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

2011

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

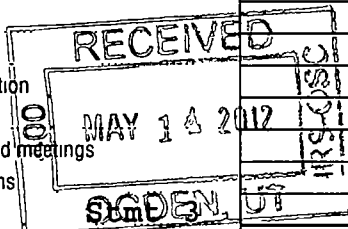
For calendar year 2011 or tax year beginning

, and ending

Name of foundation D.F. HALTON FOUNDATION, INC.		A Employer identification number 56-1591985
Number and street (or P O box number if mail is not delivered to street address) PO BOX 834, 1718 Ophir Rd.	Room/suite	B Telephone number 970-728-6864
City or town, state, and ZIP code OPHIR, CO 81426		C If exemption application is pending, check here ☐
G Check all that apply: ☐ Initial return ☐ Final return ☐ Address change ☐ Initial return of a former public charity ☐ Amended return ☐ 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: ☒ 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) \$ 1,110,009. (Part I, column (d) must be on cash basis.)	J Accounting method: ☒ Cash ☐ Accrual ☐ Other (specify) _____	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)
1 Contributions, gifts, grants, etc., received		1,000,000.		N/A	
2 Check ☐ If the foundation is not required to attach Sch B					
3 Interest on savings and temporary cash investments		26.	26.		Statement 1
4 Dividends and interest from securities					
5a Gross rents					
b Net rental income or (loss)					
6a Net gain or (loss) from sale of assets not on line 10					
b Gross sales price for all assets on line 6a					
7 Capital gain net income (from Part IV, line 2)			0.		
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		1,000,026.	26.		
13 Compensation of officers, directors, trustees, etc		0.	0.		0.
14 Other employee salaries and wages					
15 Pension plans, employee benefits					
16a Legal fees Stmt 2		705.	0.		0.
b Accounting fees					
c Other professional fees					
17 Interest					
18 Taxes					
19 Depreciation and depletion					
20 Occupancy					
21 Travel, conferences, and meetings					
22 Printing and publications					
23 Other expenses		87.	0.		0.
24 Total operating and administrative expenses. Add lines 13 through 23		792.	0.		0.
25 Contributions, gifts, grants paid		969,463.			969,463.
26 Total expenses and disbursements. Add lines 24 and 25		970,255.	0.		969,463.
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements		29,771.			
b Net investment income (if negative, enter -0-)			26.		
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			1,054,019.	1,083,765.	1,083,765.
	2 Savings and temporary cash investments			26,219.	26,244.	26,244.
	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					
	10a Investments - U.S. and state government obligations					
	b Investments - corporate stock					
	c Investments - corporate bonds					
Liabilities	11 Investments - land, buildings, and equipment basis ▶					
	Less: accumulated depreciation ▶					
	12 Investments - mortgage loans					
	13 Investments - other					
	14 Land, buildings, and equipment: basis ▶					
	Less: accumulated depreciation ▶					
	15 Other assets (describe ▶)					
	16 Total assets (to be completed by all filers)			1,080,238.	1,110,009.	1,110,009.
	17 Accounts payable and accrued expenses					
	18 Grants payable					
Net Assets or Fund Balances	19 Deferred revenue					
	20 Loans from officers, directors, trustees, and other disqualified persons					
	21 Mortgages and other notes payable					
	22 Other liabilities (describe ▶)					
	23 Total liabilities (add lines 17 through 22)			0.	0.	
	Foundations that follow SFAS 117, check here ▶ ☒ and complete lines 24 through 26 and lines 30 and 31.					
	24 Unrestricted			1,080,238.	1,110,009.	
	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, bldg., and equipment fund					
	29 Retained earnings, accumulated income, endowment, or other funds					
	30 Total net assets or fund balances			1,080,238.	1,110,009.	
	31 Total liabilities and net assets/fund balances			1,080,238.	1,110,009.	

Part III Analysis of Changes in Net Assets or Fund Balances

1 Total net assets or fund balances at beginning of year - Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	1,080,238.
2 Enter amount from Part I, line 27a	2	29,771.
3 Other increases not included in line 2 (itemize) ▶	3	0.
4 Add lines 1, 2, and 3	4	1,110,009.
5 Decreases not included in line 2 (itemize) ▶	5	0.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	1,110,009.

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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			
b	NONE		
c			
d			
e			

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

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	
a			
b			
c			
d			
e			

2 Capital gain net income or (net capital loss)	{ If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }	2	
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	

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	1,044,773.	540,875.	1.931635
2009	1,419,850.	490,684.	2.893614
2008	1,118,350.	842,410.	1.327560
2007	666,298.	1,045,180.	.637496
2006	931,800.	672,957.	1.384635

2 Total of line 1, column (d)	2	8.174940
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	1.634988
4 Enter the net value of noncharitable-use assets for 2011 from Part X, line 5	4	481,103.
5 Multiply line 4 by line 3	5	786,598.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	0.
7 Add lines 5 and 6	7	786,598.
8 Enter qualifying distributions from Part XII, line 4	8	969,463.

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 ☒ and enter 1% of Part I, line 27b		1	0.
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	0.
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	0.
6 Credits/Payments:			
a 2011 estimated tax payments and 2010 overpayment credited to 2011	6a		
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		0.
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		0.
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10		
11 Enter the amount of line 10 to be: Credited to 2012 estimated tax ☐ Refunded ☒	11		

Part VII-A Statements Regarding Activities

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for definition)? If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. ☒ \$ 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.		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T.		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col. (c), and Part XV.	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) ☒ NC		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2011 or the taxable year beginning in 2011 (see instructions for Part XIV)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X

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Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		X
12	Did the foundation 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? Website address ► <u>N/A</u>	13	X	
14	The books are in care of ► <u>BARKSDALE F HALTON</u> Telephone no. ► <u>704-372-2541</u> Located at ► <u>CHARLOTTE, NC</u> ZIP+4 ► <u>28211</u>			
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 <u>N/A</u>			
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? See the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country ►	16	Yes	No
				X

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

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

		Yes	No
1a	During the year did the foundation (either directly or indirectly):		
(1)	Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ 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)? Organizations relying on a current notice regarding disaster assistance check here <u>N/A</u> ► ☐	1b	
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.) <u>N/A</u>	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) <u>N/A</u>	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

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

5a During the year did the foundation pay or incur any amount to:

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?

☐ Yes ☒ No

(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive?

☐ Yes ☒ No

(3) Provide a grant to an individual for travel, study, or other similar purposes?

☐ Yes ☒ No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)?

☐ Yes ☒ No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?

☐ Yes ☒ No

b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?

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

6b

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

If "Yes" to 6b, file Form 8870.

X

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
BARKSDALE F HALTON	PRESIDENT			
3120 LATROBE DR, #270				
CHARLOTTE, NC 28211	0.50	0.	0.	0.
DARRELL HOLLAND	SECRETARY/TREASURER			
3120 LATROBE DR, #270				
CHARLOTTE, NC 28211	0.50	0.	0.	0.
FRED A. WAGNER III	VICE PRESIDENT			
3120 LATROBE DR, #270				
CHARLOTTE, NC 28211	0.50	0.	0.	0.

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

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

Total number of other employees paid over \$50,000

0

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Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)**3** Five highest-paid independent contractors for professional services. If none, enter "NONE."

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		

Total number of others receiving over \$50,000 for professional services

0

Part IX-A Summary of Direct Charitable Activities

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

	Expenses
1 N/A	
2	
3	
4	

Part IX-B Summary of Program-Related Investments

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

	Amount
1 N/A	
2	
All other program-related investments. See instructions.	
3	

Total. Add lines 1 through 3

0.

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	0.
b	Average of monthly cash balances	1b	488,429.
c	Fair market value of all other assets	1c	
d	Total (add lines 1a, b, and c)	1d	488,429.
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	488,429.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	7,326.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	481,103.
6	Minimum investment return. Enter 5% of line 5	6	24,055.

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	24,055.
2a	Tax on investment income for 2011 from Part VI, line 5	2a	
b	Income tax for 2011. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	0.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	24,055.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	24,055.
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	24,055.

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	969,463.
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	969,463.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	5	0.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	969,463.

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

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Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2010	(c) 2010	(d) 2011
1 Distributable amount for 2011 from Part XI, line 7				24,055.
2 Undistributed income, if any, as of the end of 2011				
a Enter amount for 2010 only			0.	
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2011:				
a From 2006	898,159.			
b From 2007	614,046.			
c From 2008	1,076,232.			
d From 2009	1,395,316.			
e From 2010	1,017,729.			
f Total of lines 3a through e	5,001,482.			
4 Qualifying distributions for 2011 from Part XII, line 4: ▶ \$	969,463.			
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				24,055.
e Remaining amount distributed out of corpus	945,408.			
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	5,946,890.			
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				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2006 not applied on line 5 or line 7	898,159.			
9 Excess distributions carryover to 2012. Subtract lines 7 and 8 from line 6a	5,048,731.			
10 Analysis of line 9:				
a Excess from 2007	614,046.			
b Excess from 2008	1,076,232.			
c Excess from 2009	1,395,316.			
d Excess from 2010	1,017,729.			
e Excess from 2011	945,408.			

Part XV Supplementary Information (continued)**3 Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient	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
Name and address (home or business)				
a Paid during the year				
AGNES SCOTT COLLEGE 141 E. COLLEGE AVE DECATUR, GA 30030				500.
AMERICAN CANCER SOCIETY 6000 FAIRVIEW ROAD #200 CHARLOTTE, NC 28210				100.
ANGEL BASKETS PO BOX 22000, PMB 180 TELLURIDE, CO 81435				25.
BRUCE IRONS CAMP FUND 601 E. 5TH ST #300 CHARLOTTE, NC 28202				1,000.
CATAWABA LANDS CONSERVATORY 105 WEST MOREHEAD STREET, SUITE B CHARLOTTE, NC 28202				1,000.
Total See continuation sheet(s)			► 3a	969,463.
b Approved for future payment				
INTERNATIONAL MIDWIFE ASSOCIATION PO BOX 2672 EUGENE, OR 97402				100,000.
UNCC ATHLETIC FOUNDATION 340 CATO HALL 9201 UNIVERSITY CITY BLVD CHARLOTTE, NC 28223				500,000.
ST. JOHN'S EPISCOPAL CHURCH 1623 CARMEL ROAD CHARLOTTE, NC 28226				20,000.
Total			► 3b	620,000.

Schedule B(Form 990, 990-EZ,
or 990-PF)Department of the Treasury
Internal Revenue Service**Schedule of Contributors**

▶ Attach to Form 990, Form 990-EZ, or Form 990-PF.

OMB No 1545-0047

2011

Name of the organization

D.F. HALTON FOUNDATION, INC.

Employer identification number

56-1591985

Organization type (check one)

Filers of:

Section:

Form 990 or 990-EZ

☐ 501(c)() (enter number) organization☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation☐ 527 political organization

Form 990-PF

☒ 501(c)(3) exempt private foundation☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation☐ 501(c)(3) taxable private foundationCheck if your organization is covered by the **General Rule** or a **Special Rule**.**Note.** Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.**General Rule**

- ☒ For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II.

Special Rules

- ☐ For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi) and received from any one contributor, during the year, a contribution of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1. Complete Parts I and II
- ☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.
- ☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not total to more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year. ▶ \$ _____

Caution. An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on Part I, line 2 of its Form 990-PF, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990, 990-EZ, or 990-PF. Schedule B (Form 990, 990-EZ, or 990-PF) (2011)

Name of organization

Employer identification number

D.F. HALTON FOUNDATION, INC.**56-1591985****Part I Contributors** (see instructions) Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	BARKSDALE F. HALTON 1530 QUEENS ROAD CHARLOTTE, NC 28207	\$ 1,000,000.	Person ☒ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)
		\$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)

Name of organization

Employer identification number

D.F. HALTON FOUNDATION, INC.**56-1591985****Part II Noncash Property** (see instructions). Use duplicate copies of Part II if additional space is needed.

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	

Name of organization

Employer identification number

D.F. HALTON FOUNDATION, INC.**56-1591985**

Part III Exclusively religious, charitable, etc., individual contributions to section 501(c)(7), (8), or (10) organizations that total more than \$1,000 for the year. Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of exclusively religious, charitable, etc., contributions of \$1,000 or less for the year. (Enter this information once) ▶ \$ _____

Use duplicate copies of Part III if additional space is needed.

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee

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
CHARLOTTE 49ERS ATHLETIC FOUNDATION 9201 UNIVERSITY CITY BLVD CHARLOTTE, NC 28223				503,500.
CHARLOTTE MECKLENBURG LIBRARY 310 N. TRYON STREET CHARLOTTE, NC 28202				500.
DORE ACADEMY 1727 PROVIDENCE ROAD CHARLOTTE, NC 28207				33,333.
FOUNDATION FOR THE CAROLINAS 220 N. TRYON STREET CHARLOTTE, NC 28202				40,000.
FRIENDS OF THE SMITHSONIAN 1100 JEFFERSON DRIVE, SUITE 3150 WASHINGTON, DC 20560				90.
GOOD FRIENDS PO BOX 165, 868 W. BRIDGE STREET MORRISVILLE, PA 19067				1,000.
HISTORIC ROSEDALE 3427 N. TRYON STREET CHARLOTTE, NC 28206				500.
INTERNATIONAL MIDWIFE ASSOCIATION PO BOX 2672 EUGENE, OR 97402				175,000.
MCCOLL CENTER FOR VISUAL ART 721 N. TRYON STREET CHARLOTTE, NC 28202				50.
MITEY RIDERS 455 PROVIDENCE ROAD SOUTH WEDDINGTON, NC 28173				2,000.
Total from continuation sheets				966,838.

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
MUSCULAR DYSTROPHY ASSOCIATION 1515 MOCKINGBIRD LN #701 CHARLOTTE, NC 28209				50.
NATIONAL PARKS CONSERVATION ASSN. 102 ELK CRK GUNNISON, CO 81230				100.
NORTH CAROLINA DANCE THEATER 622 E 28TH ST #113 CHARLOTTE, NC 28205				77,000.
ST. JOHN'S EPISCOPAL CHURCH 1623 CARMEL ROAD CHARLOTTE, NC 28226				20,000.
SWIM MAC CAROLINA 9850 PROVIDENCE ROAD CHARLOTTE, NC 28277				250.
TEACH FOR AMERICA 5855 EXECUTIVE CENTER DRIVE CHARLOTTE, NC 28212				100.
TELLURIDE CHAMBER MUSIC FESTIVAL PO BOX 115 TELLURIDE, CO 81435				300.
TELLURIDE HISTORICAL MUSEUM 201 W GREGORY AVE TELLURIDE, CO 81435				400.
TELLURIDE MOUNTAIN SCHOOL 200 SAN MIGUEL RIVER DR. TELLURIDE, CO 81435				100,000.
TELLURIDE ROTARY FOUNDATION PO BOX 1265 TELLURIDE, CO 81435				2,500.
Total from continuation sheets				

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
TELLURIDE VOLUNTEER FIRE DEPT. PO BOX 1645, 131 W COLUMBIA AVE TELLURIDE, CO 81435				100.
THE CHARLOTTE MUSEUM OF HISTORY 3500 SHAMROCK DRIVE CHARLOTTE, NC 28215				65.
THE COLONNADE SOCIETY (DUKE MANSION) 400 HERMITAGE ROAD CHARLOTTE, NC 28207				2,500.
UNCC LET ME PLAY 9201 UNIVERSITY CITY BLVD CHARLOTTE, NC 28223-0001				1,000.
UNITED FAMILY SERVICES 601 E. 5TH ST #400 CHARLOTTE, NC 28202				5,000.
WDAV 423 N. MAIN STREET DAVIDSON, NC 28036				100.
WFAE 8801 J M KEYNES DR #91 CHARLOTTE, NC 28262				100.
WTVI 3242 COMMONWEALTH AVE CHARLOTTE, NC 28205				100.
WE CARE COMMUNITY SERVICES PO BOX 221033 CHARLOTTE, NC 28222				200.
WING HAVEN 248 RIDGEWOOD AVENUE CHARLOTTE, NC 28209				1,000.
Total from continuation sheets				

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

Source	Amount
WELLS FARGO	26.
Total to Form 990-PF, Part I, line 3, Column A	26.

Form 990-PF Legal Fees Statement 2

Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
PROFESSIONAL FEES - LEGAL	705.	0.		0.
To Fm 990-PF, Pg 1, ln 16a	705.	0.		0.

Form 990-PF Other Expenses Statement 3

Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
BANK SERVICE CHARGE	87.	0.		0.
To Form 990-PF, Pg 1, ln 23	87.	0.		0.

Form 990-PF	Grant Application Submission Information	Statement	4
	Part XV, Lines 2a through 2d		

Name and Address of Person to Whom Applications Should be Submitted

D.F. HALTON FOUNDATION, INC.
PO BOX 834, 1717 FOREST SVC RD 630
OPHIR, CO 81426

Telephone Number

704-372-2541

Form and Content of Applications

NO PRESCRIBED FORM. INCLUDE DESCRIPTION OF ORGANIZATION AND ITS
ACTIVITIES

Any Submission Deadlines

NONE.

Restrictions and Limitations on Awards

NONE.

D. F. HALTON FOUNDATION, INC.
FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2011 AND 2010

D. F. HALTON FOUNDATION, INC.
INDEX TO FINANCIAL STATEMENTS
DECEMBER 31, 2011 AND 2010

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Statements of Activity and Changes in Net Assets	4
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4600 Park Road, Suite 112
Charlotte, NC 28209
704 372-1167
704 377-3259 fax
scharfpera.com

The Board of Directors
D. F. Halton Foundation, Inc.
Charlotte, North Carolina

INDEPENDENT AUDITORS' REPORT

We have audited the accompanying statements of financial position of D. F. Halton Foundation, Inc. as of December 31, 2011 and 2010, and the related statements of activity and changes in net assets, and cash flows for the years then ended. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of D. F. Halton Foundation, Inc. as of December 31, 2011 and 2010, and the results of its activities and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Scharf Pera & Co., PLLC

March 23, 2012
Charlotte, North Carolina

D. F. HALTON FOUNDATION, INC.
STATEMENTS OF FINANCIAL POSITION
YEARS ENDED DECEMBER 31, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
<u>ASSETS</u>		
Unrestricted current assets		
Cash	\$ 1,110,009	\$ 1,080,237
Total unrestricted current assets	<u>1,110,009</u>	<u>1,080,237</u>
	<u>\$ 1,110,009</u>	<u>\$ 1,080,237</u>
 <u>LIABILITIES AND NET ASSETS</u>		
Unrestricted net assets	\$ 1,110,009	\$ 1,080,237
	<u>\$ 1,110,009</u>	<u>\$ 1,080,237</u>

See Notes to Financial Statements
(3)

D. F. HALTON FOUNDATION, INC.
STATEMENTS OF ACTIVITY AND CHANGES IN NET ASSETS
YEARS ENDED DECEMBER 31, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
UNRESTRICTED REVENUE AND SUPPORT		
Donations	\$ 1,000,000	\$ 1,000,000
Interest income and other	<u>26</u>	<u>25</u>
	<u>1,000,026</u>	<u>1,000,025</u>
 UNRESTRICTED EXPENSES		
Contributions	969,463	1,044,773
General and administrative expenses	<u>791</u>	<u>135</u>
	<u>970,254</u>	<u>1,044,908</u>
 INCREASE (DECREASE) IN NET ASSETS	29,772	(44,883)
 UNRESTRICTED NET ASSETS - beginning of year	<u>1,080,237</u>	<u>1,125,120</u>
 UNRESTRICTED NET ASSETS - end of year	<u><u>\$ 1,110,009</u></u>	<u><u>\$ 1,080,237</u></u>

See Notes to Financial Statements

D. F. HALTON FOUNDATION, INC.
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
Cash flow from operating activities:		
Increase (decrease) in net assets	\$ 29,772	\$ (44,883)
Net cash provided by (used in) operating activities	<u>29,772</u>	<u>(44,883)</u>
Net increase (decrease) in cash	29,772	(44,883)
CASH - beginning of year	<u>1,080,237</u>	<u>1,125,120</u>
CASH - end of year	<u>\$ 1,110,009</u>	<u>\$ 1,080,237</u>

D. F. HALTON FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2011 AND 2010

Note 1 - Summary of Significant Accounting Policies:

The Foundation

D. F. Halton Foundation, Inc. (the "Foundation") is a non-profit private foundation organized December 10, 1987. The Foundation was established by Pepsi-Cola Bottling Co. of Charlotte, Inc. and Ms. Barksdale F. Halton, the Chairwoman, to provide monetary support to worthy charitable organizations mostly within Mecklenburg County, Gaston County, Iredell County, Lincoln County, and Cabarrus County, North Carolina. Ms. Barksdale F. Halton provides the monetary support for the foundation, as Pepsi-Cola Bottling Co. of Charlotte, Inc. no longer exists as a bottling company.

Basis of accounting

The financial statements of the Foundation are prepared on the basis of fund accounting as described by the American Institute of Certified Public Accountants. This is a procedure by which resources for various purposes are classified for accounting and reporting purposes into funds that are in accordance with activities or objectives specified.

All support and revenue are considered to be available for unrestricted use unless specifically restricted by the donor. Donations are recorded as revenue when received from Ms. Barksdale F. Halton. At its discretion, the Board of Directors of the Foundation may designate funds for specific purposes. Such Board-designated funds are segregated in unrestricted net assets.

Cash flows

For purposes of the statement of cash flows, the Foundation considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

Related parties

In 2011 and 2010, the Foundation received support from the Foundation's president in the amount of \$1,000,000 and \$1,000,000, respectively.

Fair value of financial instruments

The Foundation's financial instruments consist of cash. The carrying amount of this financial instrument approximates fair value.

The Foundation did not have any outstanding derivative instruments at December 31, 2011 or 2010.

Note 1 - Summary of Significant Accounting Policies (continued):

Subsequent events

The Foundation evaluated all events and transactions through March 23, 2012, the date the financial statements were issued. During this period, no material recognizable or non-recognizable subsequent events occurred.

Use of accounting estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of certain assets and liabilities and disclosures. Accordingly, the actual amounts could differ from those estimates. Any adjustments applied to estimated amounts are recognized in the year in which such adjustments are determined.

Note 2 - Commitments:

The Directors of the Foundation had approved, as of December 31, 2011, grants amounting to \$1,588,000. These commitments are scheduled for payment as follows:

Year ending December 31,	
2012	\$ 898,000
2013	145,000
2014	145,000
2015	100,000
2016	100,000
Thereafter	200,000
	<u>\$ 1,588,000</u>

Note 3 - Income Taxes:

The Foundation is classified as a private foundation, exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code, and has obtained exemption letters from federal and state taxing authorities. Accordingly, no provision for income taxes has been made in these financial statements.