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 , and ending

Name of foundation: B.F. FOUNDATION

A Employer identification number: 54-1388355

Number and street (or P O box number if mail is not delivered to street address): P. O. BOX 1179 — Room/suite:

B Telephone number: (276)935-2994

City or town, state, and ZIP code: GRUNDY, VA 24614

C If exemption application is pending, check here ▶ [ ]

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

D 1. Foreign organizations, check here ▶ [ ]

2. Foreign organizations meeting the 85% test, check here and attach computation ▶ [ ]

H Check type of organization: [X] Section 501(c)(3) exempt private foundation [ ] Section 4947(a)(1) nonexempt charitable trust [ ] Other taxable private foundation

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

I Fair market value of all assets at end of year (from Part II, col (c), line 16) ▶$ 9,926,493.

J Accounting method: [X] Cash [ ] Accrual [ ] Other (specify) (Part I, column (d) must be on cash basis)

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

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)
Revenue	1 Contributions, gifts, grants, etc., received			N/A	
	2 Check ▶ [X] if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	317.	317.		STATEMENT 1
	4 Dividends and interest from securities	393,943.	393,943.		STATEMENT 2
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	92,356.			
	b Gross sales price for all assets on line 6a 2,760,239.				
	7 Capital gain net income (from Part IV, line 2)		92,356.		
	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				
	12 **Total** Add lines 1 through 11	486,616.	486,616.		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	24,000.	12,000.		12,000.
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees				
	b Accounting fees STMT 3	19,375.	0.		0.
	c Other professional fees				
	17 Interest				
	18 Taxes STMT 4	1,415.	702.		713.
	19 Depreciation and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses STMT 5	58,729.	57,746.		578.
	24 **Total operating and administrative expenses.** Add lines 13 through 23	103,519.	70,448.		13,291.
	25 Contributions, gifts, grants paid	436,050.			436,050.
	26 **Total expenses and disbursements.** Add lines 24 and 25	539,569.	70,448.		449,341.
	27 Subtract line 26 from line 12:				
	a Excess of revenue over expenses and disbursements	<52,953.>			
	b **Net investment income** (if negative, enter -0-)		416,168.		
	c **Adjusted net income** (if negative, enter -0-)			N/A	

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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			
	2 Savings and temporary cash investments	953,953.	168,210.	150,558.
	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 ▶			
	Less: allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges		15,249.	15,249.
	10a Investments - U.S. and state government obligations STMT 6	1,977,841.	1,677,857.	1,848,514.
	b Investments - corporate stock STMT 7	6,399,789.	7,408,517.	7,912,172.
	c Investments - corporate bonds			
	11 Investments - land, buildings, and equipment basis ▶			
	Less accumulated depreciation ▶			
	12 Investments - mortgage loans			
	13 Investments - other			
	14 Land, buildings, and equipment: basis ▶			
	Less accumulated depreciation ▶			
	15 Other assets (describe ▶)			
	16 **Total assets** (to be completed by all filers)	9,331,583.	9,269,833.	9,926,493.
Liabilities	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable			
	22 Other liabilities (describe ▶)			
	23 **Total liabilities** (add lines 17 through 22)	0.	0.	
Net Assets or Fund Balances	**Foundations that follow SFAS 117, check here ▶ ☐ and complete lines 24 through 26 and lines 30 and 31.**			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ [X] and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds	0.	0.	
	28 Paid-in or capital surplus, or land, bldg., and equipment fund	882,042.	882,042.	
	29 Retained earnings, accumulated income, endowment, or other funds	8,449,541.	8,387,791.	
	30 **Total net assets or fund balances**	9,331,583.	9,269,833.	
	31 **Total liabilities and net assets/fund balances**	9,331,583.	9,269,833.	

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	9,331,583.
2	Enter amount from Part I, line 27a	2	<52,953.>
3	Other increases not included in line 2 (itemize) ▶	3	0.
4	Add lines 1, 2, and 3	4	9,278,630.
5	Decreases not included in line 2 (itemize) ▶ FEDERAL EXCISE TAX	5	8,797.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	9,269,833.

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	WILMINGTON TRUST	P	VARIOUS	VARIOUS
b	WILMINGTON TRUST	P	VARIOUS	VARIOUS
c	KING STOCK	P	VARIOUS	12/31/11
d	DUKE ENERGY CORPORATION	P	VARIOUS	12/29/11
e	CAPITAL GAINS DIVIDENDS			

	(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	1,248,948.		1,215,455.	33,493.
b	1,492,804.		1,427,007.	65,797.
c			10,343.	<10,343.>
d	17,450.		15,078.	2,372.
e	1,037.			1,037.

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				33,493.
b				65,797.
c				<10,343.>
d				2,372.
e				1,037.

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	92,356.
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))
2010	288,661.	9,709,065.	.029731
2009	491,187.	9,056,757.	.054234
2008	183,400.	10,400,705.	.017633
2007	263,178.	11,407,564.	.023070
2006	689,430.	11,603,704.	.059415

2	**Total** of line 1, column (d)	2	.184083
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	.036817
4	Enter the net value of noncharitable-use assets for 2011 from Part X, line 5	4	10,196,242.
5	Multiply line 4 by line 3	5	375,395.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	4,162.
7	Add lines 5 and 6	7	379,557.
8	Enter qualifying distributions from Part XII, line 4	8	449,341.

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 instructions)			
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ [X] and enter 1% of Part I, line 27b		1	4,162.
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).			
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		2	0.
3	Add lines 1 and 2		3	4,162.
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	4,162.
6	Credits/Payments:			
a	2011 estimated tax payments and 2010 overpayment credited to 2011	6a 15,200.		
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 49.		
7	Total credits and payments. Add lines 6a through 6d		7	15,249.
8	Enter any **penalty** for underpayment of estimated tax. Check here ☐ 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	11,087.
11	Enter the amount of line 10 to be: **Credited to 2012 estimated tax** ▶ 11,087. **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 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? N/A	4b		
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T*	5		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, col. (c), and Part XV.*	7	X	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ VA			
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by *General Instruction G? If "No," attach explanation*	8b	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 STMT 8	10	X	

Part VII-A Statements Regarding Activities *(continued)*

			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 ▶ N/A			
14	The books are in care of ▶ GAYNELL FOWLER Telephone no. ▶ (276)935-2901			
	Located at ▶ P.O.BOX 1179, GRUNDY, VA ZIP+4 ▶ 24614			
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 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.

			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)? N/A	1b		
	Organizations relying on a current notice regarding disaster assistance check here ▶ ☐			
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 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 ▶ ______, ______, ______, ______			
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? ☐ 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.)* 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 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)?	☐ 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)?	N/A	**5b**		
Organizations relying on a current notice regarding disaster assistance check here	▶ ☐			
c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? 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**		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.

(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		24,000.	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

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 CONTRIBUTIONS TO 501(C) ORGANIZATIONS; SEE PART XV	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 NONE	0.
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	9,903,660.
b	Average of monthly cash balances	1b	447,855.
c	Fair market value of all other assets	1c	
d	**Total** (add lines 1a, b, and c)	1d	10,351,515.
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	10,351,515.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	155,273.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4	5	10,196,242.
6	**Minimum investment return.** Enter 5% of line 5	6	509,812.

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	509,812.
2a	Tax on investment income for 2011 from Part VI, line 5 2a 4,162.		
b	Income tax for 2011. (This does not include the tax from Part VI.) 2b		
c	Add lines 2a and 2b	2c	4,162.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	505,650.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	505,650.
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	505,650.

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	449,341.
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	449,341.
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	4,162.
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	445,179.

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				505,650.
2 Undistributed income, if any, as of the end of 2011				
a Enter amount for 2010 only			18,413.	
b Total for prior years: ____, ____, ____		0.		
3 Excess distributions carryover, if any, to 2011:				
a From 2006				
b From 2007				
c From 2008				
d From 2009				
e From 2010				
f **Total** of lines 3a through e	0.			
4 Qualifying distributions for 2011 from Part XII, line 4: ▶ $ 449,341.				
a Applied to 2010, but not more than line 2a			18,413.	
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				430,928.
e Remaining amount distributed out of corpus	0.			
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	0.			
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 instr.			0.	
f Undistributed income for 2011. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2012				74,722.
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 2006 not applied on line 5 or line 7	0.			
9 **Excess distributions carryover to 2012.** Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9:				
a Excess from 2007				
b Excess from 2008				
c Excess from 2009				
d Excess from 2010				
e Excess from 2011				

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

1 a 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
2 a 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 foundation 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).)

GAYNELL FOWLER

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:

GAYNELL FOWLER, (276)935-2994
P. O. BOX 1179, GRUNDY, VA 24614

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

NO FORMAL FORMAT, NEED INFORMATION AS TO HOW FUNDS WILL BE USED FOR NEEDY

c Any submission deadlines:

YEAR END; 12/31

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

NO RESTRICTIONS--ONLY THAT FUNDS ARE USED FOR EDUCATIONAL, MEDICAL, FOR NEEDY INDIVIDUALS, OR FOR OTHER CHARITABLE PURPOSES.

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*				
ALICE LLOYD COLLEGE 100 PURPOSE ROAD PIPPA PASSES, KY 41844	N/A	EDUCATIONAL INSTITUTION	SCHOLARSHIPS	10,000.
APPALACHIAN SCHOOL OF LAW PO BOX 2825 GRUNDY, VA 24614	N/A	EDUCATIONAL INSTITUTION	GENERAL FUND	28,000.
BEREA COLLEGE 411 E. 10TH STREET NEWPORT, KY 41071	N/A	EDUCATIONAL INSTITUTION	ENDOWMENT FUND	200,000.
BSA SEQUOYAH COUNCIL 129 BOONE RIDGE DRIVE JOHNSON CITY, TN 37615		PUBLIC CHARITY	SUPPORT BOYSCOUTS	5,000.
THE FRIENDS OF THE BUCHANAN COUNTY PUBLIC LIBRARY PO BOX 2100 GRUNDY, VA 24614		EDUCATIONAL INSTITUTION	GENERAL FUND	5,000.
Total SEE CONTINUATION SHEET(S)			▶ 3a	436,050.
b *Approved for future payment* NONE				
Total			▶ 3b	0.

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
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	317.	
4 Dividends and interest from securities			14	393,943.	
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	92,356.	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue:					
a					
b					
c					
d					
e					
12 Subtotal. Add columns (b), (d), and (e)		0.		486,616.	0.

13 Total Add line 12, columns (b), (d), and (e) 13 486,616.

(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).

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

Gaynell S Fowler | 5-15-12 | PRESIDENT

Signature of officer or trustee | Date | Title

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

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
GARY W. ANDERSON	Gary W. Anderson	5/14/12		P00197145
Firm's name ▶ DENT K. BURK ASSOCIATES, P.C.			Firm's EIN ▶ 52-1600059	
Firm's address ▶ PO BOX 129 BRISTOL, VA 24203			Phone no. (276) 669-6171	

WTNA INV AGT/ BF FOUNDATION EMC-077888-000
Schedule D Detail of Short-term Capital Gains and Losses

Description	Date Acquired	Date Sold	Gross Sales Price	Cost or Other Basis	Short-term Gain/Loss
3773. ISHARES S&P 500 GROWTH					
INDEX FUND	VAR	01/07/2011	249,236.76	240,747.79	8,488.97
5198. ISHARES S&P 500 VALUE					
INDEX FUND	VAR	01/07/2011	313,836.93	272,401.15	41,435.78
11953.042 PIMCO HIGH YIELD FUND	04/15/2010	01/07/2011	112,000.00	109,370.34	2,629.66
60000. TOTAL CAPITAL SA DTD					
6/24/2010 3% 6/24/2015	08/03/2010	01/07/2011	61,663.80	62,190.60	-526.80
24083.77 VANGUARD HIGH YIELD CORP					
ADM	02/17/2010	01/07/2011	138,000.00	129,811.52	8,188.48
30000. CAMPBELL SOUP CO DTD					
7/6/2010 3.05% 7/15/2017	07/01/2010	02/23/2011	30,157.20	30,103.50	53.70
20000. CAMPBELL SOUP CO DTD					
7/6/2010 3.05% 7/15/2017	07/01/2010	02/25/2011	20,088.40	20,069.00	19.40
227. GENTEX CORP COMMON	01/19/2011	03/11/2011	6,291.79	7,434.82	-1,143.03
140. INNOPHOS HOLDINGS INC	01/19/2011	03/11/2011	5,528.76	4,918.55	610.21
50. INNOPHOS HOLDINGS INC	01/19/2011	03/14/2011	1,975.19	1,756.63	218.56
15000. WHIRLPOOL CORP DTD					
5/4/2009 8.6% 5/1/2014	02/04/2011	03/16/2011	17,500.95	17,344.65	156.30
657. ISHARES MSCI EAFE GROWTH	01/07/2011	03/22/2011	39,890.75	39,553.04	337.71
429. VANGUARD MSCI EMERGING					
MARKETS ETF	01/07/2011	03/22/2011	19,938.49	20,490.07	-551.58
25000. FIRST HORIZON NATIONAL DTD					
12/20/2010 5.375% 12/15/20	01/04/2011	06/09/2011	26,862.75	25,508.25	1,354.50
50000. ALLSTATE LF GLB FN TRST					
SER MTN DTD 4/30/2008 5.37	02/04/2011	10/14/2011	53,006.00	54,243.50	-1,237.50
3293. ISHARES MSCI EAFE SMALL					
CAP INDEX FUND	03/22/2011	11/23/2011	110,701.61	139,861.95	-29,160.34
25000. COCA COLA ENTERPRISES DTD					
8/19/2011 3.25% 8/19/2021	08/16/2011	11/29/2011	24,818.25	24,571.22	247.03
794. DUKE ENERGY CORPORATION					
NEW HOLDING CORP	VAR	12/29/2011	17,449.80	15,078.23	2,371.57
Totals			1248947.00	1215455.00	33,493.00

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Schedule D Detail of Long-term Capital Gains and Losses

Description	Date Acquired	Date Sold	Gross Sales Price	Cost or Other Basis	Long-term Gain/Loss
15% RATE CAPITAL GAINS (LOSSES)					
279. ISHARES BARCLAYS TIPS BOND					
FUND	VAR	01/07/2011	30,010.82	28,057.80	1,953.02
30000. BANK OF NEW YORK MELLON					
SER MTN DTD 11/1/2007 4.95	10/14/2008	01/11/2011	32,178.30	29,453.72	2,724.58
2703.1641 FNMA POOL #4569 ARM					
DTD 7/1/1984 11/1/2023		01/25/2011	37.05	37.05	
60000. SIMON PROPERTY GROUP LP					
DTD 11/15/2005 5.75% 12/1/	02/06/2009	02/04/2011	66,874.80	52,478.18	14,396.62
55000. MARATHON OIL CORP BOND	06/05/2007	02/08/2011	61,038.45	59,516.60	1,521.85
10000. VERIZON NJ INC DEBENTURE					
SER A DTD 1/22/2002 5.875%	09/23/2009	02/17/2011	10,451.50	10,750.70	-299.20
165.043 GNMA II POOL 1021 DTD		02/21/2011	1.25	1.25	
2665.8996 FNMA POOL #4569 ARM					
DTD 7/1/1984 11/1/2023		02/25/2011	37.26	37.26	
30000. BP CAPITAL MARKETS PLC DTD					
11/7/2008 5.25% 11/7/2013	VAR	03/09/2011	32,675.40	30,918.30	1,757.10
100000. FEDERAL NATIONAL MORTGAGE					
ASSOCIATION DTD 3/15/2010	03/04/2010	03/15/2011	100,000.00	99,985.00	15.00
163.785 GNMA II POOL 1021 DTD		03/21/2011	1.26	1.26	
2613. ISHARES S&P 500 GROWTH					
INDEX FUND	VAR	03/22/2011	174,564.89	155,714.98	18,849.91
950. ISHARES MSCI EAFE VALUE					
INDEX FUND	09/28/2009	03/22/2011	49,905.20	49,021.43	883.77
1167. POWERSHARES DB COMMODITY	VAR	03/22/2011	35,041.53	31,863.67	3,177.86
60000. TRANSOCEAN INC DTD					
12/11/2007 5.25% 3/15/2013	02/21/2008	03/23/2011	63,869.40	61,806.00	2,063.40
30000. WESTPAC BANKING CORP DTD	11/18/2009	03/24/2011	31,109.40	30,091.50	1,017.90
2628.7898 FNMA POOL #4569 ARM					
DTD 7/1/1984 11/1/2023		03/25/2011	37.11	37.11	
162.472 GNMA II POOL 1021 DTD		04/20/2011	1.31	1.31	
2591.357 FNMA POOL #4569 ARM DTD					
7/1/1984 11/1/2023		04/25/2011	37.43	37.43	
Totals					

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WTNA INV AGT/ BF FOUNDATION EMC-077888-000

Schedule D Detail of Long-term Capital Gains and Losses

Description	Date Acquired	Date Sold	Gross Sales Price	Cost or Other Basis	Long-term Gain/Loss
50000. PECO ENERGY CO 1ST REF					
MORT DTD 9/23/2002 4.75% 1	07/25/2008	05/17/2011	52,661.50	49,763.36	2,898.14
161.191 GNMA II POOL 1021 DTD		05/20/2011	1.28	1.28	
2556.1263 FNMA POOL #4569 ARM					
DTD 7/1/1984 11/1/2023		05/25/2011	35.23	35.23	
159.9 GNMA II POOL 1021 DTD					
7/1/1988 10.00% 7/20/2018		06/20/2011	1.29	1.29	
2518.1156 FNMA POOL #4569 ARM					
DTD 7/1/1984 11/1/2023		06/27/2011	38.01	38.01	
158.597 GNMA II POOL 1021 DTD		07/20/2011	1.30	1.30	
2481.1014 FNMA POOL #4569 ARM					
DTD 7/1/1984 11/1/2023		07/25/2011	37.01	37.01	
30000. KINDER MORGAN ENER PART					
DTD 3/14/2002 7.125% 3/15/	10/01/2009	08/18/2011	31,014.60	32,882.10	-1,867.50
157.282 GNMA II POOL 1021 DTD		08/22/2011	1.32	1.32	
2442.6493 FNMA POOL #4569 ARM					
DTD 7/1/1984 11/1/2023		08/25/2011	38.45	38.45	
36000. FEDERAL HOME LOAN MORTGAGE					
NOTE	12/10/2007	09/15/2011	36,000.00	37,806.48	-1,806.48
30000. GENERAL ELECTRIC CAPITAL					
CORP DTD 4/21/2008 5.625%	05/12/2010	09/16/2011	32,889.90	31,345.50	1,544.40
155.955 GNMA II POOL 1021 DTD		09/20/2011	1.33	1.33	
2403.8833 FNMA POOL #4569 ARM					
DTD 7/1/1984 11/1/2023		09/26/2011	38.77	38.77	
75000. FEDERAL NATIONAL MORTGAGE					
ASSOCIATION DTD 4/16/2007	05/04/2007	10/14/2011	88,285.35	74,893.73	13,391.62
60000. U S TREASURY BONDS DTD					
2/15/1996 6% 2/15/2026	VAR	10/14/2011	83,163.04	74,140.04	9,023.00
50000. U S TREASURY NOTES SER E					
DTD 11/15/2002 4% 11/15/20	03/14/2007	10/14/2011	52,058.43	49,804.55	2,253.88
55000. WELLS FARGO FINANCIAL NOTE					
DTD 7/30/2002 5.5% 8/1/201	04/10/2008	10/14/2011	56,917.85	57,710.95	-793.10
80000. FEDERAL NATIONAL MORTGAGE					
ASSOCIATION DTD 10/19/2006	06/26/2008	10/17/2011	80,000.00	82,876.80	-2,876.80
154.617 GNMA II POOL 1021 DTD		10/20/2011	1.34	1.34	
Totals					

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WTNA INV AGT/ BF FOUNDATION EMC-077888-000
Schedule D Detail of Long-term Capital Gains and Losses

Description	Date Acquired	Date Sold	Gross Sales Price	Cost or Other Basis	Long-term Gain/Loss
2363.2928 FNMA POOL #4569 ARM					
DTD 7/1/1984 11/1/2023		10/25/2011	40.59	40.59	
153.266 GNMA II POOL 1021 DTD		11/21/2011	1.35	1.35	
2493. ISHARES MSCI EAFE SMALL					
CAP INDEX FUND	VAR	11/23/2011	83,807.81	89,031.40	-5,223.59
50000. U S TREASURY NOTES SER E					
DTD 11/15/2002 4% 11/15/20	03/14/2007	11/23/2011	51,870.93	49,824.14	2,046.79
50000. US TREASURY NOTE DTD					
4/30/2008 3.125% 4/30/2013	04/29/2008	11/23/2011	52,079.91	50,126.95	1,952.96
2328.3169 FNMA POOL #4569 ARM					
DTD 7/1/1984 11/1/2023		11/25/2011	34.98	34.98	
100000. FEDERAL HOME LOAN BANK					
NOTE DTD 11/22/2002 4.5% 1	12/02/2008	12/19/2011	103,873.00	106,680.90	-2,807.90
151.904 GNMA II POOL 1021 DTD		12/20/2011	1.36	1.36	
2294.2556 FNMA POOL #4569 ARM					
DTD 7/1/1984 11/1/2023		12/27/2011	34.06	34.06	
150.529 GNMA II POOL 1021 DTD		12/31/2011	1.38	1.38	
TOTAL 15% RATE CAPITAL GAINS (LOSSES)			1492804.00	1427007.00	65,797.00
Totals			1492804.00	1427007.00	65,797.00

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Part XV Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

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
BUCHANAN COUNTY TECHNICAL CAREER CENTER 1124 ALMARINE DRIVE GRUNDY, VA 24614		EDUCATIONAL INSTITUTION	GENERAL FUND	10,000.
BUCHANAN COUNTY YMCA 1059 GOLDEN WAVE DRIVE GRUNDY, VA 24614	N/A	PUBLIC CHARITY	GENERAL FUND	130,000.
BUCHANAN FIRST PRESBYTERIAN CHURCH FOUNDATION PO BOX 2100 GRUNDY, VA 246142100	N/A	CHURCH	GENERAL FUND	5,500.
COMMUNITY ARTS COUNCIL FOUNDATION P.O. BOX 2100 GRUNDY, VA 24614		CULTURAL & EDUCATION CENTER	GENERAL FUND	15,000.
MARCH OF DIMES 1275 MAMARONECK AVENUE WHITE PLAINS, NY 10605		PUBLIC CHARITY	GENERAL FUND	50.
MOUNTAIN MISSION SCHOOL 1760 EDGEWATER DRIVE GRUNDY, VA 24614	N/A	EDUCATIONAL INSTITUTION	GENERAL FUND	2,000.
ONE LIFE OF VA P.O. BOX 1141 GRUNDY, VA 24614		YOUTH OUTREACH - CHARITY	YOUTH OUTREACH PROGRAMS	2,000.
RIVERVIEW ELEMENTARY SCHOOL 1176 BOOTH BRANCH ROAD GRUNDY, VA 24614		EDUCATIONAL INSTITUTION	GENERAL FUND	500.
SOUTHERN YOUTH IN ACTION P.O. BOX 1016 GRUNDY, VA 24614		PUBLIC CHARITY	SUPPORT BOY SCOUTS TROOP OF GRUNDY, VA	2,000.
SVCC FOUNDATION 369 COLLEGE ROAD RICHLANDS, VA 24641		EDUCATIONAL INSTITUTION	SCHOLARSHIPS	5,000.
Total from continuation sheets				188,050.

Part XV | Supplementary Information

3 Grants and Contributions Paid During the Year (Continuation)

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
UVA - WISE ATHLETIC FOUNDATION ONE COLLEGE AVENUE WISE, VA 24293		EDUCATIONAL INSTITUTION	SCHOLARSHIPS	5,000.
WILLIAM KING REGIONAL ARTS CENTER 415 ACADEMY DRIVE NW ABINGDON, VA 24210		CULTURAL & EDUCATION CENTER	GENERAL FUND	6,000.
YOUTH OUTREACH OF BUCHANAN COUNTY RT 680 PILGRIMS KNOB, VA 24634		PUBLIC CHARITY	YOUTH OUTREACH PROGRAMS	5,000.
Total from continuation sheets				

FORM 990-PF INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS STATEMENT 1

SOURCE	AMOUNT
TRUPOINT	317.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	317.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
BB&T	174.	0.	174.
INTEL CORP	117.	0.	117.
MCDONALDS	506.	0.	506.
MICROSOFT	122.	0.	122.
NOKIA CORPORATION	86.	0.	86.
POWERSHARES K-1	1,037.	1,037.	0.
POWERSHARES K-1	763.	0.	763.
WALMART	199.	0.	199.
WALT DISNEY COMPANY	80.	0.	80.
WILMINGTON TRUST	391,896.	0.	391,896.
TOTAL TO FM 990-PF, PART I, LN 4	394,980.	1,037.	393,943.

FORM 990-PF ACCOUNTING FEES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES	19,375.	0.		0.
TO FORM 990-PF, PG 1, LN 16B	19,375.	0.		0.

FORM 990-PF TAXES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
STATE REGISTRATION FEE	25.	0.		25.
PAYROLL TAXES	1,377.	689.		688.
FOREIGN TAXES	13.	13.		0.
TO FORM 990-PF, PG 1, LN 18	1,415.	702.		713.

FORM 990-PF OTHER EXPENSES STATEMENT 5

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
MISCELLANEOUS	2,062.	1,079.		578.
INVESTMENT EXPENSES	56,667.	56,667.		0.
TO FORM 990-PF, PG 1, LN 23	58,729.	57,746.		578.

FORM 990-PF U.S. AND STATE/CITY GOVERNMENT OBLIGATIONS STATEMENT 6

DESCRIPTION	U.S. GOV'T	OTHER GOV'T	BOOK VALUE	FAIR MARKET VALUE
FEDERAL HOME LOAN BANK BOND 5.5% FYF 6/22/07	X		31,133.	33,812.
FEDERAL HOME LOAN BANK BOND SER 432 DTD 9/22/03	X		30,042.	32,086.
FEDERAL HOME LOAN BANK NOTE 5.5% 9/15/2011	X		0.	0.
FEDERAL HOME LOAN MORTGAGE CORP NOTE 5%	X		94,465.	99,953.
FHLB NOTE 4.5% 11/15/12	X		48,956.	51,801.
FNMA 1.8% 3/15/2013	X		0.	0.
FNMA 3% 9/16/2014	X		102,774.	106,596.
FNMA 5% 10/15/11	X		0.	0.
FNMA 5% 5/11/17	X		74,894.	89,023.

FNMA 5.5% 12/15/16	X	30,796.	35,336.
FNMA 6.25% 5/15/29	X	17,465.	21,118.
FNMA 7.25% 5/15/30	X	128,642.	140,555.
FNMA POOL #4569 ARM 11/1/23	X	25,067.	2,304.
GNMA II POOL #1021 10%	X	512.	173.
U.S. TREASURY BONDS 6% DTD 2/15/26	X	224,077.	288,250.
U.S. TREASURY BONDS 7.25%	X	30,947.	37,840.
U.S. TREASURY BONDS 7.875%	X	64,324.	76,301.
U.S. TREASURY BONDS 8.125%	X	64,808.	74,360.
U.S. TREASURY NOTES SERIES D DTD 5/15/05	X	101,109.	112,180.
U.S. TREASURY NOTES SERIES D DTD 8/15/03	X	47,990.	53,231.
U.S. TREASURY NOTES SERIES E DTD 11/15/02	X	0.	0.
US TREASURY BOND 3.5% 5/15/2020	X	103,813.	115,039.
US TREASURY BOND 4% DTD 8/15/2018	X	78,973.	88,330.
US TREASURY BOND 4.25%	X	51,938.	59,059.
US TREASURY NOTE 3.125% 4/30/13	X	0.	0.
US TREASURY NOTE DTD 11/15/11 2%	X	100,715.	101,141.
UNITED STATES TREASURY BOND	X	69,014.	71,266.
FEDERAL NATIONAL MORTGAGE ASSOCIATION DTD 9/27/10 1.625% 10/26/15	X	51,318.	51,241.
FEDERAL NATIONAL MORTGAGE ASSOCIATION DTD 10/20/11 1.375% 11/15/2016	X	50,469.	50,442.
FEDERAL HOME LOAN MORTGAGE CORPORATION DTD 3/27/09 3.75% 3/27/2019	X	53,616.	57,077.
TOTAL U.S. GOVERNMENT OBLIGATIONS		1,677,857.	1,848,514.
TOTAL STATE AND MUNICIPAL GOVERNMENT OBLIGATIONS			
TOTAL TO FORM 990-PF, PART II, LINE 10A		1,677,857.	1,848,514.

FORM 990-PF CORPORATE STOCK STATEMENT 7

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
100 SH MARATHON OIL CORP UNSUBORDINATED 6%	55,125.	69,811.
144.855 SH WALMART STORES INC	6,023.	8,665.
150 SH INTEL CORPORATION	6,287.	3,665.
150 SH NOKIA CORP SPONSOR ADR	6,287.	726.
180 SH MICROSOFT CORPORATION	6,269.	4,683.
1,894 SH ISHARES BARCLAYS TIPS BOND FUND	187,430.	221,011.
200 SH ALCOA INC SR. UNSECURED 5.72%	19,331.	20,693.
200 SH MCDONALDS CORPORATION	6,750.	20,088.
200 SH WALT DISNEY COMPANY	6,362.	7,516.

272 SH BB&T	6,642.	6,854.
3,835 SH POWERSHARES DB COMMODITY INDEX TRACKING FUND	62,628.	71,609.
30,000 SH DETROIT EDISON CO SER G	29,958.	36,154.
40,000 SH AT&T BROADBAND CORP NOTE 8.375%	45,710.	43,500.
40,000 SH GENERAL ELECTRIC CO. NOTE 5%	39,219.	41,684.
500 SH KING PHARMACEUTICALS	0.	0.
500 SH UNITED TECHNOLOGIES CORP 6.125%	29,951.	37,070.
55,000 SH MARATHON OIL COPR BOND 6.8%	0.	0.
ALCOA INC SR UNSECURED 6%	59,811.	63,833.
AMEREN ILLINOIS COMPANY	37,643.	39,473.
AMERICAN EXPRESS NOTE 4.875	31,105.	31,372.
BANK OF NEW YORK MELLON SER MTN 4.95%	0.	0.
BANK ONE CORP SUB DEBENTURE NOTE 8%	30,884.	29,560.
BLACKROCK INC SER 2 5%	30,007.	32,739.
BP CAPITAL MARKETS PLC 5.25%	30,230.	32,177.
CAMPBELL SOUP CO 3.05%	0.	0.
CATERPILLAR 1.55% 12/20/2013	49,968.	50,679.
COMCAST CORP 5.7%	24,941.	29,002.
CREDIT SUISSE COMM RET ST FUND	36,836.	42,924.
CSX CORP DEBENTURE 7.9%	31,476.	37,370.
ELECTRONIC DATA SYSTEMS 7.45%	37,473.	37,389.
EXELON GENERATION CO LLC SR NOTE 6.2	27,098.	28,709.
FLORIDA POWER CORP 1ST MTG 6.35%	33,163.	40,285.
GENERAL ELECTRIC CAPITAL 5.625%	0.	0.
GENERAL MILLS INC 5.65%	44,961.	53,401.
GMAC LLC	39,990.	32,132.
GOLDMAN SACHS GROUP 3.7%	50,469.	48,985.
HARTFORD FINL SVCS 6.3%	21,055.	21,061.
HONEYWELL INTERNATIONAL 5.0%	44,385.	52,375.
ISHARES MSCI EAFE GROWTH INDEX FUND	599,066.	526,965.
ISHARES MSCI EAFE SMALL CAP INDEX FUND	0.	0.
ISHARES MSCI EAFE VALUE INX	427,554.	360,986.
ISHARES S&P 500 GROWTH INDEX FUND	587,701.	810,846.
ISHARES S&P 500 VALUE INDEX FUND	639,684.	729,583.
ISHARES S&P SMALL CAP 600 GROWTH INDEX FUND	87,667.	127,493.
ISHARES S&P SMALL CAP 600 VALUE INDEX FUND	63,023.	104,640.
ISHARES TRUST COHEN & STEERS REALTY MAJORS INDEX FUND	99,018.	180,395.
JOHN DEERE CAPITAL CORP SER MTN 4.9%	24,946.	26,672.
JPMORGAN CHASE & CO 4.65	29,938.	31,677.
KINDER MORGAN ENER PART 7.125	0.	0.
L-3 COMMUNICATIONS CORP 4.75%	25,053.	24,701.
LEHMAN BR HLD CAP TR VI SER N	69,987.	141.
LEHMAN BRO HLD CP TR III PFD SECS SER K	99,988.	116.
METLIFE INC NOTE 5.0	23,753.	27,235.
NBC UNIVERSAL SER 144 A DTD	30,240.	31,664.
PECO ENERGY CO 1ST REF MORTGAGE 4.75%	0.	0.
PFIZER INC 5.35	24,969.	28,280.
PIMCO HIGH YIELD FUND	841,581.	846,732.
PRUDENTIAL FINANCIAL INC SER MTN DTD 3.875% 1/14/2015	75,457.	77,682.
SIMON PROPERTY GROUP LP 5.75	0.	0.
SUNOCO INC 9.625	34,125.	33,637.

TOTAL CAPITAL SA 6/24/2010 3%	0.	0.
TRANSOCEAN INC 5.25%	0.	0.
UIL HOLDINGS CORPORATION 4.625%	24,725.	25,912.
VANGUARD EMERGING MARKETS ETF	273,020.	393,104.
VANGUARD HIGH YEILD CORP ADM	114,576.	143,647.
VERIZON NJ INC DEBENTURE SER A 5.875	0.	0.
VIACOM INC 8/26/2009 4.375%	26,990.	26,781.
WELLS FARGO FINANCIAL NOTE 5.5%	52,465.	51,290.
WESTPAC BANKING CORP 4.875%	0.	0.
CHEVRON CORP COMMON	30,140.	33,303.
CONOCOPHILLIPS COMMON	10,105.	10,785.
ENBRIDGE INC	20,538.	25,551.
SPECTRA ENERGY CORP	20,500.	23,924.
TOTAL SA SPONSORED ADR	13,850.	12,982.
ALTRIA GROUP INC COMMON	13,010.	15,240.
COCA-COLA COMPANY COMMON	17,282.	18,612.
HEINZ HJ COMPANY COMMON	15,751.	16,969.
KRAFT FOODS INC CL A COMMON	24,147.	27,758.
PHILIP MORRIS INTERNATIONAL INC	15,594.	20,169.
SUPERVALU INC COMMON	7,043.	7,487.
SYSCO CORP COMMON	10,621.	10,764.
UNILEVER PLC SPONSORED ADR NEW	23,150.	24,704.
BRISTOL-MYERS SQUIBB CO COMMON	16,713.	20,968.
JOHNSON & JOHNSON COMMON	22,186.	23,215.
LILLY ELI & COMPANY COMMON	23,376.	27,097.
MERCK & CO	23,494.	25,862.
MATTEL COMMON	16,217.	17,600.
VF CORP COMMON	12,704.	16,001.
BOEING COMPANY COMMON	21,460.	22,665.
CATERPILLAR COMMON	13,882.	13,228.
UNITED PARCEL SERVICE INC CLASS B COMMON	12,790.	13,101.
WASTE MANAGEMENT INC DEL COMMON	15,589.	14,589.
INTEL CORP COMMON	12,542.	13,677.
MICROCHIP TECHNOLOGY INC COMMON	13,275.	13,260.
PAYCHEX COMMON	14,573.	14,122.
TAIWAN SEMICONDUCTOR MANUFACTURING COMPANY LTD SPONSORED ADR	7,511.	7,178.
E I DUPONT DE NEMOURS & CO COMMON	27,540.	25,820.
PPG INDUSTRIES COMMON	8,373.	8,349.
PACKAGING CORP OF AMERICA INC COMMON	7,039.	6,461.
RPM INTERNATIONAL INC COMMON	24,153.	26,072.
SONOCO PRODUCTS COMPANY COMMON	12,897.	12,558.
SOUTHERN COPPER CORP COMMON	13,883.	11,981.
ONEBEACON INSURANCE GROUP LTD	12,216.	13,143.
AMERICAN CAMPUS COMMUNITIES INC	15,993.	19,679.
EQUITY RESIDENTIAL SHS BEN INT	16,858.	18,193.
GALLAHER ARTHUR J & CO COMMON	17,789.	20,064.
GLACIER BANCORP INC COMMON	8,290.	7,254.
JPMORGAN CHASE & COMPANY COMMON	24,703.	20,582.
MORGAN STANLEY COMMON	6,783.	4,615.
NEW YORK COMMUNITY BANCORP INC COMMON	23,555.	18,209.
PEOPLES UNITED FINANCIAL, INC.	17,482.	16,679.
CENTURY LINK INC	31,325.	28,904.
VERIZON COMMUNICATIONS COMMON	16,962.	19,217.

DOMINION RESOURCES INC VA COMMON	8,195.	9,448.
NEXTERA ENERGY INC	8,779.	9,741.
SOUTHERN COMPANY COMMON	27,359.	31,431.
WESTAR ENERGY INC COMMON	8,386.	9,152.
HARBOR FUND INTERNATIONAL FUND	195,000.	195,522.
VANGUARD FIXED INCOME SECS FUND	272,984.	269,442.
TELEFONICO EMISIONES SAU	30,237.	29,274.
AGILENT TECHNOLOGIES	25,213.	25,236.
MORGAN STANLEY SER	30,101.	27,613.
CITIGROUP INC DTD 3/7/2007 3/7/2014	14,454.	14,019.
MERRILL LYNCH & CO NOTE	54,250.	49,579.
DIRECTV HOLDINGS	26,872.	27,004.
VERIZON COMMUNICATIONS DTD 11/3/2011 1.25 % 11/3/2014	15,025.	15,074.
TRANSOCEAN INC DTD 9/21/10 4.95%	26,717.	25,529.
MCKESSON CORP	25,078.	26,458.
BP CAPITAL MARKETS PLC DTD 3/11/2011 3.2% 3/11/2016	19,982.	20,960.
BB & T CORPORATION SER 3/7/11	30,221.	31,273.
ALLERGAN INC DTD 10/1/06 5.75%	16,951.	17,364.
AT & T INC DTD 4/29/2011 2.95% 5/15/2016	14,973.	15,632.
HEWLETT PACKARD CO DTD 5/31/2011 2.65%	40,997.	39,690.
WHIRLPOOL CORP	27,918.	27,270.
HEALTH CARE PROP HCP NOTE	54,876.	54,859.
TEVA PHARMACEUTICAL FIN BV DTD 11/10/2011 2.4% 11/10/2016	15,010.	15,256.
CITIGROUP INC SENIOR NOTE	16,394.	15,965.
PEPSICO INC DTD 5/28/08 5%	54,608.	58,088.
BOSTON PROPERTIES LP DTD 11/10/2011 3.7%	4,988.	5,105.
CLIFFS NATURAL RESOURCES DTD 3/23/2011 4.875% 4/1/2021	19,932.	19,928.
JPMORGAN CHASE & CO DTD 5/10/2011 4.625%	9,989.	10,347.
COCA COLA ENTERPRISES	24,562.	25,256.
ENCANA CORP	78,882.	88,902.
WALT DISNEY COMPANY DTD 12/2/11 4.125%	24,707.	25,790.
TOTAL TO FORM 990-PF, PART II, LINE 10B	7,408,517.	7,912,172.

FORM 990-PF | LIST OF SUBSTANTIAL CONTRIBUTORS PART VII-A, LINE 10 | STATEMENT 8

NAME OF CONTRIBUTOR	ADDRESS
GAYNELL FOWLER	P.O. 1179 GRUNDY, VA 24614

FORM 990-PF | PART VIII - LIST OF OFFICERS, DIRECTORS TRUSTEES AND FOUNDATION MANAGERS | STATEMENT 9

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN-SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
DAWNEDA WILLIAMS P.O. BOX 1179 GRUNDY, VA 24614	DIRECTOR 1.00	24,000.	0.	0.
GAYNELL FOWLER P.O. BOX 1179 GRUNDY, VA 24614	PRESIDENT/DIRECTOR 5.00	0.	0.	0.
H.A. STREET MAIN STREET NAPLES, FL 33940	DIRECTOR 1.00	0.	0.	0.
S.T.MULLINS P.O. BOX 1179 GRUNDY, VA 24614	DIRECTOR 1.00	0.	0.	0.
DAN STREET P.O. BOX 1179 GRUNDY, VA 24614	DIRECTOR 1.00	0.	0.	0.
PAMELA FOWLER P.O. BOX 1179 GRUNDY, VA 24614	DIRECTOR 1.00	0.	0.	0.
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		24,000.	0.	0.