



See a Social Security Number? Say Something!
Report Privacy Problems to <https://public.resource.org/privacy>
Or call the IRS Identity Theft Hotline at 1-800-908-4490



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 01-01-2011 , and ending 12-31-2011

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

Name of foundation
THE CHESTER FOUNDATION

A Employer identification number

57-605681C

Number and street (or P O box number if mail is not delivered to street address) P O BOX 832	Room/suite
---	------------

B Telephone number (see page 10 of the instructions)


(803) 581-9198

City or town, state, and ZIP code
CHESTER, SC 297060832

C If exemption application is pending, check here ☐

D 1. Foreign organizations, check here ☐

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

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

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

Part I Analysis of Revenue and Expenses

total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see page 11 of the instructions))


(a) Revenue and expenses per book

(b) Net investment income




(c) Adjusted net income

(d) Disbursements for charitable purposes (cash basis only)

Revenue	1	Contributions, gifts, grants, etc., received (attach schedule)	
	2	Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch. B	
	3	Interest on savings and temporary cash investments	
	4	Dividends and interest from securities.	
	5a	Gross rents	
	b	Net rental income or (loss)	-2,939
	6a	Net gain or (loss) from sale of assets not on line 10	
	b	Gross sales price for all assets on line 6a	1,117,657
	7	Capital gain net income (from Part IV, line 2)	
	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) (attach schedule)		
11	Other income (attach schedule)		
12	Total. Add lines 1 through 11		

54,415	54,415	54,415	
514,249	514,249	514,249	
3,300		3,300	
 -15,101			
	2,128		
556,863	570,792	571,964	

Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc	
	14	Other employee salaries and wages	
	15	Pension plans, employee benefits	
	16a	Legal fees (attach schedule)	
	b	Accounting fees (attach schedule)	
	c	Other professional fees (attach schedule)	
	17	Interest	
	18	Taxes (attach schedule) (see page 14 of the instructions)	
	19	Depreciation (attach schedule) and depletion	
	20	Occupancy	
	21	Travel, conferences, and meetings	
	22	Printing and publications	
	23	Other expenses (attach schedule)	
24	Total operating and administrative expenses.		
	Add lines 13 through 23		
25	Contributions, gifts, grants paid		
26	Total expenses and disbursements. Add lines 24 and 25		

	27,286	13,643		13,643
	42,991			
	1,699			
	4,165		4,165	
	53,422		2,074	
	129,563	13,643	6,239	13,643
	1,970,000			1,970,000
	2,099,563	13,643	6,239	1,983,643

27	Subtract line 26 from line 12				
a	Excess of revenue over expenses and disbursements	-1,542,700			
b	Net investment income (if negative, enter -0-)		557,149		
c	Adjusted net income (if negative, enter -0-)			565,725	

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)	Beginning of year	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	151,199	56,557	56,557
	3	Accounts receivable ▶ _____ Less allowance for doubtful accounts ▶ _____			
	4	Pledges receivable ▶ _____ Less allowance for doubtful accounts ▶ _____			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 15 of the instructions)			
	7	Other notes and loans receivable (attach schedule) ▶ _____ 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 (attach schedule)			
	b	Investments—corporate stock (attach schedule)	8,501,019	7,164,843	12,596,733
	c	Investments—corporate bonds (attach schedule).			
	11	Investments—land, buildings, and equipment basis ▶ _____ Less accumulated depreciation (attach schedule) ▶ _____			
	12	Investments—mortgage loans			
	13	Investments—other (attach schedule)			
	14	Land, buildings, and equipment basis ▶ 65,448 Less accumulated depreciation (attach schedule) ▶ 42,628	24,895	22,820	65,000
15	Other assets (describe ▶ _____)	663	663	663	
16	Total assets (to be completed by all filers—see the instructions Also, see page 1, item I)	8,677,776	7,244,883	12,718,953	
Liabilities	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, and other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe ▶ _____)			
	23	Total liabilities (add lines 17 through 22)		0	
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ <input type="checkbox"/> 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 ▶ <input checked="" type="checkbox"/> and complete lines 27 through 31.				
	27	Capital stock, trust principal, or current funds			
	28	Paid-in or capital surplus, or land, bldg , and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds	8,677,776	7,244,883	
	30	Total net assets or fund balances (see page 17 of the instructions)	8,677,776	7,244,883	
	31	Total liabilities and net assets/fund balances (see page 17 of the instructions)	8,677,776	7,244,883	

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	8,677,776
2	Enter amount from Part I, line 27a	2	-1,542,700
3	Other increases not included in line 2 (itemize) ▶ _____	3	109,807
4	Add lines 1, 2, and 3	4	7,244,883
5	Decreases not included in line 2 (itemize) ▶ _____	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	7,244,883

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				
(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			(i) 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	2,128
3	Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see pages 13 and 17 of the instructions) If (loss), enter -0- in Part I, line 8 }		3	

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

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

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

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

1 Enter the appropriate amount in each column for each year, see page 18 of the instructions before making any entries

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2010			
2009			
2008			
2007			
2006			
2 Total of line 1, column (d).			2
3 Average distribution ratio for the 5-year base period—divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years			3
4 Enter the net value of noncharitable-use assets for 2011 from Part X, line 5.			4
5 Multiply line 4 by line 3.			5
6 Enter 1% of net investment income (1% of Part I, line 27b).			6
7 Add lines 5 and 6.			7
8 Enter qualifying distributions from Part XII, line 4.			8

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate See the Part VI instructions on page 18

Part VIExcise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948—see page 18 of the instructions)

1a		Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1				
		Date of ruling or determination letter _____ (attach copy of letter if necessary—see instructions)				
b		Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b		1	11,143	
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		
3		Add lines 1 and 2.		3	11,143	
4		Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)		4		
5		Tax based on investment income. Subtract line 4 from line 3 If zero or less, enter -0-		5	11,143	
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		
8		Enter any penalty for underpayment of estimated tax Check here <input checked="" type="checkbox"/> if Form 2220 is attached		8	230	
9		Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed		9	11,373	
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	0	Refunded	11	

Part VII-AStatements Regarding Activities

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?		Yes	No
		1a		No
b	Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)?			No
	If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.			
c	Did the foundation file Form 1120-POL for this year?	1c		No
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation \$ _____ (2) On foundation managers \$ _____			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers \$ _____			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS?	2		No
	If "Yes," attach a detailed description of the activities.			
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes	3		No
4a	Did the foundation have unrelated business gross income of \$1,000 or more during the year?	4a	Yes	
b	If "Yes," has it filed a tax return on Form 990-T for this year?	4b	Yes	
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year?	5		No
	If "Yes," attach the statement required by General Instruction T.			
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either <ul style="list-style-type: none">By language in the governing instrument, orBy state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	Yes	
7	Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col (c), and Part XV	7	Yes	
8a	Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) SC _____			
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation .	8b	Yes	
9	Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2011 or the taxable year beginning in 2011 (see instructions for Part XIV on page 27)? If "Yes," complete Part XIV	9		No
10	Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	10		No

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 page 20 of the instructions).	11		No
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		No
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address N/A	13	Yes	
14	The books are in care of JOSEPH M MCELWEE JR Telephone no (803) 581-9198 Located at P O BOX 832 CHESTER SC ZIP+4 297060832			
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.			
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?	15		
	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

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? (2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? (3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? (4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? (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)? (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).			
b	If any answer is "Yes" to 1a(1)–(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here.	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		
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? If "Yes," list the years 20 , 20 , 20 , 20			
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement—see page 20 of the instructions).	2b		
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here 20 , 20 , 20 , 20			
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?			
b	If "Yes," did it have excess business holdings in 2011 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969, (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2011.).	3b		No
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		No
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2011?	4b		No

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))?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
	(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
	(3) Provide a grant to an individual for travel, study, or other similar purposes?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
	(4) Provide a grant to an organization other than a charitable, etc , organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see page 22 of the instructions).	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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 page 22 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here.	5b		
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? <i>If "Yes," attach the statement required by Regulations section 53.4945–5(d).</i>			
6a	Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?			
b	Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? <i>If "Yes" to 6b, file Form 8870.</i>	6b		No
7a	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?			
b	If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?	7b		

Part VIII

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

1 List all officers, directors, trustees, foundation managers and their compensation (see page 22 of the instructions).				
(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
See Additional Data Table				
2 Compensation of five highest-paid employees (other than those included on line 1—see page 23 of the instructions). If none, enter "NONE."				
(a) Name and address of each employee paid more than \$50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
NONE				
Total number of other employees paid over \$50,000.				

Part VIII

Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)

3 Five highest-paid independent contractors for professional services (see page 23 of the instructions). If none, enter "NONE".		
(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
Total number of others receiving over \$50,000 for professional services.		

Part IX-A

Summary of Direct Charitable Activities

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

Part IX-B

Summary of Program-Related Investments (see page 23 of the instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 N/A	
2	
All other program-related investments. See page 24 of the instructions.	
3	
Total. Add lines 1 through 3.	

Part X

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc , purposes		
a	Average monthly fair market value of securities.	1a	13,624,840
b	Average of monthly cash balances.	1b	177,043
c	Fair market value of all other assets (see page 24 of the instructions).	1c	23,049
d	Total (add lines 1a, b, and c).	1d	13,824,932
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation).	1e	
2	Acquisition indebtedness applicable to line 1 assets.	2	
3	Subtract line 2 from line 1d.	3	13,824,932
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see page 25 of the instructions).	4	207,374
5	Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4	5	13,617,558
6	Minimum investment return. Enter 5% of line 5.	6	680,878

Part XI

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

1	Minimum investment return from Part X, line 6.	1	680,878
2a	Tax on investment income for 2011 from Part VI, line 5.	2a	11,143
b	Income tax for 2011 (This does not include the tax from Part VI).	2b	
c	Add lines 2a and 2b.	2c	11,143
3	Distributable amount before adjustments Subtract line 2c from line 1.	3	669,735
4	Recoveries of amounts treated as qualifying distributions.	4	
5	Add lines 3 and 4.	5	669,735
6	Deduction from distributable amount (see page 25 of the instructions).	6	
7	Distributable amount as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1.	7	669,735

Part XII

Qualifying Distributions (see page 25 of the instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc , purposes		
a	Expenses, contributions, gifts, etc —total from Part I, column (d), line 26.	1a	1,983,643
b	Program-related investments—total from Part IX-B.	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc , purposes.	2	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required).	3a	
b	Cash distribution test (attach the required schedule).	3b	
4	Qualifying distributions. Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	1,983,643
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b (see page 26 of the instructions).	5	
6	Adjusted qualifying distributions. Subtract line 5 from line 4.	6	1,983,643
Note: The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years			

Part XIII

Undistributed Income (see page 26 of the instructions)

		(a) Corpus	(b) Years prior to 2010	(c) 2010	(d) 2011
1	Distributable amount for 2011 from Part XI, line 7				669,735
2	Undistributed income, if any, as of the end of 2011				
a	Enter amount for 2010 only.			665,770	
b	Total for prior years 2008 , 2009 , 20____		668,416		
3	Excess distributions carryover, if any, to 2011				
a	From 2006.				
b	From 2007.				
c	From 2008. 359,759				
d	From 2009. 308,657				
e	From 2010. 665,770				
f	Total of lines 3a through e.	1,334,186			
4	Qualifying distributions for 2011 from Part XII, line 4 ▶ \$ 1,983,643				
a	Applied to 2010, but not more than line 2a			665,770	
b	Applied to undistributed income of prior years (Election required—see page 26 of the instructions)				
c	Treated as distributions out of corpus (Election required—see page 26 of the instructions). . .				
d	Applied to 2011 distributable amount.				669,735
e	Remaining amount distributed out of corpus	648,138			
5	Excess distributions carryover applied to 2011 (If an amount appears in column (d), the same amount must be shown in column (a).)				
6	Enter the net total of each column as indicated below:				
a	Corpus Add lines 3f, 4c, and 4e Subtract line 5	1,982,324			
b	Prior years' undistributed income Subtract line 4b from line 2b.		668,416		
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.				
d	Subtract line 6c from line 6b Taxable amount—see page 27 of the instructions . . .		668,416		
e	Undistributed income for 2010 Subtract line 4a from line 2a Taxable amount—see page 27 of the instructions				
f	Undistributed income for 2011 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2011.				0
7	Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see page 27 of the instructions).				
8	Excess distributions carryover from 2006 not applied on line 5 or line 7 (see page 27 of the instructions).				
9	Excess distributions carryover to 2012. Subtract lines 7 and 8 from line 6a.	1,982,324			
10	Analysis of line 9				
a	Excess from 2007. . . .				
b	Excess from 2008. . . . 359,759				
c	Excess from 2009. . . . 308,657				
d	Excess from 2010. . . . 665,770				
e	Excess from 2011. . . . 648,138				

Part XIV Private Operating Foundations (see page 27 of the instructions and Part VII-A, question 9)

1a

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

b

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

☐ 4942(j)(3) or ☐ 4942(j)(5)

2a	Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed	Tax year	Prior 3 years			(e) Total
		(a) 2011	(b) 2010	(c) 2009	(d) 2008	
b	85% of line 2a					
c	Qualifying distributions from Part XII, line 4 for each year listed					
d	Amounts included in line 2c not used directly for active conduct of exempt activities					
e	Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c					
3	Complete 3a, b, or c for the alternative test relied upon					
a	"Assets" alternative test—enter					
	(1) Value of all assets					
	(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b	"Endowment" alternative test— enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed. . . .					
c	"Support" alternative test—enter					
	(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
	(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii).					
	(3) Largest amount of support from an exempt organization					
	(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the organization had \$5,000 or more in assets at any time during the year—see page 27 of the instructions.)

1

Information Regarding Foundation Managers:

a

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

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

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 page 28 of the instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d

a

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

JOSEPH M MCELWEE JR
P O BOX 832
CHESTER, SC 297060832
(803) 581-9198

b

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

THE ORGANIZATION ACCEPTS REQUESTS FOR ASSISTANCE FROM 501 (C)3 ORGANIZATIONS, GOVERNMENTAL ORGANIZATIONS AND CHURCHES LOCATED IN OR FOR THE BENEFIT OF CHESTER COUNTY, SC THE ORGANIZATION WILL ALSO ACCEPT REQUESTS FROM EDUCATIONAL ORGANIZATIONS QUALIFYING AS 501(C)3 ORGANIZATIONS, PRIMARILY HIGHER EDUCATIONS, WHERE THE ORGANIZATIONS BENEFIT NEEDY INDIVIDULAS RESIDING IN CHESTER COUNTY, SC, WITH FINANCIAL REQUIREMENTS OF ATTENDING THE ORGANIZATION NO ASSISTANCE CAN BE PROVIDED, HOWEVER, FOR ANY FAMILY MEMBERS OF ANY OFFICERS OR TRUSTEES OF THE FOUNDATION THE TRUSTEES REVIEW REQUESTS AND DETERMINE WHICH ORGANIZATIONS WILL BE SUPPOTED AND AT WHAT LEVEL

c

Any submission deadlines

REQUESTS WII BE CONSIDERED WHEN RECEIVED THERE ARE NO DEADLINES

d

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

NONE, EXCEPT GEOGRAPHIC PARAMETERS SHOWN IN THE APPLICATIONS FORMAT

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 See Additional Data Table				
Total			3a	1,970,000
b Approved for future payment				
Total			3b	

Enter gross amounts unless otherwise indicated		Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See page 28 of the instructions)
		(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1	Program service revenue					
a	_____					
b	_____					
c	_____					
d	_____					
e	_____					
f	_____					
g	Fees and contracts from government agencies					
2	Membership dues and assessments. . . .					
3	Interest on savings and temporary cash investments					54,415
4	Dividends and interest from securities. . . .					514,249
5	Net rental income or (loss) from real estate					
a	Debt-financed property.					
b	Not debt-financed property.	531110	-2,939			
6	Net rental income or (loss) from personal property					
7	Other investment income.					
8	Gain or (loss) from sales of assets other than inventory					-15,101
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). .		-2,939			553,563
13	Total. Add line 12, columns (b), (d), and (e).			13		550,624

[illegible]

Part XVII

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?		Yes	No
a	Transfers from the reporting foundation to a noncharitable exempt organization of			
	(1) Cash.	1a(1)		No
	(2) Other assets.	1a(2)		No
b	Other transactions			
	(1) Sales of assets to a noncharitable exempt organization.	1b(1)		No
	(2) Purchases of assets from a noncharitable exempt organization.	1b(2)		No
	(3) Rental of facilities, equipment, or other assets.	1b(3)		No
	(4) Reimbursement arrangements.	1b(4)		No
	(5) Loans or loan guarantees.	1b(5)		No
	(6) Performance of services or membership or fundraising solicitations.	1b(6)		No
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees.	1c		No

[illegible]

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

b If "Yes," complete the following schedule		
(a) Name of organization	(b) Type of organization	(c) Description of relationship

Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than taxpayer or fiduciary) is based on all information of which preparer has any knowledge				
	*****			2012-05-15	*****
	Signature of officer or trustee			Date	Title
	Paid Preparer's Use Only	Preparer's Signature PIERCE W CANTEY		Date 2012-05-14	Check if self-employed <input checked="" type="checkbox"/>
		Firm's name ▶ CANTEY TILLER PIERCE & GREEN LLP			Firm's EIN ▶
PO BOX 862					
Firm's address ▶ CAMDEN, SC 29021			Phone no (803) 432-1436		

May the IRS discuss this return with the preparer shown above? See instructions ☐ Yes ☒ No






Additional Data

Software ID:
Software Version:
EIN: 57-6056810
Name: THE CHESTER FOUNDATION


Form 990PF - Special Condition Description:

Special Condition Description

Form 990PF Part VIII Line 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
LADSON F STRINGFELLOW 	TRUSTEE 1 50	6,012	0	0
1098 LANCASTER HWY CHESTER, SC 29706				
JOSEPH M MCELWEE 	TRUSTEE 1 00	4,625	0	0
PO BOX 832 CHESTER, SC 29706				
D C WYLIE 	TRUSTEE 1 50	6,012	0	0
882 LANCASTER HWY CHESTER, SC 29706				
ROBERT W MOSER 	TRUSTEE 1 00	4,625	0	0
3 ROUND POND RD GREENVILLE, SC 29607				
DWIGHT W PEARSON 	TRUSTEE 1 50	6,012	0	0
P O BOX 504 6012 CHESTER, SC 29706				

Form 990PF Part XV Line 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 <i>Paid during the year</i>				
CHESTER CO PUB ED109 HINTON STREET CHESTER,SC 29706	NONE		PUBLIC EDUCATION	65,000
UNITED WAY109 GADSDEN STREET CHESTER,SC 29706	NONE		PUBLIC CHARITY	10,000
YORK CO TECH COLLEGE FDNT452 SOUTH ANDERSON RD ROCK HILL,SC 29730	NONE		PUBLIC EDUCATION	400,000
CHESTER CO RESCUE SQD799 BRIARCLIFF CIRCLE CHESTER,SC 29706	NONE		MUNICIPAL ENTITY	10,000
SALVATION ARMY119 S CHARLOTTE AVE ROCK HILL,SC 29731	NONE		PUBLIC CHARITY	8,000
CHESTER CO INDIG MED FD115 REEDY STREET CHESTER,SC 29706	NONE		PUBLIC CHARITY	5,000
PURITY PRESBYTERIAN CH135 WYLIE STREET CHESTER S,SC 29706	NONE		CHURCH	110,000
HOSPICE COMMUNITY CAREPO BOX 993 ROCK HILL,SC 29731	NONE		PUBLIC CHARITY	5,000
CHESTER CO DSS115 REEDY STREET CHESTER,SC 29706	NONE		MUNICIPAL ENTITY	5,000
CHESTER CO 4H109 ELLA STREET CHESTER,SC 29706	NONE		PUBLIC EDUCATION	5,000
BOY SCOUTS OF AMERICA2003 LANCASTER HWY CHESTER,SC 29706	NONE		PUBLIC CHARITY	5,000
GRASPPO BOX 463 GREAT FALLS,SC 29055	NONE		PUBLIC CHARTY	3,000
GREAT FALLS RESCUE SQDPO BOX 371 GREAT FALLS,SC 29055	NONE		MUNICIPAL ENTITY	2,500
YMCA157 COLUMBIA STREET CHESTER,SC 29706	NONE		PUBLIC CHARITY	5,000
RED CROSS139 CADZ STREET CHESTER,SC 29706	NONE		PUBLIC CHARITY	2,000
GREAT FALLS DWNTWN ASSOCPO BOX 215 GREAT FALLS,SC 29055	NONE		MUNICIPAL ENTITY	2,000
FLLWSHP OF CHRSTN ATHLTS8701 LEEDS ROAD KANSAS CITY,MO 64129	NONE		PUBLIC CHARITY	7,500
WINTHROP UNIV FOUNDATION701 OAKLAND AVE ROCK HILL,SC 29733	NONE		PUBLIC EDUCATION	400,000
CLEMSON UNIV FOUNDATIONS PALMETTO BLVD CLEMSON,SC 29634	NONE		PUBLIC EDCUTATION	400,000
CLEMSON UNIVERSITYS PALMETTO BLVD CLEMSON,SC 29634	NONE		PUBLIC EDUCATION	520,000
Total  3a				1,970,000

TY 2011 Compensation Explanation**Name:** THE CHESTER FOUNDATION**EIN:** 57-6056810

Person Name	Explanation
LADSON F STRINGFELLOW	
JOSEPH M MCELWEE	
D C WYLIE	
ROBERT W MOSER	
DWIGHT W PEARSON	

Note: To capture the full content of this document, please select landscape mode (11" x 8.5") when printing.

TY 2011 Depreciation Schedule

Name: THE CHESTER FOUNDATION

EIN: 57-6056810

Description of Property	Date Acquired	Cost or Other Basis	Prior Years' Depreciation	Computation Method	Rate / Life (# of years)	Current Year's Depreciation Expense	Net Investment Income	Adjusted Net Income	Cost of Goods Sold Not Included
RESIDENCE	1991-12-27	55,448	40,553	STRAIGHT LINE	27 5000				

Note: To capture the full content of this document, please select landscape mode (11" x 8.5") when printing.

TY 2011 Gain/Loss from Sale of Other Assets Schedule

Name: THE CHESTER FOUNDATION

EIN: 57-6056810

Name	Date Acquired	How Acquired	Date Sold	Purchaser Name	Gross Sales Price	Basis	Basis Method	Sales Expenses	Total (net)	Accumulated Depreciation
2,021 414 SHS, ISHS BARCLAYS TIPS	2011-01	PURCHASE	2011-06		223,905	216,760			7,145	
228 333 SHS CALAMOS INV TR	2011-01	PURCHASE	2011-11		2,729	2,699			30	
6,799 648 SHS TWEEDY BROWNE FD	2009-07	PURCHASE	2011-05		170,263	193,403			-23,140	
88 207 SHS TWEEDY BROWNE FD	2011-01	PURCHASE	2011-05		2,209	2,101			108	
100M C/D AMEX BANK	2009-11	PURCHASE	2011-06		102,002	100,000			2,002	
22,297 901 SHS CALAMOS INV TR	2009-07	PURCHASE	2011-11		266,460	272,298			-5,838	
76M C/D GE CAP FINL	2009-11	PURCHASE	2011-06		81,924	81,040			884	
88M GE CAP NTS	2008-11	PURCHASE	2011-10		88,000	86,570			1,430	
99M C/D KEYSTONE BANK	2009-11	PURCHASE	2011-06		100,731	101,641			-910	
75M C/D SALLIE MAE BANK	2009-11	PURCHASE	2011-06		77,306	76,246			1,060	

**TY 2011 Investments Corporate
Stock Schedule****Name:** THE CHESTER FOUNDATION**EIN:** 57-6056810

Name of Stock	End of Year Book Value	End of Year Fair Market Value
CHESTER TELEPHONE COMPANY	4,589,478	10,044,528
WACHOVIA/WELLS FARGO BROKERAGE	2,575,365	2,552,205

TY 2011 Land, Etc. Schedule

Name: THE CHESTER FOUNDATION

EIN: 57-6056810

Category / Item	Cost / Other Basis	Accumulated Depreciation	Book Value	End of Year Fair Market Value
RESIDENCE	55,448	42,628	12,820	55,000
RESIDENTIAL LOT	10,000		10,000	10,000

TY 2011 Legal Fees Schedule

Name: THE CHESTER FOUNDATION

EIN: 57-6056810

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
BAUKNIGHT, PIETRAS & STORMER	1,000			
MCDONALD, PATRICK, POSTON, HEMPHI	41,991			

TY 2011 Other Assets Schedule

Name: THE CHESTER FOUNDATION

EIN: 57-6056810

Description	Beginning of Year - Book Value	End of Year - Book Value	End of Year - Fair Market Value
REFUND RECEIVABLE	663	663	663

TY 2011 Other Expenses Schedule**Name:** THE CHESTER FOUNDATION**EIN:** 57-6056810

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
HOUSE AND LOT				
INVESTMENT DEPRECIATION	2,074		2,074	
EXPENSES				
BROKERAGE ACCOUNT FEES	18,501			
TAXES AND RELATED	32,847			

TY 2011 Other Increases Schedule

Name: THE CHESTER FOUNDATION

EIN: 57-6056810

Description	Amount
DIFFERENCE OF FAIR VALUE AND COST OF STOCK DONATED	109,807

TY 2011 Other Professional Fees Schedule

Name: THE CHESTER FOUNDATION

EIN: 57-6056810

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
CLERICAL	1,699			