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

2011

For calendar year 2011, or tax year beginning , 2011, and ending ,

BEAZLEY FOUNDATION INCORPORATED
3720 BRIGHTON STREET
PORTSMOUTH, VA 23707

A Employer identification number
54-0550100

B Telephone number (see the instructions)
757-393-1605

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 ► ☐

G Check all that apply: ☐ Initial return ☐ Initial Return of a former public charity ☐ Final return ☐ Amended return ☐ Address change ☐ Name change

H Check type of organization: [X] 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, column (c), line 16) ► $ 45,493,792.

J Accounting method: ☐ Cash [X] 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 instructions).)*

	Line	Description	(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 (att sch)				
	2	Ck ► [X] if the foundn is **not** req to att Sch B				
	3	Interest on savings and temporary cash investments	698.	698.		
	4	Dividends and interest from securities	1,385,019.	1,385,019.		
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain/(loss) from sale of assets not on line 10	1,773,143.			
	b	Gross sales price for all assets on line 6a 26,673,699.				
	7	Capital gain net income (from Part IV, line 2)		1,773,143.		
	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/(loss) (att sch)				
	11	Other income (attach schedule) SEE STATEMENT 1	-166,867.	3,790.		
	12	**Total.** Add lines 1 through 11	2,991,993.	3,162,650.	0.	
OPERATING AND ADMINISTRATIVE EXPENSES	13	Compensation of officers, directors, trustees, etc	231,000.	92,400.		138,600.
	14	Other employee salaries and wages	474,638.	48,710.		425,928.
	15	Pension plans, employee benefits	54,537.	10,907.		43,630.
	16a	Legal fees (attach schedule) SEE ST 2	2,390.	478.		1,912.
	b	Accounting fees (attach sch) SEE ST 3	14,000.	2,800.		11,200.
	c	Other prof fees (attach sch) SEE ST 4	875.	175.		700.
	17	Interest				
	18	Taxes (attach schedule)(see instrs) SEE STM 5	109,074.	11,717.		39,818.
	19	Depreciation (attach sch) and depletion	27,968.	2,645.		
	20	Occupancy				
	21	Travel, conferences, and meetings	9,617.	1,923.		7,694.
	22	Printing and publications				
	23	Other expenses (attach schedule) SEE STATEMENT 6	481,771.	113,962.		367,809.
	24	**Total operating and administrative expenses.** Add lines 13 through 23	1,405,870.	285,717.		1,037,291.
	25	Contributions, gifts, grants paid PART XV	1,293,600.			1,293,600.
	26	**Total expenses and disbursements.** Add lines 24 and 25	2,699,470.	285,717.	0.	2,330,891.
	27	Subtract line 26 from line 12:				
	a	**Excess of revenue over expenses and disbursements**	292,523.			
	b	**Net investment income** (if negative, enter -0-)		2,876,933.		
	c	**Adjusted net income** (if negative, enter -0-)			0.	

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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	500.	500.	500.
	2 Savings and temporary cash investments	159,664.	110,125.	110,125.
	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 (attach schedule) (see instructions)			
	7 Other notes and loans receivable (attach sch) ►			
	Less: allowance for doubtful accounts ►			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges	4,506.	107,735.	107,735.
	10a Investments – U.S. and state government obligations (attach schedule) STATEMENT 7	2,214,540.	2,467,314.	2,538,518.
	b Investments – corporate stock (attach schedule) STATEMENT 8	33,261,056.	30,879,816.	33,311,550.
	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) STATEMENT 9	6,179,315.	8,376,748.	8,465,783.
	14 Land, buildings, and equipment: basis ► 820,214.			
	Less: accumulated depreciation (attach schedule) SEE STMT 10 ► 548,819.	286,711.	271,395.	942,000.
	15 Other assets (describe ► SEE STATEMENT 11)	16,741.	17,581.	17,581.
	16 **Total assets** (to be completed by all filers – see the instructions. Also, see page 1, item I)	42,123,033.	42,231,214.	45,493,792.
LIABILITIES	17 Accounts payable and accrued expenses	17,217.	17,770.	
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, & other disqualified persons			
	21 Mortgages and other notes payable (attach schedule)			
	22 Other liabilities (describe ► SEE STATEMENT 12)	1,330,148.	1,228,322.	
	23 **Total liabilities** (add lines 17 through 22)	1,347,365.	1,246,092.	
NET ASSETS OR FUND BALANCES	**Foundations that follow SFAS 117, check here ► [X] and complete lines 24 through 26 and lines 30 and 31.**			
	24 Unrestricted	40,775,668.	40,985,122.	
	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			
	28 Paid-in or capital surplus, or land, building, and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds			
	30 **Total net assets or fund balances** (see instructions)	40,775,668.	40,985,122.	
	31 **Total liabilities and net assets/fund balances** (see instructions)	42,123,033.	42,231,214.	

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	40,775,668.
2	Enter amount from Part I, line 27a	2	292,523.
3	Other increases not included in line 2 (itemize) ► SEE STATEMENT 13	3	12,336.
4	Add lines 1, 2, and 3	4	41,080,527.
5	Decreases not included in line 2 (itemize) ► SEE STATEMENT 14	5	95,405.
6	Total net assets or fund balances at end of year (line 4 minus line 5) – Part II, column (b), line 30	6	40,985,122.

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 shares MLC Company)	(b) How acquired P — Purchase D — Donation	(c) Date acquired (month, day, year)	(d) Date sold (month, day, year)
1a	THROUGH MORGANSTANLEY SMITHBARNEY	P	VARIOUS	VARIOUS
b	THROUGH RAYMOND JAMES	P	VARIOUS	VARIOUS
c	THROUGH SCOTT & STRINGFELLOW	P	VARIOUS	VARIOUS
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	17,455,809.		16,345,559.	1,110,250.
b	1,866,266.		1,448,901.	417,365.
c	7,351,624.		7,106,096.	245,528.
d				
e				

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

	(i) Fair Market Value as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of column (i) over column (j), if any	(l) Gains (Column (h) gain minus column (k), but not less than -0-) or Losses (from column (h))
a				1,110,250.
b				417,365.
c				245,528.
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	1,773,143.
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 instructions). If (loss), enter -0- in Part I, line 8	3	0.

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 (column (b) divided by column (c))
2010	3,178,192.	44,540,001.	0.071356
2009	2,050,879.	42,264,324.	0.048525
2008	3,126,385.	54,427,299.	0.057441
2007	4,189,715.	63,981,755.	0.065483
2006	3,699,853.	62,508,997.	0.059189

2	**Total** of line 1, column (d)	2	0.301994
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	0.060399
4	Enter the net value of noncharitable-use assets for 2011 from Part X, line 5	4	46,272,019.
5	Multiply line 4 by line 3	5	2,794,784.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	28,769.
7	Add lines 5 and 6	7	2,823,553.
8	Enter qualifying distributions from Part XII, line 4	8	2,330,891.

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 ► ☐ and enter 'N/A' on line 1. Date of ruling or determination letter: ________ (attach copy of letter if necessary – see instrs)			
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ► ☐ and enter 1% of Part I, line 27b		1	57,539.
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, column (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	57,539.
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	57,539.
6	Credits/Payments:			
a	2011 estimated tax pmts and 2010 overpayment credited to 2011	6a 92,164.		
b	Exempt foreign organizations – tax withheld at source	6b		
c	Tax paid with application for extension of time to file (Form 8868)	6c		
d	Backup withholding erroneously withheld	6d		
7	Total credits and payments. Add lines 6a through 6d		7	92,164.
8	Enter any **penalty** for underpayment of estimated tax. Check here [X] 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	0.
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ►		10	34,625.
11	Enter the amount of line 10 to be: **Credited to 2012 estimated tax** ► 34,625.	**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		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see the instructions for definition)?	1b		X
	*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		X
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: **(1)** On the foundation ► $ 0. **(2)** On foundation managers ► $ 0.			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ► $ 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*	2		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*	3		X
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
b	If 'Yes,' has it filed a tax return on **Form 990-T** for this year?	4b	N/A	
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If 'Yes,' attach the statement required by General Instruction T*	5		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?	6	X	
7	Did the foundation have at least $5,000 in assets at any time during the year? *If 'Yes,' complete Part II, column (c), and Part XV*	7	X	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ► N/A			
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	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 2011 or the taxable year beginning in 2011 (see instructions for Part XIV)? *If 'Yes,' complete Part XIV*	9		X
10	Did any persons become substantial contributors during the tax year? *If 'Yes,' attach a schedule listing their names and addresses*	10		X

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 instructions)	11		X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If 'Yes,' attach statement (see instructions)	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	

Website address ► BEAZLEYFOUNDATION.ORG

14 The books are in care of ► ITS OFFICERS Telephone no. ► 757-393-1605
Located at ► FOUNDATION ADDRESS PORTSMOUTH VA ZIP + 4 ► 23707

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of **Form 1041** – Check here N/A ► ☐
and enter the amount of tax-exempt interest received or accrued during the year ► 15 N/A

		Line	Yes	No
16	At any time during calendar year 2011, 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?	16		X
	See the instructions for exceptions and filing requirements for Form TD F 90-22.1. If 'Yes,' enter the name of the foreign country ►			

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 instructions)?		1b	N/A	
	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 2011?		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 2011, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2011?	☐ 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 instructions.)		2b	N/A	
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 2011 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 2011.)*		3b	N/A	
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 2011?		4b		X

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)? (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 instructions)? **5b** N/A

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

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? **6b** No: X

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 (see 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
SEE STATEMENT 15		291,939.	29,287.	0.

2 Compensation of five highest-paid employees (other than those included on line 1— see 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
DONNA M. RUSSELL 3720 BRIGHTON ST PORTSMOUTH, VA 23707	ASSOCIATE DIR 40	81,902.	19,300.	0.
GAIL ROSENBAUM 3720 BRIGHTON ST PORTSMOUTH, VA 23707	SENIOR CENTER 40	61,180.	25,635.	0.
PATRICIA A. CARLSON 3720 BRIGHTON ST PORTSMOUTH, VA 23707	COMPTROLLER 40	53,066.	20,695.	0.
DAIL R. HARRELL 3720 BRIGHTON ST PORTSMOUTH, VA 23707	SENIOR CENTER 40	52,698.	20,658.	0.

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 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 GIFTS AND GRANTS - SEE ATTACHED SCHEDULE FOR PART XV LINE 3A	1,293,600.
2 BEAZLEY SENIOR CENTER - SEE ATTACHED	401,510.
3	
4	

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

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	
All other program-related investments. See instructions.	
3	
Total. Add lines 1 through 3 ►	0.

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	46,797,189.
b Average of monthly cash balances			1b	179,480.
c Fair market value of all other assets (see instructions)			1c	
d **Total** (add lines 1a, b, and c)			1d	46,976,669.
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	46,976,669.
4 Cash deemed held for charitable activities. Enter 1-1/2% of line 3 (for greater amount, see instructions)			4	704,650.
5 **Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4			5	46,272,019.
6 **Minimum investment return.** Enter 5% of line 5			6	2,313,601.

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	2,313,601.
2a Tax on investment income for 2011 from Part VI, line 5	2a	57,539.		
b Income tax for 2011. (This does not include the tax from Part VI.)	2b			
c Add lines 2a and 2b			2c	57,539.
3 Distributable amount before adjustments Subtract line 2c from line 1			3	2,256,062.
4 Recoveries of amounts treated as qualifying distributions			4	
5 Add lines 3 and 4			5	2,256,062.
6 Deduction from distributable amount (see instructions)			6	
7 **Distributable amount** as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1			7	2,256,062.

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	2,330,891.
b Program-related investments — total from Part IX-B	1b	
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	2,330,891.
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 instructions)	5	
6 **Adjusted qualifying distributions.** Subtract line 5 from line 4	6	2,330,891.

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 instructions)

		(a) Corpus	(b) Years prior to 2010	(c) 2010	(d) 2011
1 Distributable amount for 2011 from Part XI, line 7					2,256,062.
2 Undistributed income, if any, as of the end of 2011					
a Enter amount for 2010 only				0.	
b Total for prior years: 20___, 20___, 20___			0.		
3 Excess distributions carryover, if any, to 2011.					
a From 2006					
b From 2007	1,057,963.				
c From 2008	1,115,147.				
d From 2009	509,281.				
e From 2010	1,043,356.				
f **Total** of lines 3a through e		3,725,747.			
4 Qualifying distributions for 2011 from Part XII, line 4: ► $ 2,330,891.					
a Applied to 2010, 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 2011 distributable amount					2,256,062.
e Remaining amount distributed out of corpus		74,829.			
5 Excess distributions carryover applied to 2011 *(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		3,800,576.			
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 2010. Subtract line 4a from line 2a Taxable amount – see instructions				0.	
f Undistributed income for 2011. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2012					0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)		0.			
8 Excess distributions carryover from 2006 not applied on line 5 or line 7 (see instructions)		0.			
9 **Excess distributions carryover to 2012.** Subtract lines 7 and 8 from line 6a		3,800,576.			
10 Analysis of line 9:					
a Excess from 2007	1,057,963.				
b Excess from 2008	1,115,147.				
c Excess from 2009	509,281.				
d Excess from 2010	1,043,356.				
e Excess from 2011	74,829.				

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

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2011, enter the date of the ruling ►

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

	Tax year	Prior 3 years			
	(a) 2011	**(b)** 2010	**(c)** 2009	**(d)** 2008	**(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 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 foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc, (see 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:

SEE STATEMENT 16

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

SEE STATEMENT FOR LINE 2A

c Any submission deadlines.

SEE STATEMENT FOR LINE 2A

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

SEE STATEMENT FOR LINE 2A

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 STATEMENT 17				
Total			► 3a	1,293,600.
b *Approved for future payment* SEE STATEMENT 18				
Total			► 3b	1,117,500.

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.	Unrelated business income (a) Business code	Unrelated business income (b) Amount	Excluded by section 512, 513, or 514 (c) Exclusion code	Excluded by section 512, 513, or 514 (d) Amount	(e) Related or exempt function income (See instructions)
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	698.	
4 Dividends and interest from securities			14	1,385,019.	
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	1,773,143.	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue:					
a SEE STATEMENT 19		-170,657.		3,790.	
b					
c					
d					
e					
12 Subtotal. Add columns (b), (d), and (e)		-170,657.		3,162,650.	

13 **Total.** Add line 12, columns (b), (d), and (e) 13 2,991,993.

(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 foundation's exempt purposes (other than by providing funds for such purposes). (See instructions.)
N/A	

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 foundation to a noncharitable exempt organization of:			
(1) Cash	1a(1)		X
(2) Other assets	1a(2)		X
b Other transactions:			
(1) Sales of assets to a noncharitable exempt organization	1b(1)		X
(2) Purchases of assets from a noncharitable exempt organization	1b(2)		X
(3) Rental of facilities, equipment, or other assets	1b(3)		X
(4) Reimbursement arrangements	1b(4)		X
(5) Loans or loan guarantees	1b(5)		X
(6) Performance of services or membership or fundraising solicitations	1b(6)		X
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c		X

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 foundation. 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
N/A			

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
N/A		

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

Signature of officer or trustee — Date: 10/14/12 — Title: PRESIDENT & CEO

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

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
KEVIN M. ALLISON, CPA	KEVIN M. ALLISON, CPA	10-1-12		P00640744

Firm's name ► CORBIN & COMPANY, PC — Firm's EIN ► 54-1571464

Firm's address ► 501 INDEPENDENCE PARKWAY, SUITE 275, CHESAPEAKE, VA 23320 — Phone no 757-436-4577

STATEMENT 1
FORM 990-PF, PART I, LINE 11
OTHER INCOME

	(A) REVENUE PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME
ATLANTA-DALLAS HLDGS, LLC	$ -19,557.		
ATLANTA-DURHAM HLDGS, LLC	-1,786.		
DEVELOPMENT FUND I, LLC	-3,214.		
FAIRFIELD ASSOCIATES, LLC	-8,710.		
FREEDOM INDUST ASSOC, LLC	4,951.		
HG HAMPTONS HOLDINGS	-13,000.		
HGI OPPOR FUND III, LLC	29,406.		
HGI US PROP FUND III, LLC	-13,873.		
HGI US PROPERTY IV	-5,210.		
KITTY HAWK ASSOC, LLC	-13,953.		
LAKESHORE PRESTON HLDGS	-25,391.		
LUMBER RIVER ASSOC, LLC	19,158.		
LYNNHAVEN PKWY ASSOC	-3,507.		
MISCELLANEOUS	3,790.	$ 3,790.	
NASHVILLE-DALLAS HLDGS,	-19,903.		
PCSC ASSOC, LLC	-2,923.		
RCC GF LLC	1,479.		
RCC MANNING LLC	-457.		
RCC OLDE TOWNE	-24,256.		
RCC OLDE TOWNE II	9,278.		
SOUTHWOOD ASSOC	-7,821.		
STEELE CREEK ASSOC, LLC	-12,818.		
TIDEWATER HLDGS CO, LLC	-35,626.		
VA MULTIFAMILY HLDGS, LLC	-3,952.		
WATERMAN'S HLDGS, LLC	-18,972.		
TOTAL	$ -166,867.	$ 3,790.	$ 0.

STATEMENT 2
FORM 990-PF, PART I, LINE 16A
LEGAL FEES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
KAUFMAN & CANOLES	$ 2,390.	$ 478.		$ 1,912.
TOTAL	$ 2,390.	$ 478.	$ 0.	$ 1,912.

STATEMENT 3
FORM 990-PF, PART I, LINE 16B
ACCOUNTING FEES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
DIXON HUGHES GOODMAN	$ 14,000.	$ 2,800.		$ 11,200.
TOTAL	$ 14,000.	$ 2,800.	$ 0.	$ 11,200.

STATEMENT 4
FORM 990-PF, PART I, LINE 16C
OTHER PROFESSIONAL FEES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
DAVID M SYRETT FSA EA	$ 875.	$ 175.		$ 700.
TOTAL	$ 875.	$ 175.	$ 0.	$ 700.

STATEMENT 5
FORM 990-PF, PART I, LINE 18
TAXES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
EXCISE TAXES	$ 57,539.			
MISCELLANEOUS TAXES	14,102.	$ 7,766.		$ 6,336.
PAYROLL TAXES	37,433.	3,951.		33,482.
TOTAL	$ 109,074.	$ 11,717.	$ 0.	$ 39,818.

STATEMENT 6
FORM 990-PF, PART I, LINE 23
OTHER EXPENSES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
GROUP INSURANCE	$ 145,422.	$ 14,207.		$ 131,215.
INSURANCE	14,172.	1,558.		12,614.
INVESTMENT MGMT FEES	224,093.	89,637.		134,456.
MISCELLANEOUS	1,156.	223.		933.
OFFICE SUPPLIES	19,735.	3,428.		16,307.
PROGRAM SUPPLIES	24,445.			24,445.
REPAIRS & MAINTENANCE	12,053.	753.		11,300.
STAFF DEVELOPMENT	7,627.	1,525.		6,102.
UTILITIES	33,068.	2,631.		30,437.
TOTAL	$ 481,771.	$ 113,962.	$ 0.	$ 367,809.

STATEMENT 7
FORM 990-PF, PART II, LINE 10A
INVESTMENTS - U.S. AND STATE GOVERNMENT OBLIGATIONS

U.S. GOVERNMENT OBLIGATIONS	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
U.S. GOVERNMENT OBLIGATIONS	COST	$ 2,467,314.	$ 2,538,518.
		$ 2,467,314.	$ 2,538,518.
	TOTAL	$ 2,467,314.	$ 2,538,518.

STATEMENT 8
FORM 990-PF, PART II, LINE 10B
INVESTMENTS - CORPORATE STOCKS

CORPORATE STOCKS	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
CORPORATE STOCK	COST	$ 30,879,816.	$ 33,311,550.
	TOTAL	$ 30,879,816.	$ 33,311,550.

STATEMENT 9
FORM 990-PF, PART II, LINE 13
INVESTMENTS - OTHER

OTHER INVESTMENTS	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
CASH EQUIVALENTS	COST	$ 5,322,074.	$ 5,322,074.
PARTNERSHIP INTERESTS	COST	544,193.	544,193.
LIMITED PARTNERSHIP INVESTMENTS	COST	92,147.	144,529.
FIXED INCOME INVESTMENTS	COST	2,418,334.	2,454,987.
	TOTAL	$ 8,376,748.	$ 8,465,783.

STATEMENT 10
FORM 990-PF, PART II, LINE 14
LAND, BUILDINGS, AND EQUIPMENT

CATEGORY	BASIS	ACCUM. DEPREC.	BOOK VALUE	FAIR MARKET VALUE
AUTO./TRANSPORTATION EQUIP.	$ 44,546.	$ 44,546.	$ 0.	$ 20,000.
FURNITURE AND FIXTURES	159,877.	153,168.	6,709.	0.
BUILDINGS	556,845.	351,105.	205,740.	922,000.
LAND	58,946.		58,946.	0.
TOTAL	$ 820,214.	$ 548,819.	$ 271,395.	$ 942,000.

STATEMENT 11
FORM 990-PF, PART II, LINE 15
OTHER ASSETS

		BOOK VALUE	FAIR MARKET VALUE
CASH SURRENDER VALUE OF LIFE INS		$ 17,581.	
	TOTAL	$ 17,581.	$ 0.

STATEMENT 12
FORM 990-PF, PART II, LINE 22
OTHER LIABILITIES

DEFERRED COMPENSATION		$ 1,228,322.
	TOTAL	$ 1,228,322.

STATEMENT 13
FORM 990-PF, PART III, LINE 3
OTHER INCREASES

M1 DIFFERENCES FROM REAL ESTATE INVESTMENTS		$ 12,336.
	TOTAL	$ 12,336.

STATEMENT 14
FORM 990-PF, PART III, LINE 5
OTHER DECREASES

CORRECTION FOR PRIOR YEAR TAX ACCRUAL ERRORS		$ 95,405.
	TOTAL	$ 95,405.

STATEMENT 15
FORM 990-PF, PART VIII, LINE 1
LIST OF OFFICERS, DIRECTORS, TRUSTEES, AND KEY EMPLOYEES

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED	COMPEN-SATION	CONTRI-BUTION TO EBP & DC	EXPENSE ACCOUNT/ OTHER
LAWRENCE W. I'ANSON, JR. 5409 HIGH ST WEST PORTSMOUTH, VA 23703	PAST PRESIDENT 0	$ 68,939.	$ 1,969.	$ 0.
P. WARD ROBINETT, JR. 500 CRAWFORD ST PORTSMOUTH, VA 23704	SECRETARY 0	8,000.	0.	0.

STATEMENT 15 (CONTINUED)
FORM 990-PF, PART VIII, LINE 1
LIST OF OFFICERS, DIRECTORS, TRUSTEES, AND KEY EMPLOYEES

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED	COMPEN- SATION	CONTRI- BUTION TO EBP & DC	EXPENSE ACCOUNT/ OTHER
DIANE POMEROY GRIFFIN #1 HIGH STREET, SUITE 303 PORTSMOUTH, VA 23704	VICE PRESIDENT 0	$ 8,000.	$ 0.	$ 0.
W. ASHTON LEWIS 3412 WESTERN BRANCH BLVD CHESAPEAKE, VA 23321	TRUSTEE 0	8,000.	0.	0.
WILLIAMS H. HODGES 101 - 43RD & OCEANFRONT VIRGINIA BEACH, VA 23451	TRUSTEE 0	8,000.	0.	0.
WHITNEY G. SAUNDERS 705 W. WASHINGTON STREET SUFFOLK, VA 23434	TRUSTEE 0	8,000.	0.	0.
RICHARD S. BRAY 5409 HIGH ST WEST PORTSMOUTH, VA 23703	PRESIDENT & CEO 40.00	175,000.	27,318.	0.
JOHN FAILES 5409 HIGH ST WEST PORTSMOUTH, VA 23703	TRUSTEE 0	8,000.	0.	0.
	TOTAL	$ 291,939.	$ 29,287.	$ 0.

STATEMENT 16
FORM 990-PF, PART XV, LINE 2A-D
APPLICATION SUBMISSION INFORMATION

NAME OF GRANT PROGRAM:	
NAME:	RICHARD S. BRAY
CARE OF:	
STREET ADDRESS:	3720 BRIGHTON ST
CITY, STATE, ZIP CODE:	PORTSMOUTH, VA 23707
TELEPHONE:	757-393-1605
FORM AND CONTENT:	WRITTEN POLICY AND GUIDELINES AVAILABLE UPON REQUEST
SUBMISSION DEADLINES:	QUARTERLY (SEE GUIDELINES FOR DETAILS)
RESTRICTIONS ON AWARDS:	HAMPTON ROADS AREA OF VIRGINIA (SEE POLICY FOR DETAILS)

STATEMENT 17
FORM 990-PF, PART XV, LINE 3A
RECIPIENT PAID DURING THE YEAR

NAME AND ADDRESS	DONEE RELATIONSHIP	FOUNDATION STATUS	PURPOSE OF GRANT	AMOUNT
ACADEMY OF MUSIC P O BOX 11146 NORFOLK, VA 23509	NONE		PARKVIEW ELEMENTARY SCHOOL STRINGS PROGRAM	$ 51,000.
ASSOCIATION OF FUNDRAISING PROFESSIONALS P O BOX 2338 NORFOLK, VA 23501	NONE		EDUCATIONAL PROGRAMMING	2,500.
BARRIER ISLANDS CENTER 7295 YOUNG STREET MACHIPONGO, VA 23405	NONE		EDUCATIONAL DOCUMENTARY ON THE HISTORY OF WATERFOWL HUNTING AND CARVING IN VIRGINIA	2,500.
CAMP HOLIDAY TRAILS 400 HOLIDAY TRAILS LANE CHARLOTTESVILLE, VA 22903	NONE		FINANCIAL ASSISTANCE FOR PORTSMOUTH VIRGINIA CAMPERS	5,000.
CHESAPEAKE CARE FREE CLINIC 2145 S MILITARY HIGHWAY CHESAPEAKE, VA 23320	NONE		FACILITY EXPANSION	20,000.
CHESAPEAKE SERVICE SYSTEMS 1100 EXECUTIVE BLVD CHESAPEAKE, VA 23320	NONE		INSURANCE EXPENSES RELATED TO LAUNDRY FIRE	20,000.
CHRISTOPHER NEWPORT UNIVERSITY ONE UNIVERSITY PLACE NEWPORT NEWS, VA 23606	NONE		BEAZLEY FOUNDATION SCHOLARSHIP ENDOWMENT	10,000.
CRISPUS ATTUCKS CULTURAL CENTER 1010 CHURCH STREET NORFOLK, VA 23510	NONE		AFTER SCHOOL AND SUMMER PROGRAM	7,500.
EASTERN VIRGINIA MEDICAL SCHOOL P O BOX 5 NORFOLK, VA 23501	NONE		CANCER RESEARCH CENTER	200,000.
FEAR 2 FREEDOM ONE UNIVERSITY PLACE NEWPORT NEWS, VA 23606	NONE		OPERATING EXPENSES	10,000.

STATEMENT 17 (CONTINUED)
FORM 990-PF, PART XV, LINE 3A
RECIPIENT PAID DURING THE YEAR

NAME AND ADDRESS	DONEE RELATIONSHIP	FOUND- ATION STATUS	PURPOSE OF GRANT	AMOUNT
FOOD BANK OF SOUTHEASTERN VIRGINIA 800 TIDEWATER DRIVE NORFOLK, VA 23504	NONE		FACILITY RENOVATIONS	$ 25,000.
FOUNDATION CENTER 205 OAK HILL ST ABINGDON, VA 24210	NONE		OPERATING EXPENSES	500.
HAMPTON ROADS COMMITTEE OF 200+ MEN P O BOX 99013 NORFOLK, VA 23509	NONE		ANNUAL BROTHER TO BROTHER CAMP	15,000.
HORIZONS HAMPTON ROADS 2529 VIRGINIA BEACH BLVD STE 200 VIRGINIA BEACH, VA 23452	NONE		PORTSMOUTH PROGRAM	25,000.
JACOBS LADDER P O BOX 555 URBANNA, VA 23175	NONE		ENRICHMENT CAMP AND ADVOCACY PROGRAM	38,810.
LEES FRIENDS 7400 HAMPTON BLVD NORFOLK, VA 23505	NONE		EMERGENCY HUMANITARIUM GRANT PROGRAM	10,000.
NANSEMOND SUFFOLK ACADEMY 3373 PRUDEN BLVD SUFFOLK, VA 23434	NONE		ANNUAL FUND	5,000.
NORFOLK COLLEGIATE SCHOOL 7336 GRANBY STREET NORFOLK, VA 23505	NONE		BETTER ENGAGEMENT THROUGH STEWARDSHIP AND INTEGRATION TECHNOLOGIES PROGRAM	11,900.
ONESIMUS MINISTRIES OF NORFOLK P O BOX 12241 NORFOLK, VA 23541	NONE		ASSIST WITH THE PURCHASE OF A 15 PASSENGER VAN AND RENOVATIONS	10,000.
PARK PLACE CHILD LIFE CENTER P O BOX 6068 NORFOLK, VA 23508	NONE		SIXTH ANNUAL SPRING ARTS FESTIVAL	8,000.
PARK PLACE SCHOOL 509 WEST 35TH STREET NORFOLK, VA 23508	NONE		OPERATING EXPENSES	15,000.

**STATEMENT 17 (CONTINUED)
FORM 990-PF, PART XV, LINE 3A
RECIPIENT PAID DURING THE YEAR**

NAME AND ADDRESS	DONEE RELATIONSHIP	FOUND-ATION STATUS	PURPOSE OF GRANT	AMOUNT
PHILANTHROPY ROUNDTABLE 1730 M STREET NW SUITE 601 WASHINGTON, DC 20036	NONE		MEMBERSHIP AND OPERATING EXPENSES	$ 5,000.
PLANNING COUNCIL 130 WEST PLUME STREET NORFOLK, VA 23510	NONE		HOMELESS PROGRAMS IN PORTSMOUTH VIRGINIA	20,000.
PORTSMOUTH COMMUNITY FOUNDATION 360 CRAWFORD STREET PORTSMOUTH, VA 23701	NONE		RETURNED GRANT	-20,000.
PORTSMOUTH MUSEUM FOUNDATION 420 HIGH STREET PORTSMOUTH, VA 23704	NONE		UPGRADE PLANETARIUM	75,000.
PORTSMOUTH SCHOOLS FOUNDATION 801 CRAWFORD STREET PORTSMOUTH, VA 23704	NONE		RIVERQUEST SUMMER CAMP	206,738.
REGENT UNIVERSITY 1000 REGENT UNIVERSITY DRIVE VIRGINIA BEACH, VA 23464	NONE		CAMPUS CHAPEL	55,000.
SAINT MARYS HOME FOR DISABLED CHILDREN 6171 KEMPSVILLE CIRCLE NORFOLK, VA 23502	NONE		CAPITAL AND ENDOWMENT CAMPAIGN	62,500.
SAINT MATTHEWS SCHOOL 3316 SANDRA LANE VIRGINIA BEACH, VA 23464	NONE		NEW VAN	25,000.
SOCIETY OF SAINT ANDREW 3383 SWEET HOLLOW ROAD BIG ISLAND, VA 24526	NONE		OPERATING EXPENSES	5,000.
SOUTHEAST VIRGINIA COMMUNITY FOUNDATION 5800 HIGH STREET WEST PORTSMOUTH, VA 23703	NONE		REPLACEMENT OF POKEY SMOKEY MINIATURE TRAIN AT PORTSMOUTH CITY PARK AND SCHOLARSHIP RECEPTION	26,652.

**STATEMENT 17 (CONTINUED)
FORM 990-PF, PART XV, LINE 3A
RECIPIENT PAID DURING THE YEAR**

NAME AND ADDRESS	DONEE RELATIONSHIP	FOUNDATION STATUS	PURPOSE OF GRANT	AMOUNT
SOUTHEASTERN COUNCIL OF FOUNDATIONS 50 HURT PLAZA STE 350 ATLANTA, GA 30303	NONE		OPERATING EXPENSES	$ 6,000.
SUFFOLK CENTER FOR THE CULTURAL ARTS 110 W FINNEY AVE SUFFOLK, VA 23434	NONE		OPERATING EXPENSES	10,000.
SUFFOLK MEALS ON WHEELS 2800 GODWIN BLVD SUFFOLK, VA 23434	NONE		OPERATING EXPENSES	5,000.
TIDEWATER COMMUNITY COLLEGE EDUCATIONAL P O BOX 3575 NORFOLK, VA 23514	NONE		EAZLEY NURSING SCHOLARSHIPS	15,000.
TIDEWATER WINDS 9625 GRANBY STREET STE 205 NORFOLK, VA 23503	NONE		OPERATING EXPENSES	2,500.
UNITED WAY OF SOUTH HAMPTON ROADS 2515 WALMER AVE NORFOLK, VA 23513	NONE		ANNUAL CAMPAIGN	25,000.
VIRGINIA COLLEGE FUND 6002-A WEST BROAD STREET RICHMOND, VA 23230	NONE		BEAZLEY SCHOLARSHIP ENDOWMENT	50,000.
VIRGINIA FOUNDATION FOR INDEPENDENT COLL 8010 RIDGE ROAD RICHMOND, VA 23229	NONE		BEAZLEY FOUNDATION SCHOLARSHIP PROGRAM	125,000.
VOLUNTEER HAMPTON ROADS 400 WEST OLNEY ROAD STE B NORFOLK, VA 23507	NONE		COMPREHENSIVE TRAINING PROGRAM AND ANNUAL HAMPTON ROADS INSTITUTE FOR NONPROFIT LEADERSHIP CONFERENCE	10,000.
WESTMORELAND CHILDREN & YOUTH ASSN 3201 CLOVER HILL DR PORTSMOUTH, VA 23703	NONE		OPERATING EXPENSES	1,500.

STATEMENT 17 (CONTINUED)
FORM 990-PF, PART XV, LINE 3A
RECIPIENT PAID DURING THE YEAR

NAME AND ADDRESS	DONEE RELATIONSHIP	FOUNDATION STATUS	PURPOSE OF GRANT	AMOUNT
WHRO FOUNDATION 5200 HAMPTON BLVD NORFOLK, VA 23508	NONE		PIONEER AWARDS IN SUPPORT OF LOCAL PROGRAMMING AND EDUCATION INITIATIVES	$ 2,500.
YMCA OF PORTSMOUTH 4900 HIGH STREET PORTSMOUTH, VA 23703	NONE		OPERATING EXPENSES	50,000.
ACCESS COLLEGE FOUNDATION 7300 NEWPORT AVE STE 500 NORFOLK, VA 23505	NONE		BEAZLEY FOUNDATION SCHOLARSHIP PROGRAM	37,500.
			TOTAL	$ 1,293,600.

STATEMENT 18
FORM 990-PF, PART XV, LINE 3B
RECIPIENT APPROVED FOR FUTURE PAYMENT

NAME AND ADDRESS	DONEE RELATIONSHIP	FOUNDATION STATUS	PURPOSE OF GRANT	AMOUNT
EASTERN VIRGINIA MEDICAL SCHOOL P.O. BOX 5 NORFOLK, VA 23501	NONE		CANCER RESEARCH CENTER	$ 800,000.
AN ACHIEVABLE DREAM 10858 WARWICK BLVD NEWPORT NEWS, VA 23601	NONE		OPERATING EXPENSES	50,000.
BOYS AND GIRLS CLUB 1401 MELON STREET NORFOLK, VA 23523	NONE		OPERATING EXPENSES	30,000.
PORTSMOUTH MUSEUMS 521 MIDDLE STREET PORTSMOUTH, VA 23704	NONE		OPERATING EXPENSES	75,000.
SAINT MARYS HOME FOR DISABLED CHILDREN 6171 KEMPSVILLE CIRCLE NORFOLK, VA 23502	NONE		CAPITAL AND ENDOWMENT CAMPAIGN	62,500.
TIDEWATER COMMUNITY COLLEGE P O BOX 3575 NORFOLK, VA 23514	NONE		BEAZLEY FOUNDATION SCHOLARSHIPS	100,000.

STATEMENT 18 (CONTINUED)
FORM 990-PF, PART XV, LINE 3B
RECIPIENT APPROVED FOR FUTURE PAYMENT

NAME AND ADDRESS	DONEE RELATIONSHIP	FOUNDATION STATUS	PURPOSE OF GRANT	AMOUNT
			TOTAL	$ 1,117,500.

STATEMENT 19
FORM 990-PF, PART XVI-A, LINE 11
OTHER REVENUE

OTHER REVENUE	(A) BUSINESS CODE	(B) UNRELATED BUSINESS AMOUNT	(C) EXCLUSION CODE	(D) EXCLUDED AMOUNT	(E) RELATED OR EXEMPT FUNCTION
ATLANTA-DALLAS HLDGS, LLC	531120	$ -19,557.			
ATLANTA-DURHAM HLDGS, LLC	531120	-1,786.			
DEVELOPMENT FUND I, LLC	531120	-3,214.			
FAIRFIELD ASSOCIATES, LLC	531120	-8,710.			
FREEDOM INDUST ASSOC, LLC	531120	4,951.			
HG HAMPTONS HOLDINGS	531120	-13,000.			
HGI OPPOR FUND III, LLC	531120	29,406.			
HGI US PROP FUND III, LLC	531120	-13,873.			
HGI US PROPERTY IV	531120	-5,210.			
KITTY HAWK ASSOC, LLC	531120	-13,953.			
LAKESHORE PRESTON HLDGS	531120	-25,391.			
LUMBER RIVER ASSOC, LLC	531120	19,158.			
LYNNHAVEN PKWY ASSOC	531120	-3,507.			
MISCELLANEOUS			1	$ 3,790.	
NASHVILLE-DALLAS HLDGS,	531120	-19,903.			
PCSC ASSOC, LLC	531120	-2,923.			
RCC GF LLC	531120	1,479.			
RCC MANNING LLC	531120	-457.			
RCC OLDE TOWNE	531120	-24,256.			
RCC OLDE TOWNE II	531120	9,278.			
SOUTHWOOD ASSOC	531120	-7,821.			
STEELE CREEK ASSOC, LLC	531120	-12,818.			
TIDEWATER HLDGS CO, LLC	531120	-35,626.			
VA MULTIFAMILY HLDGS, LLC	531120	-3,952.			
WATERMAN'S HLDGS, LLC	531120	-18,972.			
TOTAL		$ -170,657.		$ 3,790.	$ 0.

SUMMARY OF DIRECT CHARITABLE ACTIVITIES EXPENSE

SALARIES AND WAGES	$	231,088.
GROUP INSURANCE		74,388.
PROGRAM SUPPLIES		24,445.
UTILITIES		19,915.
PAYROLL TAXES		17,678.
DEPRECIATION		14,745.
REPAIRS AND MAINTENANCE		8,292.
OTHER INSURNACE		6,382.
OFFICE SUPPLIES		2,603.
TAXES AND LICENSES		1,934.
MISCELLANEOUS		40.
TOTAL	$	401,510.