a) List and describe the kind(s) of property sold (e g , real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)	**(b)** How acquired P—Purchase D—Donation	**(c)** Date acquired (mo , day, yr)	**(d)** Date sold (mo , day, yr)
200 FORTUNE BRANDS INCORPORATED			2009-05-20
100 GENERAL DYNAMICS		2004-11-12	2009-05-20
40 GENERAL ELECTRIC COMPANY		2008-12-24	2009-05-20
500 GENERAL ELECTRIC COMPANY			2009-05-20
100 GENERAL ELECTRIC COMPANY		2008-12-24	2009-06-17
12 GOOGLE INC CL A		2009-05-20	2009-06-17
150 HOME DEPOT INCORPORATED		2008-12-24	2009-05-20
400 INTEL CORPORATION		1996-01-18	2009-05-20
160 INTEL CORPORATION		1996-01-18	2009-06-17
140 I SHARES EAFE INDEX FUND		2009-05-20	2009-06-17
1200 I SHARES EAFE INDEX FUND		2003-10-28	2009-06-17
200 ISHARES DOW JONES US HEALTHCARE SECTOR I		2008-04-17	2008-12-24
200 ISHARES DOW JONES US HEALTHCARE SECTOR I		2007-03-02	2008-12-24
200 JOHNSON & JOHNSON		2006-06-08	2009-05-20
300 KIMBERLY CLARK CORPORATION			2008-12-24
250 KRAFT FOODS INC-A COMMON		2008-12-24	2009-05-20
200 ELI LILLY & CO		2008-12-24	2009-05-20
150 LOWES COMPANIES INCORPORATED		2008-04-17	2008-12-24
210 MARATHON OIL CORPORATION COMMON		1995-02-16	2009-05-20
120 MCDONALDS CORPORATION		1989-07-26	2009-05-20
120 MEDTRONIC INC		2009-05-20	2009-06-17
290 MICROSOFT CORPORATION		2003-10-28	2009-05-20
110 MICROSOFT CORPORATION		2003-10-28	2009-10-07
410 MITSUBISHI UJF FINANCIAL GROUP INC		2009-06-17	2009-10-07
100 NEWMONT MINING CORPORATION COMMON		2004-11-12	2008-12-24
80 NINTENDO LTD		2009-06-17	2009-10-07
170 NOKIA CORP		2009-06-17	2009-10-07
32 NORTEL NETWORKS CORPORATION		2008-05-23	2008-12-24
200 NORTHERN TRUST GROUP		2008-04-17	2009-05-20
160 PEPSICO INCORPORATED		1992-03-31	2009-05-20

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Lines e - h

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
7,422		4,445	2,977
5,707		5,376	331
558		644	-86
6,975		20,735	-13,760
1,223		1,609	-386
5,011		4,801	210
3,589		3,561	28
6,280		2,561	3,719
2,578		1,024	1,554
6,494		6,511	-17
55,667		49,947	5,720
10,376		12,620	-2,244
10,376		13,332	-2,956
11,216		12,316	-1,100
15,450		15,141	309
6,270		6,593	-323
6,986		7,566	-580
3,163		3,669	-506
6,422		1,691	4,731
6,731		888	5,843
3,965		3,876	89
5,933		7,862	-1,929
2,757		2,982	-225
2,258		2,542	-284
3,693		4,895	-1,202
2,442		2,674	-232
2,446		2,506	-60
8		266	-258
10,340		14,589	-4,249
8,323		1,929	6,394

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Lines i - l

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
			2,977
			331
			-86
			-13,760
			-386
			210
			28
			3,719
			1,554
			-17
			5,720
			-2,244
			-2,956
			-1,100
			309
			-323
			-580
			-506
			4,731
			5,843
			89
			-1,929
			-225
			-284
			-1,202
			-232
			-60
			-258
			-4,249
			6,394

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Lines a - d

(a) List and describe the kind(s) of property sold (e g , real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)	**(b)** How acquired P—Purchase D—Donation	**(c)** Date acquired (mo , day, yr)	**(d)** Date sold (mo , day, yr)
570 PFIZER INCORPORATED		1989-03-07	2009-05-20
170 PFIZER INCORPORATED		1989-03-07	2009-06-17
160 PRICE GROUP INC FORMERLY AKA PRICE TO ROWE & ASSOC		2009-05-20	2009-06-17
90 QUALCOMM INC COMMON		2009-05-20	2009-10-07
240 SMITH INTL INC COMMON		2009-05-20	2009-10-07
125 3M COMPANY COMMON		2006-06-08	2008-12-24
100 TIFFANY & CO		2007-03-02	2008-12-24
100 TOKIO MARINE HOLDINGS INC		2009-06-17	2009-10-07
220 UNITED HEALTH GROUP INC		2009-05-20	2009-06-17
150 UNITED HEALTH GROUP INC		2009-05-20	2009-10-07
400 VERIZON COMMUNICATIONS INC		1995-07-24	2008-12-24
400 VERIZON COMMUNICATIONS INC		1992-03-31	2009-05-20

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Lines e - h

(e) Gross sales price	**(f)** Depreciation allowed (or allowable)	**(g)** Cost or other basis plus expense of sale	**(h)** Gain or (loss) (e) plus (f) minus (g)
8,595		7,383	1,212
2,489		2,202	287
6,593		6,192	401
3,803		3,842	-39
6,917		6,929	-12
6,961		10,178	-3,217
2,220		4,368	-2,148
2,747		2,663	84
5,308		6,239	-931
3,730		4,254	-524
13,132		11,197	1,935
11,968		7,965	4,003

Form 990PF Part IV - Capital Gains and Losses for Tax on Investment Income - Lines i - l

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col (h) gain minus col (k), but not less than -0-) **or** Losses (from col (h))
(i) F M V as of 12/31/69	**(j)** Adjusted basis as of 12/31/69	**(k)** Excess of col (i) over col (j), if any	
			1,212
			287
			401
			-39
			-12
			-3,217
			-2,148
			84
			-931
			-524
			1,935
			4,003

Form 990PF Part XV Line 3a - Grants and Contributions Paid During the Year

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year				
ADULT DAY CARE 431 COMMONWEALTH BLVD MARTINSVILLE,VA 24112	N/A	PUBLIC	GENERAL	2,000
AMERICAN RED CROSS 1081 SPRUCE STREET MARTINSVILLE,VA 24112	N/A	PUBLIC	GENERAL	3,000
BASSETT HISTORICAL SOCIETY 3964 FAIRYSTONE PKWY BASSETT,VA 24055	N/A	PUBLIC	GENERAL	2,000
BOYS & GIRLS CLUB 6 EAST MAIN STREET MARTINSVILLE,VA 24112	N/A	PUBLIC	GENERAL	2,500
BOY SCOUTS OF AMERICA 106 BROAD STREET MARTINSVILLE,VA 24112	N/A	PUBLIC	GENERAL	4,500
CARLISLE SCHOOL 300 CARLISLE ROAD AXTON,VA 24054	N/A	PRIVATE	GENERAL	5,000
CEMETERY ASSOCIATION P O BOX 246 MARTINSVILLE,VA 24114	N/A	PUBLIC	GENERAL	5,000
FERRUM COLLEGE P O BOX 1000 FERRUM,VA 24088	N/A	PRIVATE	GENERAL	1,000
FIRST UNITED METHODIST CHURCH 146 E MAIN STREET MARTINSVILLE,VA 24112	N/A	PUBLIC	GENERAL	11,500
GRACE NETWORK P O BOX 3902 MARTINSVILLE,VA 241153902	N/A	PUBLIC	GENERAL	3,000
GRANBERRY METHODIST CHURCH 120 HATCHER FARM ROAD MARTINSVILLE,VA 24112	N/A	PUBLIC	GENERAL	1,000
THE HARVEST FOUNDATION J CHANEY PATIENTS ASSIST FDP O BOX 1124 MARTINSVILLE,VA 24114	N/A	PUBLIC	GENERAL	2,000
HENRY FORK CENTER 780 DOE RUN ROAD ROCKY MOUNT,VA 24151	N/A	PUBLIC	GENERAL	1,000
MARC FOUNDATION P O BOX 3729 MARTINSVILLE,VA 24112	N/A	PUBLIC	GENERAL	2,000
MENTAL HEALTH ASSOCIATION 117 BROAD STREET MARTINSVILLE,VA 24112	N/A	PUBLIC	GENERAL	2,000
Total . . . . ▶ **3a**				65,000

Form 990PF Part XV Line 3a - Grants and Contributions Paid During the Year

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
PATRICK HENRY COMMUNITY COLLEGEP O BOX 5311 MARTINSVILLE,VA 24115	N/A	PUBLIC	GENERAL	4,000
PIEDMONT ARTS ASSOCIATION 215 STARLING AVENUE MARTINSVILLE,VA 24112	N/A	PUBLIC	GENERAL	1,000
SALVATION ARMY P O BOX 551 MARTINSVILLE,VA 24114	N/A	PUBLIC	GENERAL	3,000
SPCA 132 JOSEPH MARTIN HWY MARTINSVILLE,VA 24112	N/A	PUBLIC	GENERAL	1,000
UNITED WAY OF MARTINSVILLEP O BOX 951 MARTINSVILLE,VA 24114	N/A	PUBLIC	GENERAL	3,000
VIRGINIA MUSEUM OF NATURAL HISTORY21 STARLING AVENUE MARTINSVILLE,VA 24112	N/A	PUBLIC	GENERAL	3,500
YMCA 3 STARLING AVENUE MARTINSVILLE,VA 24112	N/A	PRIVATE	GENERAL	2,000
Total . . . . ▶ **3a**				65,000

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TY 2008 Investments Corporate Stock Schedule

Name: GROVES-CHANEY FOUNDA

EIN: 52-1403789

Name of Stock	End of Year Book Value	End of Year Fair Market Value
ALLSTATE	3,572	11,828
BERKSHIRE HATHAWAY DEL CL B	11,576	13,132
AMGEN INC	2,885	2,681
ANDARKO PETE CORP	3,459	12,795
AUTOMATIC DATA PROCESSING		
BB&T CORP	2,167	43,038
BRISTOL MYERS SQUIBB CO		
COCA COLA COMPANY	2,789	30,920
CORNING INC	6,142	10,373
E I DUPONT DE NEMOURS	4,965	9,546
ELECTRONIC ARTS	1,654	6,566
EMERSON ELECTRIC	8,135	11,325
EXXON MOBIL CORP	3,400	20,426
BANK OF AMERICA		
FORTUNE BRANDS	3,944	7,790
GENERAL DYNAMICS		
GENERAL ELECTRIC	3,569	3,137
HEWLETT PACKARD	2,974	3,797
INTEL	7,298	21,785
JOHNSON & JOHNSON		
KIMBERLY-CLARK		
MARATHON OIL CORP	4,752	18,862
MCDONALDS CORP	2,997	23,737
MERCK & CO INC	4,458	15,465
MICROSOFT CORP	8,860	11,092
NEWMONT MINING CORP		
PEPSICO INC	7,114	35,725
PFIZER INC	3,368	4,428
STAPLES	6,138	6,727
3M COMPANY		

Name of Stock	End of Year Book Value	End of Year Fair Market Value
TIFFANY		
VERIZON COMMUNICATIONS		
FAIRMONT COMMUNICATIONS		
LOWE'S COMPANIES INC		
NORTEL NETWORKS		
NORTHERN TRUST GROUP		
AT&T INC	6,125	6,418
ABBOTT LABORATORIES	5,014	5,057
APPLIED MATERIALS	7,848	9,760
AVERY DENNISON CORP	5,309	5,704
BARRICK GOLD CORP	2,646	2,874
BAXTER INTERNATIONAL INC	9,798	10,812
CVS CAREMARK CORP	9,337	10,943
CANADIAN NATL RY CO	2,540	2,894
CISCO SYSTEMS	6,537	9,124
COMCAST CORP CL A	6,154	5,945
CONOCOPHILLIPS	2,811	3,011
DELL INC	2,483	3,179
DISNEY THE WALT CO	11,400	13,138
EBAY INC	5,760	7,126
EDISON INTL	2,494	2,546
EXELON CORP	6,544	6,574
GOOGLE INC	3,601	4,825
INTERNATIONAL BUS MACH	6,833	7,840
J P MORGAN CHASE & CO	6,804	6,266
MEDTRONIC INC	8,758	9,996
MONSANTO CO	6,715	6,718
ORACLE SYS CORP	6,968	8,440
PALL CORP	7,854	9,522
PROCTER AND GAMBLE	2,511	2,900

Name of Stock	End of Year Book Value	End of Year Fair Market Value
QUALCOMM INC	2,561	2,480
ROYAL BK CDA MONTREAL QUE	2,733	3,528
SCHLUMBERGER LTD	11,697	13,062
SYSCO CORP	6,423	7,142
TELEFONICA S A	2,549	3,357
TORONTO DOMINION BK	2,460	2,862
THE TRAVELERS	2,576	2,987
US BANCORP	7,484	9,752
VODAFONE GRP PLC	7,554	8,654
WELLPOINT INC	8,088	9,352
WELLS FARGO & CO	9,561	11,283

TY 2008 Investments Government Obligations Schedule

Name:	GROVES-CHANEY FOUNDA
EIN:	52-1403789
US Government Securities - End of Year Book Value:	21,671
US Government Securities - End of Year Fair Market Value:	22,679
State & Local Government Securities - End of Year Book Value:	
State & Local Government Securities - End of Year Fair Market Value:	

TY 2008 Investments - Other Schedule

Name: GROVES-CHANEY FOUNDA
EIN: 52-1403789

Category/ Item	Listed at Cost or FMV	Book Value	End of Year Fair Market Value
BB&T TOTAL RETURN BOND FD	AT COST	378,798	390,084
DAIMLERCHRYSLER NA HLDG 7.2%			
FRESENIUS USA INC ADR	AT COST	2,652	2,902
ISHARES SILVER TR	AT COST	11,979	11,249
FED HME LN MORT 5.5%	AT COST	50,336	54,172
ISHARES MSCI EAFE INDEX			
ISHARES RUSSELL MIDCAP	AT COST	52,595	62,092
ISHARES S&P SMALLCAP 600	AT COST	24,581	28,911
ISHARES DOW JONES US HLTHCARE			
TRANSOCEAN LTD	AT COST	8,121	9,230
MORGAN STANLEY GLOBAL 5.3%	AT COST	50,841	52,889
ABB LTD SPONS ADR	AT COST	13,574	15,565
CNOOC LTD ADR	AT COST	2,704	3,277
CHINA MOBILE HK LTD SP ADR	AT COST	2,468	2,337
NTT DOCOMO INC SPON ADR	AT COST	2,755	2,738
NOVARTIS A G ADR	AT COST	2,909	3,637
NOVO-NORDISK A S ADR	AT COST	2,636	3,108
PIMCO COMM REAL RET STR FD	AT COST	26,419	28,286
ROCHE HLDG LTD ADR	AT COST	2,644	3,216
SPDR GOLD TR	AT COST	8,257	10,253
FINANCIAL SELECT SPDR FD	AT COST	2,446	2,951
UNILEVER PLC-SPS ADR	AT COST	6,803	8,651
VESTAS WIND SYS A/S ADR	AT COST	2,532	2,603
WESTPAC BKG LTD	AT COST	2,694	4,103
LOGITECH INT'L S.A.	AT COST	2,574	3,230

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TY 2008 Other Expenses Schedule

Name: GROVES-CHANEY FOUNDA

EIN: 52-1403789

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
OTHER EXPENSES	8	8		0

TY 2008 Other Increases Schedule

Name: GROVES-CHANEY FOUNDA

EIN: 52-1403789

Description	Amount
ADJ BOOK VALUE OF NORTEL NETWORKS - CLASS ACTION STLMT	265
FOREIGN WH ADJ	69
ROUNDING	2