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

2010Department of the Treasury
Internal Revenue Service

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

For calendar year 2010, or tax year beginning

, and ending

G Check all that apply:

☐ Initial return☐ Initial return of a former public charity☐ Final return☐ Amended return☐ Address change☐ Name change

Name of foundation The Springs Close Foundation, Inc.		A Employer identification number 57-0426344
Number and street (or P.O. box number if mail is not delivered to street address) P. O. Drawer 460	Room/suite	B Telephone number (803) 286-2192
City or town, state, and ZIP code Lancaster, SC 29721		C If exemption application is pending, check here <input type="checkbox"/>
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) \$ 42,570,303. (Part I, column (d) must be on cash basis.)	J Accounting method: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other (specify)	E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
		F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

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).)		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions, gifts, grants, etc., received		26,720.		N/A	
2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch. B					
3 Interest on savings and temporary cash investments		5,402.	5,402.		Statement 1
4 Dividends and interest from securities		173,517.	173,517.		Statement 2
5a Gross rents					
b Net rental income or (loss)					
6a Net gain or (loss) from sale of assets not on line 10		1,015,060.			
b Gross sales price for all assets on line 6a 7,466,625.					
7 Capital gain net income (from Part IV, line 2)			1,015,060.		
8 Net short-term capital gain					
9 Income modifications					
10a Gross sales less returns and allowances					
b Less Cost of goods sold					
c Gross profit or (loss)					
11 Other income		125,681.	125,681.		Statement 3
12 Total. Add lines 1 through 11		1,346,380.	1,319,660.		
13 Compensation of officers, directors, trustees, etc.		85,703.	8,570.		77,133.
14 Other employee salaries and wages		46,452.	0.		46,452.
15 Pension plans, employee benefits		42,668.	2,767.		39,901.
16a Legal fees					
b Accounting fees					
c Other professional fees		71,744.	33,417.		38,327.
17 Interest					
18 Taxes Stmt 5		35,357.	718.		34,639.
19 Depreciation and depletion		4,399.	44.		
20 Occupancy		17,488.	176.		17,312.
21 Travel, conferences, and meetings		2,517.	0.		2,517.
22 Printing and publications					
23 Other expenses Stmt 6		89,444.	600.		88,844.
24 Total operating and administrative expenses. Add lines 13 through 23		395,772.	46,292.		345,125.
25 Contributions, gifts, grants paid		599,608.			802,808.
26 Total expenses and disbursements. Add lines 24 and 25		995,380.	46,292.		1,147,933.
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements		351,000.			
b Net investment income (if negative, enter -0-)			1,273,368.		
c Adjusted net income (if negative, enter -0-)				N/A	

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only			Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value			
Assets	1 Cash - non-interest-bearing		3,192,138.	97,004.	97,004.		
	2 Savings and temporary cash investments		1,516.	44,761.	44,761.		
	3 Accounts receivable ▶						
	Less: allowance for doubtful accounts ▶						
	4 Pledges receivable ▶						
	Less: allowance for doubtful accounts ▶						
	5 Grants receivable						
	6 Receivables due from officers, directors, trustees, and other disqualified persons						
	7 Other notes and loans receivable ▶	2,475,499.					
	Less: allowance for doubtful accounts ▶	61,305.	2,150,227.	2,414,194.	2,414,194.		
	8 Inventories for sale or use						
	9 Prepaid expenses and deferred charges						
	10a Investments - U.S. and state government obligations						
	b Investments - corporate stock						
	c Investments - corporate bonds						
Liabilities	11 Investments - land, buildings, and equipment basis ▶						
	Less: accumulated depreciation ▶						
	12 Investments - mortgage loans						
	13 Investments - other	Stmt 7	29,918,078.	33,068,197.	34,171,225.		
	14 Land, buildings, and equipment basis ▶	202,952.					
	Less: accumulated depreciation ▶	160,494.	45,336.	42,458.	42,458.		
	15 Other assets (describe ▶)	Statement 8	5,035,014.	5,800,661.	5,800,661.		
	16 Total assets (to be completed by all filers)		40,342,309.	41,467,275.	42,570,303.		
	17 Accounts payable and accrued expenses		36,119.	10,576.			
	18 Grants payable		613,440.	674,217.			
Net Assets or Fund Balances	19 Deferred revenue						
	20 Loans from officers, directors, trustees, and other disqualified persons						
	21 Mortgages and other notes payable						
	22 Other liabilities (describe ▶)						
23 Total liabilities (add lines 17 through 22)		649,559.	684,793.				
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ <input checked="" type="checkbox"/>						
	and complete lines 24 through 26 and lines 30 and 31.						
	24 Unrestricted		39,692,750.	40,782,482.			
	25 Temporarily restricted						
	26 Permanently restricted						
	Foundations that do not follow SFAS 117, check here ▶ <input type="checkbox"/>						
	and complete lines 27 through 31.						
	27 Capital stock, trust principal, or current funds						
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		39,692,750.	40,782,482.				
31 Total liabilities and net assets/fund balances		40,342,309.	41,467,275.				

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	39,692,750.
2 Enter amount from Part I, line 27a	2	351,000.
3 Other increases not included in line 2 (itemize) ▶ Effect of SFAS 124	3	738,732.
4 Add lines 1, 2, and 3	4	40,782,482.
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	40,782,482.

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 Convexity Capital Offshore		P	Various	Various
b Two Sigma Spectrum Cayman Fund		P	Various	Various
c WTC-CTF Research Equity Fund		P	Various	Various
d Pimco Funds		P	Various	Various
e Partnership Investment		P	Various	Various

(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 2,500,000.		1,498,069.	1,001,931.
b 1,000,000.		826,467.	173,533.
c 3,455,794.		3,648,749.	-192,955.
d 480,000.		478,280.	1,720.
e 30,831.			30,831.

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			1,001,931.
b			173,533.
c			-192,955.
d			1,720.
e			30,831.

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	1,015,060.
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). If (loss), enter -0- in Part I, line 8		3	N/A

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 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))
2009	2,921,510.	34,602,054.	.084432
2008	2,927,347.	41,039,494.	.071330
2007	2,816,497.	42,039,844.	.066996
2006	3,371,668.	40,701,377.	.082839
2005	3,684,713.	39,528,647.	.093216

2 Total of line 1, column (d)	2	.398813
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	.079763
4 Enter the net value of noncharitable-use assets for 2010 from Part X, line 5	4	36,691,133.
5 Multiply line 4 by line 3	5	2,926,595.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	12,734.
7 Add lines 5 and 6	7	2,939,329.
8 Enter qualifying distributions from Part XII, line 4	8	1,147,933.

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 instructions)

1a	Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary-see instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b	1	25,467.
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).	2	0.
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	3	25,467.
3	Add lines 1 and 2	4	0.
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	5	25,467.
5	Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-		
6	Credits/Payments:		
a	2010 estimated tax payments and 2009 overpayment credited to 2010	6a	27,147.
b	Exempt foreign organizations - tax withheld at source	6b	
c	Tax paid with application for extension of time to file (Form 8868)	6c	15,000.
d	Backup withholding erroneously withheld	6d	
7	Total credits and payments. Add lines 6a through 6d	7	42,147.
8	Enter any penalty for underpayment of estimated tax. Check here <input checked="" type="checkbox"/> if Form 2220 is attached	8	
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	16,680.
11	Enter the amount of line 10 to be: Credited to 2011 estimated tax <input type="checkbox"/> 16,680. Refunded <input type="checkbox"/>	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?		X
1b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for definition)? 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.		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. <input type="checkbox"/> \$ 0. (2) On foundation managers. <input type="checkbox"/> \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. <input type="checkbox"/> \$ 0.		
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.		X
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		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T.		X
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?	X	
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.	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) <input type="checkbox"/> SC, DE		
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	X	
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 2010 or the taxable year beginning in 2010 (see instructions for Part XIV)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X

N/A

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Part VII-A Statements Regarding Activities (continued)

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 instructions)	11		X
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► N/A	13	X	
14	The books are in care of ► William G. Taylor Telephone no. ► (803) 286-2193 Located at ► 104 E Springs Street, Lancaster, SC ZIP+4 ► 29720			
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 N/A			
16	At any time during calendar year 2010, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See page 20 of the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country ►	16	Yes	No X

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.

	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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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.)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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 page 22 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here ► <input type="checkbox"/>	1b	X
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 2010?	1c	X
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 2010, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2010? If "Yes," list the years ► , , ,	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
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 instructions.) N/A	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. ► , , ,		
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
b If "Yes," did it have excess business holdings in 2010 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 2010) N/A	3b	
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
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 2010?	4b	X

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

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)?

☐ 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 instructions)?

☒

5b

X

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?

N/A

☐ 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

6b

X

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?

If "Yes" to 6b, 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?

N/A

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.

(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
See Statement 9		86,003.	0.	0.

2 Compensation of five highest-paid employees (other than those included on line 1). 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

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Part VIII**Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors** (continued)**3** Five highest-paid independent contractors for professional services. 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 No direct charitable activities - See Schedule 2 for details of Foundation's charitable grant activity.	0.
2	
3	
4	

Part IX-B Summary of Program-Related Investments

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.

	Amount
1 N/A	
2	
3 All other program-related investments. See instructions.	
Total. Add lines 1 through 3	0.

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Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see 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	31,209,984.
b	Average of monthly cash balances	1b	289,373.
c	Fair market value of all other assets	1c	5,750,524.
d	Total (add lines 1a, b, and c)	1d	37,249,881.
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	37,249,881.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	558,748.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	36,691,133.
6	Minimum investment return. Enter 5% of line 5	6	1,834,557.

Part XI Distributable Amount (see 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	1,834,557.
2a	Tax on investment income for 2010 from Part VI, line 5	2a	25,467.
b	Income tax for 2010. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	25,467.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	1,809,090.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	1,809,090.
6	Deduction from distributable amount (see instructions)	6	0.
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	1,809,090.

Part XII Qualifying Distributions (see 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	1,147,933.
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	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	1,147,933.
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	5	0.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	1,147,933.

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.

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Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2009	(c) 2009	(d) 2010
1 Distributable amount for 2010 from Part XI, line 7				1,809,090.
2 Undistributed income, if any, as of the end of 2010				
a Enter amount for 2009 only			0.	
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2010:				
a From 2005	1,731,691.			
b From 2006	1,489,139.			
c From 2007	751,569.			
d From 2008	1,010,861.			
e From 2009	1,204,531.			
f Total of lines 3a through e	6,187,791.			
4 Qualifying distributions for 2010 from Part XII, line 4: ► \$ 1,147,933.				
a Applied to 2009, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2010 distributable amount				1,147,933.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2010 (If an amount appears in column (d), the same amount must be shown in column (a).)	661,157.			661,157.
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	5,526,634.			
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 instructions		0.		
e Undistributed income for 2009. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2010. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2011				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2005 not applied on line 5 or line 7	1,070,534.			
9 Excess distributions carryover to 2011. Subtract lines 7 and 8 from line 6a	4,456,100.			
10 Analysis of line 9:				
a Excess from 2006	1,489,139.			
b Excess from 2007	751,569.			
c Excess from 2008	1,010,861.			
d Excess from 2009	1,204,531.			
e Excess from 2010				

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 Schedule 2				802,808.
Total			▶ 3a	802,808.
b Approved for future payment Schedule 2				674,217.
Total			▶ 3b	674,217.

THE SPRINGS CLOSE FOUNDATION, INC.
SCHEDULE OF INVESTMENT ASSETS
December 31, 2010

57-0426344

Schedule 1

Form 990PF, Part II
Investments - U. S. Obligations, Corporate Stocks
and Corporate Bonds:

	<u>Cost</u>	<u>FMV</u>
Line 13 - Other Investments.		
Monticello Advised Investment Funds	33,068,193	33,068,193
NBSC Money Market	4	4
Total	<u>33,068,197</u>	<u>33,068,197</u>

THE SPRINGS CLOSE FOUNDATION, INC.
Schedule of Appropriations Authorized but Unexpended
December 31, 2010

	Balance 12/31/2009	Appropriations/ (Cancellations)	Payments	Balance 12/31/2010
<u>RECREATION AND ENVIRONMENT:</u>				
Leroy Springs & Co, Inc - Bill Kimbrell Golf Tournament	0	10,351	10,351	0
Total Recreation and Environment	0	10,351	10,351	0
<u>PUBLIC EDUCATION AND EARLY CHILDHOOD DEVELOPMENT:</u>				
Lancaster County School District				
Lancaster County School District - GEAR-UP 2008-2013 6 year grant	300,000			300,000
Palmer Freeman Scholarship - 2010/2011 School Year	4,000	(4,000)		0
Palmer Freeman Scholarship - 2011/2012 School Year	0	4,000		4,000
Total Public Education and Early Childhood Development	304,000	0	0	304,000
<u>COMMUNITY SERVICE AND HEALTH:</u>				
National Center for Family Philanthropy - ASC Honorarium & CEO Initiative	0	2,500	2,500	0
SCANPO - conference scholarships for 3 county area	0	1,000	1,000	0
United Way Fund				
Chester County	20,000		20,000	0
York County	20,000		20,000	0
Lancaster County	20,000		20,000	0
Total Community Service and Health	60,000	3,500	63,500	0
<u>EMERGENCY NEED-BASED GRANTS</u>				
American Red Cross Upper Palmetto - Emergency Assistance - 3-County	0	20,000		20,000
A Place for Hope - Blackmon Road Wash House	0	25,000	25,000	0
Bible Baptist Church - Community Outreach	0	2,500	2,500	0
Chester County Chamber of Commerce - Community Thanksgiving Program	0	2,500	2,500	0
Children's Attention Home - Emergency Shelter	0	25,990	25,990	0
Christ Central Ministries - Feed the Hungry in Chester County	0	2,500	2,500	0
Christus Services, Inc - food for Ms Jackie's Place	0	2,500	2,500	0
Christus Services, Inc - back to school shoes	0	2,500	2,500	0
Christus Services, Inc - food, vehicle and pantry supplies	0	20,000		20,000
Christians to Feed the Hungry - Food & Gasoline Costs	0	2,500	2,500	0
Christians to Feed the Hungry - Food Purchases	0	2,500	2,500	0
Christians to Feed the Hungry - Food, Gas, Car Expenses, Cell Phone	0	10,000		10,000
Clemson Extension Service - Chester 4-H "Make a Difference Day"	0	2,500	2,500	0
Deliverance Word of Faith Church - Lifeline Project	0	2,500	2,500	0
Deliverance Word of Faith Church - Lifeline Project	0	2,500	2,500	0
Family Promise of Lancaster County - Traditional Housing Program	0	25,000		25,000
Family Promise of York County - "Fresh Start" Transitional Housing	0	2,500	2,500	0
Family Promise of York County - Operating Expenses for Family Center	0	25,000		25,000
Florence Crittenton Services - Maternity Services	0	20,000		20,000
Florence Crittenton Services - Emergency Maternity Services	0	2,500	2,500	0
Fort Mill Care Center - Holiday Dinners for Clients	0	1,500	1,500	0
Fort Mill Care Center - Utilities Assistance	0	2,500	2,500	0
Fort Mill Care Center - Emergency Short-Term Assistance	0	25,000		25,000
GoldenCare - Safety Vision Surveillance System	0	1,500	1,500	0
Good Folks - Fort Mill Care Center & Family Promise of York County	0	2,000	2,000	0
Good Samaritan Medical Clinic - Women's Clinic	0	2,500	2,500	0
Good Samaritan Medical Clinic - Medications 12/1/10 - 11/30/11	0	2,500	2,500	0
Good Samaritan Medical Clinic - Direct Patient Care & Lab Services	0	20,850		20,850
Greater New Hope Christian Association - Soup Kitchen	0	16,000	16,000	0
Greater New Hope Christian Association - Food for Soup Kitchen	0	1,000	1,000	0
Great Falls Referral & Service Projects - Food Pantry & Utility Assistance	0	5,000	5,000	0
HOPE in Lancaster - Emergency Utility Payments for Clients	0	30,000	30,000	0
HOPE in Lancaster - AC Repair & Exterminator Fees for Building	0	650	650	0
Hospice & Community Care - In memory of Lucy Morton	0	1,500	1,500	0
KARE of Kersaw - Direct Assistance Program	0	2,500	2,500	0
Lancaster County Council on Aging - Bus Replacement	0		12,000	0
Lancaster Fatherhood Project - Expenses for Program Participants	0	13,000		13,000
Lancaster Bruins Booster Club - Brooklyn Avenue Project	0	350	350	0
LCSD - Jr Civitans - Backpack Program - Increase Students	0	15,250		15,250
LCSD - Jr Civitans - Backpack Program - Include two more schools	0	10,100	2,000	8,100
Loaves & Fishes Community Cafe - Soup Kitchen	0	2,500	2,500	0
Mt Pleasant Presbyterian Church - Crisis Assistance Ministry	0	2,500	2,500	0
Palmetto Citizens Against Sexual Assault - Chester County Site	0	8,000		8,000
Pilgrims Inn - Electric Bill for Shelter and Apartment	0	2,500	2,500	0
Pilgrims Inn - Dorothy Bing Inn Homeless Shelter	0	20,000	20,000	0
Safe Passage - Direct Client Services	0	2,500	2,500	0
United AME Zion Church - Ministry of Kindness Fund	0	7,500	7,500	0
United Way Fund - Chester Area	0	20,000		20,000
United Way Fund - United Way of York County, SC	0	20,000		20,000
United Way Fund - Lancaster County, Inc	0	20,000		20,000
York County Adult Day Care Center - Avery Lake & Park Avenue Sites	0	18,000		18,000
York County Council on Aging - Chester County Home Delivered Meals	0	20,000		20,000

THE SPRINGS CLOSE FOUNDATION, INC
Schedule of Appropriations Authorized but Unexpended
December 31, 2010

	Balance 12/31/2009	Appropriations/ (Cancellations)	Payments	Balance 12/31/2010
Community Advisory Committee Discretionary Fund - 2011	0	45,000		45,000
Community Advisory Committee Discretionary Fund - 2010	45,000	(45,000)		0
Chester				
Chester County School District - SnackSack Program	0	15,000	15,000	0
Fort Mill				
Fort Mill Care Center - Prescriptions & Medical Assistance	0	5,000	5,000	0
Second Harvest Food Bank - Fort Mill School District - Backpack Program	0	10,000	10,000	0
Lancaster				
Second Harvest Food Bank - Lancaster County School District - Backpack Program	0	10,000	10,000	0
Lancaster Bruin Booster Club - Operation Blue & Gold Santa	0	3,000	3,000	0
First Baptist Church Kersaw - Backpack Program - Kersaw Elementary School	0	1,000	1,000	0
Salem United Methodist Church - Backpack Program - Heath Springs Elementary	0	1,000	1,000	0
Total Emergency Need-Based Grants	45,000	543,190	246,990	353,200
<u>ANNE SPRINGS CLOSE DONOR ADVISED FUND:</u>				
Anne Springs Close Greenway - Development and Maintenance	186,450	13,567	200,000	17
Other Charitable Contributions	18,000	17,000	18,000	17,000
Total Anne Springs Close Donor Advised Fund	204,450	30,567	218,000	17,017
Total unconditional appropriations	613,450	587,608	538,841	674,217

Form 990PF - Part XV, Item 2

Supplementary Information - Statement Required by Item 2

Student Loans

The Leroy Springs Student Loan Program sponsored by the Foundation provides loans to students to attend a four-year accredited college or university in South Carolina or York Technical College. The loans are interest-free.

Each applicant must complete an application form and submit it to The Springs Close Foundation, Inc., at 951 Market Street Suite 205, Fort Mill, SC 29708. Applicants must be in the upper 50 percent of their high school graduating class and must score at least 820 on the S.A.T. or comparable on the ACT or ASSET. Applicants must be residents of or their parents or guardians work full-time in Lancaster County, Chester Township of Chester County or Fort Mill Township of York County, all in South Carolina. Students must maintain at least a 2.5 grade point average and full-time enrollment as defined by the college.

Loans are made on the basis of financial need. This is determined by information obtained from the Financial Aid Office of the school to be attended. Loans to undergraduate students may not exceed \$14,000 over a four-year period. Loans to medical school and dental school students may not exceed \$18,000 over a four-year period. Students who have been in the undergraduate program may apply for loans for medical and dental school.

Grants

The Foundation reviews grant applications from organizations for merit eligibility and priority status in the Fort Mill, South Carolina office. Additional data is requested from applicants when necessary. Recommendations are then presented to the Board of Directors for approval. The Foundation sometimes initiates programs and grant actions but most often takes a responsive posture. Programs are often established on a matching basis with government, another foundation or the sponsoring agency as the other participant.

THE SPRINGS CLOSE FOUNDATION, INC.
12/31/10

57-0426344
Schedule 3
Page 2 of 2

Grants are made primarily in Lancaster County, Chester Township of Chester County and Fort Mill Township of York County. They are made in the fields of 1. recreation and environment, 2. public education and early childhood development, 3. community service and health, and 4. Emergency and Critical Need (Temporary Focus).

Funds are distributed in grants as they are available and in accordance with the pay-out provisions of the tax laws.

Person to Contact

Angie McCrae
The Springs Close Foundation, Inc.
951 Market Street, Suite 205
Fort Mill, South Carolina 29708
Telephone 803-548-2002

Form 990-PF Interest on Savings and Temporary Cash Investments Statement 1

<u>Source</u>	<u>Amount</u>
Other	5,402.
Total to Form 990-PF, Part I, line 3, Column A	5,402.

Form 990-PF	Dividends and Interest from Securities	Statement	2
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Source	Gross Amount	Capital Gains Dividends	Column (A) Amount
Other	173,517.	0.	173,517.
Total to Fm 990-PF, Part I, ln 4	173,517.	0.	173,517.

Form 990-PF

Other Income

Statement 3

Description	(a) Revenue Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income
Miscellaneous Investment Income	125,681.	125,681.	
Total to Form 990-PF, Part I, line 11	125,681.	125,681.	

Form 990-PF

Other Professional Fees

Statement 4

Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Investment Advisory Services	45,732.	7,405.		38,327.
Passthrough Investment Expenses	26,012.	26,012.		0.
To Form 990-PF, Pg 1, ln 16c	71,744.	33,417.		38,327.

Form 990-PF

Taxes

Statement 5

Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Federal Excise Tax	24,562.	0.		24,562.
Payroll Tax	10,293.	668.		9,625.
Property Taxes	502.	50.		452.
To Form 990-PF, Pg 1, ln 18	35,357.	718.		34,639.

Form 990-PF

Other Expenses

Statement 6

Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Communications	14,685.	147.		14,538.
Dues and Subscriptions	9,056.	0.		9,056.
Office Supplies	14,130.	141.		13,989.
Miscellaneous	7,813.	0.		7,813.
Technology	2,683.	27.		2,656.
Continuing Education	10,201.	102.		10,099.
Directors Fees	1,600.	0.		1,600.
Auto	1,826.	183.		1,643.
Bad Debt	27,450.	0.		27,450.
To Form 990-PF, Pg 1, ln 23	89,444.	600.		88,844.

Form 990-PF

Other Investments

Statement 7

Description	Valuation Method	Book Value	Fair Market Value
NBSC Money Market Account	COST	4.	4.
Monticello Advised Investment Funds	FMV	33,068,193.	34,171,221.
Total to Form 990-PF, Part II, line 13		33,068,197.	34,171,225.

Form 990-PF	Other Assets		Statement 8
Description	Beginning of Yr Book Value	End of Year Book Value	Fair Market Value
Other Receivables	342,090.	457,737.	457,737.
Leroy Springs & Company Note Receivable	4,692,924.	5,342,924.	5,342,924.
To Form 990-PF, Part II, line 15	5,035,014.	5,800,661.	5,800,661.

Form 990-PF Part VIII - List of Officers, Directors Statement 9
 Trustees and Foundation Managers

Name and Address	Title and Avrg Hrs/Wk	Compen- sation	Employee Ben Plan	Expense Contrib	Account
Anne S. Close 951 Market St Fort Mill, SC 29708	Chairman/President 2.00	0.	0.	0.	0.
Charles A. Bundy 104 East Springs Street Lancaster, SC 29720	Director 0.01	0.	0.	0.	0.
Chantay Boulter NA Fort Mill, SC 29708	Director 0.01	200.	0.	0.	0.
Frances A. Close NA Columbia, SC 29205	Director 0.01	0.	0.	0.	0.
Crandall C. Bowles NA Charlotte, NC 28226	Director 0.01	0.	0.	0.	0.
H. W. Close 951 Market St Fort Mill, SC 29708	Director 0.01	0.	0.	0.	0.
William G. Taylor 104 East Springs Street Lancaster, SC 29720	Director 4.00	0.	0.	0.	0.
Robert Holcombe, Jr. NA Chester, SC 29706	Director 8.00	0.	0.	0.	0.
Elliott S. Close NA Tega Cay, SC 29708	Director 0.50	0.	0.	0.	0.
W. Dehler Hart NA Mt Pleasant, SC 29464	Director 0.01	0.	0.	0.	0.
Angela McCrae 951 Market St Fort Mill, SC 29708	President 40.00	85,703.	0.	0.	0.

The Springs Close Foundation, Inc.57-0426344

Harry B. Emerson 104 East Springs Street Lancaster, SC 29720	Secretary 4.00	0.	0.	0.
Vickie S. Marshall 104 East Springs Street Lancaster, SC 29720	Assistant Secretary 0.01	0.	0.	0.
Derick S. Close NA Charlotte, NC 28210	Director 0.01	0.	0.	0.
Katherine A. Close NA Pawleys Island, SC 29585	Director 0.01	0.	0.	0.
M. Scott Close NA Columbia, SC 29205	Director 0.01	0.	0.	0.
Bruce A. Brumfield NA Lancaster, SC 29720	Director 0.01	100.	0.	0.
Totals included on 990-PF, Page 6, Part VIII		<u>86,003.</u>	<u>0.</u>	<u>0.</u>

990-PF	Affiliation with Tax-Exempt Organizations Part XVII, Line 2, Column (c)	Statement 10
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Name of Affiliated or Related Organization

Leroy Springs & Company

Description of Relationship with Affiliated or Related Organization

Common Board of Directors

- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** and check this box ☒ **X**
- Note.** Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.
- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** (on page 1).

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

Type or print File by the extended due date for filing your return. See instructions.	Name of exempt organization	Employer identification number
	The Springs Close Foundation, Inc.	57-0426344
	Number, street, and room or suite no. If a P.O. box, see instructions.	
	P. O. Drawer 460	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions.	
	Lancaster, SC 29721	

Enter the Return code for the return that this application is for (file a separate application for each return)

01

Application Is For	Return Code	Application Is For	Return Code
Form 990	01		
Form 990-BL	02	Form 1041-A	08
Form 990-EZ	03	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

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

William G. Taylor

- The books are in the care of ► 104 E Springs Street - Lancaster, SC 29720

Telephone No. ► (803) 286-2193

FAX No. ►

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

- I request an additional 3-month extension of time until November 15, 2011.
- For calendar year 2010, or other tax year beginning _____, and ending _____.
- If the tax year entered in line 5 is for less than 12 months, check reason: ☐ Initial return ☐ Final return
☐ Change in accounting period
- State in detail why you need the extension
Taxpayer requires additional time to file a complete and accurate tax return.

8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	8a	\$	0.
b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868.	8b	\$	0.
c Balance due. Subtract line 8b from line 8a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	8c	\$	0.

Signature and Verification

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

Signature ► Richard S. Marshall Title ► Assistant SecretaryDate ► 8/18/11

Form 8868 (Rev. 1-2011)