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: THE LOFTIS FOUNDATION, INC.

A Employer identification number: 58-2110528

Number and street (or P O box number if mail is not delivered to street address): 1202 SEMINOLE CIRCLE

Room/suite:

B Telephone number: 239-561-3795

City or town, state, and ZIP code: MOORE HAVEN, FL 33471

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: ☐ 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)* ▶$ 4,543,315.

J Accounting method: ☒ 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 ▶ ☒ if the foundation is not required to attach Sch B				
	3	Interest on savings and temporary cash investments				
	4	Dividends and interest from securities	142,085.	142,085.		STATEMENT 1
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10	-35,233.			
	b	Gross sales price for all assets on line 6a 677,507.				
	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	106,852.	142,085.		
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc	0.	0.		0.
	14	Other employee salaries and wages				
	15	Pension plans, employee benefits				
	16a	Legal fees				
	b	Accounting fees STMT 2	5,025.	2,512.		0.
	c	Other professional fees STMT 3	13,090.	13,090.		0.
	17	Interest				
	18	Taxes STMT 4	4,138.	1,534.		0.
	19	Depreciation and depletion	4,734.	0.		
	20	Occupancy				
	21	Travel, conferences, and meetings	2,100.	0.		2,100.
	22	Printing and publications				
	23	Other expenses STMT 5	271.	0.		0.
	24	**Total operating and administrative expenses.** Add lines 13 through 23	29,358.	17,136.		2,100.
	25	Contributions, gifts, grants paid	109,626.			109,626.
	26	**Total expenses and disbursements.** Add lines 24 and 25	138,984.	17,136.		111,726.
	27	Subtract line 26 from line 12:				
	a	Excess of revenue over expenses and disbursements	-32,132.			
	b	**Net investment income** (if negative, enter -0-)		124,949.		
	c	**Adjusted net income** (if negative, enter -0-)			N/A	

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12-05-11 LHA For Paperwork Reduction Act Notice, see instructions.

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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		513,234.	289,955.	289,955.
	2	Savings and temporary cash investments				
	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 ▶	255,962.			
		Less: allowance for doubtful accounts ▶	0.	443,446.	255,962.	255,962.
	8	Inventories for sale or use				
	9	Prepaid expenses and deferred charges				
	10a	Investments - U.S. and state government obligations				
	b	Investments - corporate stock	STMT 6	1,621,582.	1,729,546.	1,856,525.
	c	Investments - corporate bonds	STMT 7	1,177,849.	1,292,321.	1,294,659.
	11	Investments - land, buildings, and equipment: basis ▶				
		Less accumulated depreciation ▶				
	12	Investments - mortgage loans				
	13	Investments - other				
	14	Land, buildings, and equipment: basis ▶	434,160.			
		Less accumulated depreciation STMT 8 ▶	25,068.	413,826.	409,092.	409,092.
	15	Other assets (describe ▶ WIP- RETREAT CENTER)		277,135.	437,122.	437,122.
	16	**Total assets** (to be completed by all filers)		4,447,072.	4,413,998.	4,543,315.
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 ▶ WORSHIP OFFERINGS)		1,305.	363.	
	23	**Total liabilities** (add lines 17 through 22)		1,305.	363.	
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 ▶ ☒ **and complete lines 27 through 31.**				
	27	Capital stock, trust principal, or current funds		2,500.	2,500.	
	28	Paid-in or capital surplus, or land, bldg., and equipment fund		0.	0.	
	29	Retained earnings, accumulated income, endowment, or other funds		4,443,267.	4,411,135.	
	30	**Total net assets or fund balances**		4,445,767.	4,413,635.	
	31	**Total liabilities and net assets/fund balances**		4,447,072.	4,413,998.	

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	4,445,767.
2	Enter amount from Part I, line 27a	2	-32,132.
3	Other increases not included in line 2 (itemize) ▶	3	0.
4	Add lines 1, 2, and 3	4	4,413,635.
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	4,413,635.

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	NORTHERN TRUST 01427 - SEE ATTACHED	P		
b	NORTHERN TRUST 01427 - SEE ATTACHED	P		
c	NORTHERN TRUST 56521 - SEE ATTACHED	P		
d	CAPITAL GAINS DIVIDENDS			
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	37,162.		50,030.	-12,868.
b	157,530.		160,975.	-3,445.
c	482,412.		501,735.	-19,323.
d	403.			403.
e				

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				-12,868.
b				-3,445.
c				-19,323.
d				403.
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 -35,233.

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	146,777.	3,187,137.	.046053
2009	101,243.	2,884,635.	.035097
2008	154,745.	3,536,525.	.043756
2007	181,832.	4,364,539.	.041661
2006	150,900.	3,900,797.	.038684

2	Total of line 1, column (d)	2	.205251
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	.041050
4	Enter the net value of noncharitable-use assets for 2011 from Part X, line 5	4	3,588,680.
5	Multiply line 4 by line 3	5	147,315.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	1,249.
7	Add lines 5 and 6	7	148,564.
8	Enter qualifying distributions from Part XII, line 4	8	111,726.

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	2,499.
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	2,499.
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	2,499.
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	30.
9 **Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶			9	2,529.
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?	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) ▶ FL			
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by *General Instruction G? If "No," attach explanation*	8b	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2011 or the taxable year beginning in 2011 (see instructions for Part XIV)? *If "Yes," complete Part XIV*	9		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	10		X

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

			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 ▶ ROBERT W. LOFTIS Telephone no. ▶863-983-8070

Located at ▶1682 INDIAN HILLS DRIVE, MOORE HAVEN, FL ZIP+4 ▶33471

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

			Yes	No
16	At any time during calendar year 2011, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?	16		X
	See the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country ▶			

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

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

				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
ROBERT W. LOFTIS 1682 INDIAN HILLS DRIVE MOORE HAVEN, FL 33471	PRESIDENT 0.00	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	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	3,313,626.
b	Average of monthly cash balances		1b	329,704.
c	Fair market value of all other assets		1c	
d	Total (add lines 1a, b, and c)		1d	3,643,330.
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	3,643,330.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)		4	54,650.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4		5	3,588,680.
6	**Minimum investment return.** Enter 5% of line 5		6	179,434.

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	179,434.
2a	Tax on investment income for 2011 from Part VI, line 5	2a 2,499.		
b	Income tax for 2011. (This does not include the tax from Part VI.)	2b		
c	Add lines 2a and 2b		2c	2,499.
3	Distributable amount before adjustments. Subtract line 2c from line 1		3	176,935.
4	Recoveries of amounts treated as qualifying distributions		4	0.
5	Add lines 3 and 4		5	176,935.
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	176,935.

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	111,726.
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	111,726.
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	111,726.

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					176,935.
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					
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: ▶ $ 111,726.					
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					111,726.
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					65,209.
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).)

NONE

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest.

NONE

2 **Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:**

Check here ▶ ☒ if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

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

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

c Any submission deadlines:

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

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				
CHRISTIAN CONTENDER MINISTRIES 6540 GLORYVILLE ROAD FREEDOM, IN 47431	NONE	501(C)(3)	EXEMPT PURPOSE	10,326.
FIRST CHRISTIAN CHURCH 2061 MCGREGOR BOULEVARD FORT MYERS, FL 33901	NONE	501(C)(3)	EXEMPT PURPOSE	6,800.
GATEWAY CHRISTIAN CHURCH 422 B STREET ST. ALBANS, WV 25177	NONE	501(C)(3)	EXEMPT PURPOSE	6,500.
WHITE FIELDS OVERSEAS EVANGELISM P.O. BOX 1089 JOPLIN, MO 64802	NONE	501(C)(3)	EXEMPT PURPOSE	40,000.
CAMPUS CHRISTIAN FELLOWSHIP 1010 SOUTH HALLIBURTON STREET KIRKSVILLE, MO 63501	NONE	501(C)(3)	EXEMPT PURPOSE	5,000.
Total SEE CONTINUATION SHEET(S)			▶ 3a	109,626.
b Approved for future payment NONE				
Total			▶ 3b	0.

Form **990-PF** (2011)

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income
	(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					
4 Dividends and interest from securities			14	142,085.	
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			14	403.	-35,636.
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.		142,488.	-35,636.

13 Total Add line 12, columns (b), (d), and (e) 13 106,852.

(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).
4	INTEREST AND DIVIDENDS FROM ORDINARY AND ROUTINE INVESTMENTS
8	INTEREST AND DIVIDENDS FROM ORDINARY AND ROUTINE INVESTMENTS

Part XVII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations

			Yes	No
1	Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?			
a	Transfers from the reporting foundation to a noncharitable exempt organization of:			
	(1) Cash	1a(1)		X
	(2) Other assets	1a(2)		X
b	Other transactions:			
	(1) Sales of assets to a noncharitable exempt organization	1b(1)		X
	(2) Purchases of assets from a noncharitable exempt organization	1b(2)		X
	(3) Rental of facilities, equipment, or other assets	1b(3)		X
	(4) Reimbursement arrangements	1b(4)		X
	(5) Loans or loan guarantees	1b(5)		X
	(6) Performance of services or membership or fundraising solicitations	1b(6)		X
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c		X

d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.

(a) Line no	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements
		N/A	

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

b If "Yes," complete the following schedule.

(a) Name of organization	(b) Type of organization	(c) Description of relationship
N/A		

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge

Signature of officer or trustee

Date

Title: PRESIDENT

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
STEVEN R. WHITLEY		4/25/12		P00158375

Firm's name ▶ WILTSHIRE WHITLEY RICHARDSON ENGLISH PA

Firm's EIN ▶ 65-0129793

Firm's address ▶ 5249 SUMMERLIN COMMONS BLVD, SUITE 100
FORT MYERS, FL 33907

Phone no. (239)334-9191

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
CENTRAL CHURCH OF CHRIST 5016 KERN COURT LABELLE, FL 33935	NONE	501(C)(3)	EXEMPT PURPOSE	1,000.
REASONS TO BELIEVE P.O. BOX 5978 PASADENA, CA 91117	NONE	501(C)(3)	EXEMPT PURPOSE	40,000.
Total from continuation sheets				41,000.

2011 DEPRECIATION AND AMORTIZATION REPORT

FORM 990-PF PAGE 1 990-PF

Asset No	Description	Date Acquired	Method	Life	C o n v	Line No	Unadjusted Cost Or Basis	Bus % Excl	Section 179 Expense	* Reduction In Basis	Basis For Depreciation	Beginning Accumulated Depreciation	Current Sec 179 Expense	Current Year Deduction	Ending Accumulated Depreciation
1	DOUBLEWIDE	03/15/07	SL	27.50	MM	17	50,000.				50,000.	6,893.		1,818.	8,711.
2	DOUBLEWIDE- IMPROVEMENTS	06/30/07	150DB	15.00	HY	17	9,184.				9,184.	2,824.		636.	3,460.
3	DOUBLEWIDE- CAPITALZIED COSTS	06/30/07	SL	27.50	MM	17	8,760.				8,760.	1,130.		319.	1,449.
4	LAND	03/15/07	L				350,000.				350,000.			0.	
5	BUCKET TRUCK	01/31/08	200DB	7.00	HY	17	4,763.				4,763.	2,680.		595.	3,275.
6	UTILITY BED	03/20/08	200DB	7.00	HY	17	800.				800.	450.		100.	550.
7	JOHN DEERE 757 25HP	06/30/08	200DB	7.00	HY	17	7,500.				7,500.	4,220.		937.	5,157.
8	DOUBLEWIDE- FLOORING IMPROVEMENTS	10/01/09	200DB	7.00	MQ	17	1,979.			990.	989.	308.		195.	503.
9	PRINTER	10/29/09	200DB	5.00	MQ	17	236.			118.	118.	51.		27.	78.
10	DELL COMPUTER	10/29/09	200DB	5.00	MQ	17	938.			469.	469.	201.		107.	308.
	* TOTAL 990-PF PG 1 DEPR						434,160.			1,577.	432,583.	18,757.		4,734.	23,491.

128111
05-01-11

(D) - Asset disposed

* ITC, Salvage, Bonus, Commercial Revitalization Deduction, GO Zone

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 1

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
INTEREST	51,808.	0.	51,808.
ORDINARY DIVIDENDS	90,680.	403.	90,277.
TOTAL TO FM 990-PF, PART I, LN 4	142,488.	403.	142,085.

FORM 990-PF ACCOUNTING FEES STATEMENT 2

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES	5,025.	2,512.		0.
TO FORM 990-PF, PG 1, LN 16B	5,025.	2,512.		0.

FORM 990-PF OTHER PROFESSIONAL FEES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INVESTMENT FEES- NORTHERN TRUST	13,090.	13,090.		0.
TO FORM 990-PF, PG 1, LN 16C	13,090.	13,090.		0.

FORM 990-PF TAXES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
TAXES	2,604.	0.		0.
FOREIGN TAXES	1,534.	1,534.		0.
TO FORM 990-PF, PG 1, LN 18	4,138.	1,534.		0.

FORM 990-PF OTHER EXPENSES STATEMENT 5

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
OFFICE EXPENSE	96.	0.		0.
BANK CHARGES	175.	0.		0.
TO FORM 990-PF, PG 1, LN 23	271.	0.		0.

FORM 990-PF CORPORATE STOCK STATEMENT 6

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
EQUITIES- SEE ATTACHED	1,729,546.	1,856,525.
TOTAL TO FORM 990-PF, PART II, LINE 10B	1,729,546.	1,856,525.

FORM 990-PF CORPORATE BONDS STATEMENT 7

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
BONDS- SEE ATTACHED	1,292,321.	1,294,659.
TOTAL TO FORM 990-PF, PART II, LINE 10C	1,292,321.	1,294,659.

FORM 990-PF DEPRECIATION OF ASSETS NOT HELD FOR INVESTMENT STATEMENT 8

DESCRIPTION	COST OR OTHER BASIS	ACCUMULATED DEPRECIATION	BOOK VALUE
DOUBLEWIDE	50,000.	8,711.	41,289.
DOUBLEWIDE- IMPROVEMENTS	9,184.	3,460.	5,724.
DOUBLEWIDE- CAPITALZIED COSTS	8,760.	1,449.	7,311.
LAND	350,000.	0.	350,000.
BUCKET TRUCK	4,763.	3,275.	1,488.
UTILITY BED	800.	550.	250.
JOHN DEERE 757 25HP	7,500.	5,157.	2,343.
DOUBLEWIDE- FLOORING IMPROVEMENTS	1,979.	1,493.	486.

PRINTER	236.	196.	40.
DELL COMPUTER	938.	777.	161.
TOTAL TO FM 990-PF, PART II, LN 14	434,160.	25,068.	409,092.

2011 Tax Information Statement

Account Number: 23-01427
Recipient's Tax ID Number: XX-XXX0528

☐ **Corrected**
☐ **2nd TIN notice**

Recipient's Name and Address:
LOFTIS FOUNDATION
ROBERT LOFTIS TRUSTEE
1682 INDIAN HILLS DR.
MOORE HAVEN, FL 33471-5746

THE NORTHERN TRUST COMPANY
P.O. BOX 803878
CHICAGO, IL 60680

2011 Proceeds from Broker and Barter Exchange Transactions

Sales are listed at Gross Proceeds less commissions and option premiums.

Number of shares	CUSIP	Description	Date Acquired	Date of Sale	Stocks Bonds, etc.	Cost or other Basis	Net Gain or Loss	Federal Income Tax Withheld
Short Term Sales								
95.0000	194162103	COLGATE PALMOLIVE CO	02/05/2010	02/02/2011	7,157.55	7,433.66	-276.11	0.00
115.0000	084670702	BERKSHIRE HATHAWAY INC-CL B	07/15/2010	07/06/2011	8,783.69	9,082.34	-298.65	0.00
140.0000	85590A401	STARWOOD HOTELS & RESORTS	Various	08/10/2011	6,034.24	8,392.01	-2,357.77	0.00
270.0000	704326107	PAYCHEX INC	Various	08/29/2011	7,104.99	9,063.73	-1,958.74	0.00
141.0000	48203R104	JUNIPER NETWORKS INC	11/19/2010	09/22/2011	2,677.07	4,907.35	-2,230.28	0.00
190.0000	48203R104	JUNIPER NETWORKS INC	Various	09/22/2011	3,607.40	7,878.98	-4,271.58	0.00
94.0000	48203R104	JUNIPER NETWORKS INC	11/19/2010	09/23/2011	1,796.64	3,271.57	-1,474.93	0.00
Total Short Term Sales					**37,161.58**	**50,029.64**	**-12,868.06**	**0.00**
Long Term 15% Sales								
175.0000	881624209	TEVA PHARMACEUTICALS INDS LTD ADR	Various	02/28/2011	8,748.48	7,847.45	901.03	0.00
105.0000	021441100	ALTERA CORP	10/22/2009	03/08/2011	4,557.23	2,202.90	2,354.33	0.00
160.0000	713448108	PEPSICO INC	Various	03/08/2011	10,177.07	9,244.80	932.27	0.00
44.0000	31428X106	FEDEX CORP	12/10/2009	03/25/2011	3,982.85	3,949.88	32.97	0.00
106.0000	31428X106	FEDEX CORP	Various	03/28/2011	9,735.46	9,219.00	516.46	0.00
595.0000	17275R102	CISCO SYS INC	Various	04/11/2011	10,397.07	12,535.43	-2,138.36	0.00
63.0000	654106103	NIKE INC CLASS B	Various	04/26/2011	5,037.80	4,449.68	588.12	0.00

This is important tax information and is being furnished to you.

2011 Tax Information Statement

Account Number: 23-01427
Recipient's Tax ID Number: XX-XXX0528

☐ **Corrected**   ☐ **2nd TIN notice**

Recipient's Name and Address:
LOFTIS FOUNDATION
ROBERT LOFTIS TRUSTEE
1682 INDIAN HILLS DR.
MOORE HAVEN, FL 33471-5746

THE NORTHERN TRUST COMPANY
P.O. BOX 803878
CHICAGO, IL 60680

Number of shares	CUSIP	Description	Date Acquired	Date of Sale	Stocks Bonds, etc.	Cost or other Basis	Net Gain or Loss	Federal Income Tax Withheld
52 0000	654106103	NIKE INC CLASS B	Various	04/27/2011	4,171.51	3,333.76	837.75	0.00
520.0000	594918104	MICROSOFT CORP COM	05/20/2005	05/23/2011	12,541 12	13,483.60	-942 48	0.00
290.0000	548661107	LOWES COMPANIES INC	04/26/2010	06/24/2011	6,726.40	8,249 11	-1,522 71	0 00
215 0000	58405U102	MEDCO HEALTH SOLUTIONS INC	10/22/2009	06/24/2011	11,541.67	12,273 36	-731 69	0.00
235 0000	254687106	WALT DISNEY CO	Various	07/15/2011	9,236 92	8,172 46	1,064 46	0 00
345 0000	291011104	EMERSON ELECTRIC CO	Various	08/10/2011	14,799.67	14,365 70	433.97	0 00
74 0000	713448108	PEPSICO INC	06/14/2005	08/29/2011	4,727 96	4,112 92	615.04	0 00
66 0000	713448108	PEPSICO INC	Various	08/30/2011	4,232 37	3,628 28	604 09	0 00
110 0000	89417E109	THE TRAVELERS COMPANIES INC.	11/09/2009	09/22/2011	5,184 34	5,885 20	-700 86	0.00
143 0000	867224107	SUNCOR ENERGY INC NEW COM STK	12/11/2007	09/28/2011	3,913 23	7,479 62	-3,566 39	0 00
167.0000	867224107	SUNCOR ENERGY INC NEW COM STK	Various	09/29/2011	4,398 62	6,946 71	-2,548 09	0 00
125 0000	231021106	CUMMINS ENGINE INC	09/04/2009	10/21/2011	11,649 93	5,819 05	5,830 88	0 00
400.0000	369604103	GENERAL ELECTRIC CO	Various	11/08/2011	6,541.75	14,125 06	-7,583 31	0.00
115.0000	91324P102	UNITEDHEALTH GROUP INC	Various	11/08/2011	5,228 80	3,650 73	1,578 07	0.00
Total Long Term 15% Sales					157,530.25	160,974.70	-3,444 45	0.00

This is important tax information and is being furnished to you.

2011 Tax Information Statement

Account Number: 23-56521
Recipient's Tax ID Number: XX-XXX0528

☐ **Corrected** ☐ **2nd TIN notice**

Recipient's Name and Address:
LOFTIS FOUNDATION
ROBERT LOFTIS, TRUSTEE
1682 INDIAN HILLS DR.
MOORE HAVEN, FL 33471-5746

THE NORTHERN TRUST COMPANY
P.O. BOX 803878
CHICAGO, IL 60680

2011 Proceeds from Broker and Barter Exchange Transactions

Sales are listed at Gross Proceeds less commissions and option premiums.

Number of shares	CUSIP	Description	Date Acquired	Date of Sale	Stocks Bonds, etc.	Cost or other Basis	Net Gain or Loss	Federal Income Tax Withheld
Long Term 15% Sales								
4091.6500	665162582	MFB NORTHN FUNDS EMERGING MKTS EQTY EQTY INDEX FD	Various	02/11/2011	50,000 00	53,531.93	-3,531 93	0.00
50000.0000	74408FAA7	PROVINCE OF ONT UNSUB NT 2.75% DUE 02-22-2011 BEO	03/04/2008	02/22/2011	50,000 00	50,264.50	-264.50	0 00
50000.0000	002824AP5	ABBOTT LABS 3 75% DUE 03-15-2011 03-15-2011/03-18-2004 REG	08/12/2008	03/15/2011	50,000 00	50,231 00	-231 00	0 00
625 0000	464287655	MFC ISHARES TR RUSSELL 2000 INDEX FD	05/20/2005	03/21/2011	50,645.89	37,707.87	12,938 02	0.00
135000 0000	9128277B2	U S TREASURY NTS DTD 08/15/2001 5% 08/15	07/01/2002	08/15/2011	135,000.00	136,314 72	-1,314 72	0 00
900.0000	78463X863	MFC SPDR INDEX SHS FDS DOW JONES INTL REAL ESTATE ETF	12/11/2007	08/17/2011	33,188 39	55,569.96	-22,381.57	0.00
50000.0000	166751AK3	CHEVRON CORP NT 3.45 DUE 03-03-2012 REG	02/27/2009	09/06/2011	50,778 50	50,328 50	450.00	0 00
250.0000	464287465	MFC ISHARES TR MSCI EAFE INDEX FD	Various	11/02/2011	12,798 98	17,684.50	-4,885.52	0.00
50000.0000	36962GM68	GENERAL ELEC CAP CORP MEDIUM TERM NTS BOOK ENTRY MTN 4 375% DUE 11-21-2011	05/29/2008	11/21/2011	50,000 00	50,102 50	-102.50	0 00
Total Long Term 15% Sales					482,411.76	501,735.48	-19,323.72	0.00

This is important tax information and is being furnished to you

Portfolio Details

	Market Price	Shares	Market Value	Cost	Unrealized Gain/(Loss)	Accrual	Estimated Annual Income	Yield	% of Assets
Equity Securities - Large Cap									
ABBOTT LABORATORIES COMMON STOCK, NO PAR (ABT)	$56 230	170 00	$9,559 10	$8,330 00	$1,229 10		$326 40	3 4%	1 1%
ALTERA CORP COM (ALTR)	37 100	220 00	8,162 00	4,615 60	3,546 40		70 40	0 9%	1 0%
AMAZON COM INC COM (AMZN)	173 100	86 00	14,886 60	11,209 13	3,677 47				1 8%
AMERICAN EXPRESS CO , COMMON STOCK, $ 60PAR (AXP)	47 170	350 00	16,509 50	16,514 39	(4 89)		252 00	1 5%	1 9%
APPLE INC COM STK (AAPL)	405 000	90 00	36,450 00	14,264 64	22,185 36				4 3%
BRISTOL MYERS SQUIBB CO COMMON STOCK (BMY)	35 240	525 00	18,501 00	15,623 59	2,877 41		714 00	3 9%	2 2%
CHEVRON CORP COM (CVX)	106 400	225 00	23,940 00	15,800 26	8,139 74		729 00	3 0%	2 8%
CITRIX SYS INC COMMON STOCK (CTXS)	60 720	220 00	13,358 40	11,926 49	1,431 91				1 6%
COCA COLA CO COM (KO)	69 970	280 00	19,591 60	19,414 34	177 26		526 40	2 7%	2 3%
CONOCOPHILLIPS COM (COP)	72 870	155 00	11,294 85	9,567 14	1,727 71		409 20	3 6%	1 3%
COSTCO WHOLESALE CORP NEW COM (COST)	83 320	210 00	17,497 20	12,861 19	4,636 01		201 60	1 2%	2 1%
COVIDIEN PLC USD0 20(POST CONSOLIDATION) (COV)	45 010	225 00	10,127 25	11,592 16	(1,464 91)		202 50	2 0%	1 2%
DANAHER CORP COMMON STOCK $ 01 PAR (DHR)	47 040	450 00	21,168 00	13,213 75	7,954 25	11 25	45 00	0 2%	2 5%
DOMINION RES INC VA NEW COM (D)	53 080	300 00	15,924 00	13,190 80	2,733 20		591 00	3 7%	1 9%

Continued on next page

Portfolio Details *(continued)*

	Market Price	Shares	Market Value	Cost	Unrealized Gain/(Loss)	Accrual	Estimated Annual Income	Yield	% of Assets
DU PONT E I DE NEMOURS & CO COM STK (DD)	45 780	380 00	17,396 40	14,695 36	2,701 04		623 20	3 6%	2 0%
EATON CORP , COMMON STOCK, $ 50 PAR (ETN)	43 530	270 00	11,753 10	14,712 27	(2,959 17)		367 20	3 1%	1 4%
EMC CORP COM (EMC)	21 540	750 00	16,155 00	14,743 24	1,411 76				1 9%
EXXON MOBIL CORP COM (XOM)	84 760	360 00	30,513 60	21,658 80	8,854 80		676 80	2 2%	3 6%
FRANKLIN RES INC COMMON STOCK, (BEN)	96 060	138 00	13,256 28	16,092 22	(2,835 94)		149 04	1 1%	1 6%
GENERAL ELECTRIC CO (GE)	17 910	780 00	13,969 80	15 126 29	(1,156 49)	132 60	530 40	3 8%	1 6%
GOOGLE INC CL A CL A (GOOG)	645 900	30 00	19,377 00	14,537 65	4,839 35				2 3%
GRAINGER, W W , INC COMMON STOCK $1 PAR (GWW)	187 190	67 00	12,541 73	7,655 09	4,886 64		176 88	1 4%	1 5%
H J HEINZ (HNZ)	54 040	255 00	13,780 20	11,940 63	1,839 57	122 40	489 60	3 6%	1 6%
INTERNATIONAL BUSINESS MACHS CORP COM (IBM)	183 880	160 00	29,420 80	14,662 40	14,758 40		480 00	1 6%	3 5%
JOHNSON & JOHNSON COM USD1 (JNJ)	65 580	120 00	7,869 60	7,664 44	205 16		273 60	3 5%	0 9%
JOHNSON CONTROLS INC COMMON STOCK $2 50 PAR (JCI)	31 260	330 00	10,315 80	9,016 39	1,299 41	59 40	237 60	2 3%	1 2%
JPMORGAN CHASE & CO COM (JPM)	33 250	505 00	16,791 25	19,269 90	(2,478 65)		505 00	3 0%	2 0%
MC DONALDS CORP COMMON STOCK NO PAR (MCD)	100 330	140 00	14,046 20	11,909 92	2,136 28		392 00	2 8%	1 7%
MCKESSON CORP (MCK)	77 910	230 00	17,919 30	14 089 80	3,829 50	46 00	184 00	1 0%	2 1%
NATIONAL OILWELL VARCO COM STK (NOV)	67 990	220 00	14,957 80	10 483 31	4,474 49		105 60	0 7%	1.8%

Continued on next page

Portfolio Details *(continued)*

	Market Price	Shares	Market Value	Cost	Unrealized Gain/(Loss)	Accrual	Estimated Annual Income	Yield	% of Assets
NIKE INC CL B CL B (NKE)	96 370	105 00	10,118 85	6,573 00	3,545 85	37 80	151 20	1 5%	1 2%
NOBLE ENERGY INC COM (NBL)	94 390	100 00	9,439 00	6,123 00	3,316 00		88 00	0 9%	1 1%
NORFOLK SOUTHN CORP COM (NSC)	72 860	225 00	16,393 50	15,188 56	1,204 94		387 00	2 4%	1 9%
OMNICOM GROUP INC . COMMON STOCK $ 50 PAR (OMC)	44 580	300 00	13,374 00	13,803 12	(429 12)	75 00	300 00	2 2%	1 6%
ORACLE CORPORATION COM (ORCL)	25 650	680 00	17,442 00	18,518 37	(1,076 37)		136 00	0 8%	2 1%
PRECISION CASTPARTS CORP COM (PCP)	164 790	50 00	8,239 50	8,492 49	(252 99)	1 50	6 00	0 1%	1 0%
PROCTER & GAMBLE COM NPV (PG)	66 710	285 00	19,012 35	16,269 99	2,742 36		598 50	3 1%	2 2%
QUALCOMM INC COM (QCOM)	54 700	325 00	17,777 50	17,076 39	701 11		279 50	1 6%	2 1%
SALESFORCE COM INC COM STK (CRM)	101 460	120 00	12,175 20	11,407 49	767 71				1 4%
SCHLUMBERGER LTD COM COM (SLB)	68 310	159 00	10,861 29	14,611 88	(3,750 59)	39 75	159 00	1 5%	1 3%
SIMON PROPERTY GROUP INC COM (SPG)	128 940	152 00	19,598 88	13,902 16	5,696 72		547 20	2 8%	2 3%
SPECTRA ENERGY CORP COM STK (SE)	30 750	700 00	21,525 00	13,608 00	7,917 00		784 00	3 6%	2 5%
TRAVELERS COS INC COM STK (TRV)	59 170	160 00	9,467 20	8,560 29	906 91		262 40	2 8%	1 1%
UNITED TECHNOLOGIES CORP COM (UTX)	73 090	135 00	9,867 15	7,079 40	2,787 75		259 20	2 6%	1 2%
UNITEDHEALTH GROUP INC COM (UNH)	50 680	370 00	18,751 60	11,552 44	7,199 16		240 50	1 3%	2 2%
US BANCORP (USB)	27 050	545 00	14,742 25	13,087 92	1,654 33	68 12	272 50	1 8%	1 7%
V F CORP . COMMON STOCK, NO PAR (VFC)	126 990	154 00	19,556 46	16,262 52	3,293 94		443 52	2 3%	2 3%
VERIZON COMMUNICATIONS COM (VZ)	40 120	235 00	9,428 20	8,714 93	713 27		470 00	5 0%	1 1%

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Portfolio Details *(continued)*

	Market Price	Shares	Market Value	Cost	Unrealized Gain/(Loss)	Accrual	Estimated Annual Income	Yield	% of Assets
WAL-MART STORES, INC COMMON STOCK, $ 10 PAR (WMT)	59 760	160 00	9,561 60	8,003 41	1,558 19	58 40	233 60	2 4%	1 1%
WALT DISNEY CO (DIS)	37 500	285 00	10,687 50	9,494 16	1,193 34	171 00	171 00	1 6%	1 3%
WELLS FARGO & CO NEW COM STK (WFC)	27 560	620 00	17,087 20	17,169 40	(82 20)		297 60	1 7%	2 0%
WHOLE FOODS MKT INC COM (WFM)	69 580	250 00	17,395 00	10,762 74	6,632 26		25 00	0 1%	2 0%
Total Large Cap			$809,534 59	$662,642 85	$146,891 74	$823.22	$15,370 14	1.9%	95 3%
Equity Securities - Mid Cap									
AUTODESK INC COMMON STOCK (ADSK)	$30 330	215 00	$6,520 95	$8,982 65	($2,461 70)				0 8%
PRINCIPAL FINL GROUP INC COM STK (PFG)	24 600	475 00	11,685 00	13,600 47	(1,915 47)		332 50	2 8%	1 4%
Total Mid Cap			$18,205 95	$22,583 12	($4,377 17)		$332 50	1 8%	2 1%
Equity Securities - International Developed									
BHP BILLITON LTD SPONSORED ADR (BHP)	$70 630	150 00	$10,594 50	$10,322 97	$271 53		$246 00	2 3%	1 2%
Total Australia - USD			$10,594 50	$10,322 97	$271.53		$246.00	2.3%	1.2%
NOVARTIS AG (NVS)	57 170	200 00	11,434 00	10,576 54	857 46		401 00	3 5%	1 3%
Total Switzerland - USD			$11,434 00	$10,576 54	$857 46		$401 00	3 5%	1 3%
Total International Developed			$22,028 50	$20,899 51	$1,128.99		$647.00	2.9%	2.6%
Total Equity Securities			$849,769 04	$706,125 48	$143,643 56	$823 22	$16,349 64	1 9%	100 0%

Continued on next page

Portfolio Details *(continued)*

	Market Price		Market Value	Cost	Unrealized Gain/(Loss)	Accrual	Estimated Annual Income	Yield/ YTM	% of Assets
Cash and Short Term Investments - Cash									
Available cash balances are invested daily in MFB NORTHERN FUNDS MONEY MKT FD MONEY MARKET FUND .									
PRINCIPAL CASH	$1.000	17,239 83	$17,239 83	$17,239 83	$0 00				
INCOME CASH	1 000	409 26	409 26	409 26	0 00				
Total Cash			$17,649 09	$17,649 09	$0 00		$1 76	0.0%	
Total Cash and Short Term Investments			$17,649 09	$17,649 09	$0 00		$1.76	0 0%	
Total Portfolio			$867,418 13	$723,774.57	$143,643 56	$823 22	$16,351 40	1.9%	
Total Accrual			$823 22						
Total Value			$868,241 35						

Portfolio Details

	Market Price	Shares	Market Value	Cost	Unrealized Gain/(Loss)	Accrual	Estimated Annual Income	Yield	% of Assets
Equity Securities - Large Cap									
MFB NORTHERN FUNDS STK INDEX FD (NOSIX)	$15 580	6,429 92	$100,178 15	$105,112 00	($4,933 85)		$1,781 09	1 8%	13 2%
Total Large Cap			**$100,178.15**	**$105,112.00**	**($4,933 85)**		**$1,781.09**	**1 8%**	**13.2%**
Equity Securities - Mid Cap									
MFB NORTHERN MID CAP INDEX FD (NOMIX)	$11 610	5,324 28	$61,814 89	$61,830 00	($15 11)		$532 43	0 9%	8 2%
Total Mid Cap			**$61,814 89**	**$61,830 00**	**($15.11)**		**$532 43**	**0 9%**	**8 2%**
Equity Securities - Small Cap									
MFB NORTHERN FUNDS SMALL CAP INDEX FD (NSIDX)	$8 160	10,035 24	$81,887 55	$89,715 00	($7,827 45)		$602 11	0 7%	10 8%
Total Small Cap			**$81,887 55**	**$89,715 00**	**($7,827 45)**		**$602.11**	**0 7%**	**10 8%**
Equity Securities - International Developed									
MFC ISHARES TR MSCI EAFE INDEX FD (EFA)	$49 530	6,400 00	$316,992 00	$338,948 55	($21,956 55)		$10,944 00	3 5%	41 8%
Total Europe, Australia, and Far East Region - USD			**$316,992.00**	**$338,948 55**	**($21,956 55)**		**$10,944 00**	**3 5%**	**41 8%**
Total International Developed			**$316,992 00**	**$338,948 55**	**($21,956 55)**		**$10,944 00**	**3 5%**	**41 8%**
Equity Securities - International Emerging									
MFB NORTHERN FUNDS EMERGING MKTS EQUITY INDEX FUND (NOEMX)	$10 220	19,247 45	$196,708 93	$206 060 39	($9 351 46)		$2,964 11	1 5%	26 0%

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Portfolio Details *(continued)*

	Market Price	Shares	Market Value	Cost	Unrealized Gain/(Loss)	Accrual	Estimated Annual Income	Yield	% of Assets
Total Emerging Markets Region - USD			$196,708 93	$206,060 39	($9,351 46)		$2,964 11	1 5%	26.0%
Total International Emerging			$196,708 93	$206,060 39	($9,351.46)		$2,964 11	1 5%	26 0%
Total Equity Securities			$757,581 52	$801,665.94	($44,084.42)		$16,823 74	2 2%	100 0%

	Market Price	Par Value/ Rating	Market Value	Cost	Unrealized Gain/(Loss)	Accrual	Estimated Annual Income	Yield/ YTM	% of Assets
Fixed Income Securities - Corporate/ Government									
2012									
BERKSHIRE HATHAWAY INC DEL 4 75% DUE 05-15-2012 REG	$101 390	50,000 00 Aa2	$50,695 00	$51,093 00	($398 00)	$303 47	$2,375 00	4 7% 1 0%	3 9%
MORGAN STANLEY 6 6% DUE 04-01-2012/03-31-2012 BEO	100 832	59,000 00 A2	59,490 76	63,174 11	(3,683 35)	973 50	3,894 00	6 5% 3 2%	4 6%
2013									
DEERE JOHN CAP CORP MEDIUM TERM NTS-BOOKENTRY TRANCHE # TR 00355 4 9% DUE 09-09-2013 (MTN1)	106 689	50,000 00 A2	53,344 30	49,951 50	3,392 80	769 02	2,450 00	4 6% 0 9%	4 1%
HONEYWELL INTL INC 4 25% DUE 03-01-2013/02-29-2008 BEO	104 324	50,000 00 A2	52,162 00	50,742 00	1,420 00	708 33	2,125 00	4 1% 0 5%	4 1%
2014									
BELLSOUTH CORP 5 2% DUE 09-15-2014 BEO	110 549	65,000 00 NR	71,857 04	65,193 99	6,663 05	995 22	3,380 00	4 7% 1 2%	5 6%
2015									
PITNEY BOWES INC PITNEY BOWES INC NT 5 0000000 20150315 20050322 5 0% DUE 03-15-2015 BEO	105 774	50,000 00 A2	52,887 05	50,782 50	2,104 55	736 11	2,500 00	4 7% 3 1%	4 1%

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Portfolio Details *(continued)*

	Market Price	Par Value/ Rating	Market Value	Cost	Unrealized Gain/(Loss)	Accrual	Estimated Annual Income	Yield/ YTM	% of Assets
2016									
HEWLETT PACKARD CO 2 65% DUE 06-01-2016 REG	99 225	50,000 00 A2	49,612 50	52,124 50	(2,512 00)	110 41	1,325 00	2 7% 2 8%	3 9%
2017									
OCCIDENTAL PETE CORP 1 75% DUE 02-15-2017 REG	101 285	50,000 00 A2	50,642 50	49,901 00	741 50	323 26	875 00	1 7% 1 5%	3 9%
2018									
ARCHER DANIELS MIDLAND CO L 5 45% DUE 03-15-2018/03-04-2008 BEO	118 582	50,000 00 A2	59,291 15	50,228 50	9,062 65	802.36	2,725 00	4 6% 2 2%	4 6%
Funds									
MFB NORTHERN HIGH YIELD FIXED INCOME FUND (NHFIX)	7 040	58,707 60	413,301 50	448 713 35	(35,411 85)		30,938 91	7 5%	32 1%
MFC ISHARES TR BARCLAYS TIPS BD FD (TIP)	116 690	1,000 00	116,690 00	104,651 30	12,038 70		4,784 00	4 1%	9 1%
Total Corporate/ Government			$1,029,973 80	$1,036,555 75	($6,581 95)	$5,721.68	$57,371 91	5 6%	80 1%

Fixed Income Securities - International Developed

	Market Price	Par Value/ Rating	Market Value	Cost	Unrealized Gain/(Loss)	Accrual	Estimated Annual Income	Yield/ YTM	% of Assets
2018									
ONTARIO PROV CDA BD % DTD 07/14/2011 3 0% DUE 07-16-2018 REG	$105 173	50,000 00 Aa1	$52,586 70	$52,343 35	$243 35	$695 83	$1,500 00	2 9% 2 1%	4 1%
Total Canada - USD			$52,586 70	$52,343 35	$243 35	$695.83	$1,500 00	2.9%	4 1%
2015									
TOTAL CAP 3 125% DUE 10-02-2015/10-02-2009 REG	105 902	50,000 00 Aa1	52,951 00	51,083 50	1,867 50	386 28	1,562 50	3 0% 1 5%	4 1%

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Portfolio Details *(continued)*

	Market Price	Par Value/ Rating	Market Value	Cost	Unrealized Gain/(Loss)	Accrual	Estimated Annual Income	Yield/ YTM	% of Assets
2016 BNP PARIBAS / BNP PARIBAS US MEDIUM TERMNT PROGRAM LLC MEDIUM TERM SR NTS BOOK ENTRY 3 6% DUE 02-23-2016 REG	93 797	50,000 00 Aa3	46,898 65	50,247 00	(3,348 35)	640 00	1,800 00	3 8% 5 3%	3 6%
Total France - USD			$99,849 65	$101,330 50	($1,480 85)	$1,026 28	$3,362 50	3.4%	7 8%
2014 DEUTSCHE BK AG GLOBAL MEDIUM TERM NTS BOOK ENTRY 3 875% DUE 08-18-2014 REG	101 728	50,000 00 Aa3	50,863 75	52,275 50	(1,411 75)	715 79	1,937 50	3 8% 3 2%	4 0%
Total Germany - USD			$50,863 75	$52,275 50	($1,411 75)	$715 79	$1,937 50	3 8%	4 0%
2013 GLAXOSMITHKLINE CAP INC 4 85% DUE 05-15-2013/05-13-2008 BEO	105 833	50,000 00 A1	52,916 35	49,816 00	3,100 35	309 86	2,425 00	4 6% 0 6%	4 1%
Total United Kingdom - USD			$52,916 35	$49,816 00	$3,100 35	$309 86	$2,425 00	4.6%	4 1%
Total International Developed			$256,216 45	$255,765 35	$451.10	$2,747.76	$9,225 00	3 6%	19 9%
Total Fixed Income Securities			$1,286,190 25	$1,292,321 10	($6,130.85)	$8,469.44	$66,596 91	5 2%	100 0%

	Market Price	Shares	Market Value	Cost	Unrealized Gain/(Loss)	Accrual	Estimated Annual Income	Yield	% of Assets
Real Estate - Real Estate Funds									
MFB NORTHERN FDS GLOBAL REAL ESTATE INDEX FD (NGREX)	$7 410	6,281 41	$46,545 24	$50,000 00	($3,454 76)		$1,023 87	2 2%	100 0%
Total Real Estate Funds			$46,545 24	$50,000 00	($3,454 76)		$1,023 87	2 2%	100 0%

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Portfolio Details *(continued)*

	Market Price	Shares	Market Value	Cost	Unrealized Gain/(Loss)	Accrual	Estimated Annual Income	Yield	% of Assets
Total Real Estate			$46,545 24	$50,000 00	($3,454 76)		$1,023 87	2.2%	100 0%

	Market Price	Units	Market Value	Cost	Unrealized Gain/(Loss)	Accrual	Estimated Annual Income	Yield	% of Assets
Commodities - Commodities									
MFC SPDR GOLD TR GOLD SHS (GLD)	$151 990	875 00	$132 991 25	$94,646 51	$38,344 74				65 9%
Total Global Region - USD			$132,991 25	$94,646 51	$38,344.74		$0 00	0 0%	65 9%
Funds MFO PIMCO FDS PAC INVT MGMT SER COMMODITY REALRETURN STRATEGY FD INSTL (PCRIX)	6 540	10,522 13	68,814 73	77,108 89	(8,294 16)		20,960 08	30 5%	34 1%
Total Commodities			$201,805 98	$171,755 40	$30,050 58		$20,960 08	10 4%	100 0%
Total Commodities			$201,805 98	$171,755.40	$30,050.58		$20,960 08	10.4%	100 0%

	Market Price	Units	Market Value	Cost	Unrealized Gain/(Loss)	Accrual	Estimated Annual Income	Yield	% of Assets
Other Assets - Other Assets									
PROMISSORY NOTE DATED 1/3/2011 5% INTEREST 1/1/2011 ROBERT ALLEN COX	$1 000	90,000 00	$90,000 00	$90,000 00 •					35 2%
ST ALBAN S AREA REGIONAL DEVELOPMENT AUTHORITY -5% INTEREST DATED 1/31/2008 MATURES 7-1-2017	100 000	165,961 50	165,961 50	165,961 50 •			8,298 08	5 0%	64 8%

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Portfolio Details *(continued)*

	Market Price	Units	Market Value	Cost	Unrealized Gain/(Loss)	Accrual	Estimated Annual Income	Yield	% of Assets
Total Other Assets			$255,961 50	$255,961 50	$0 00		$8,298 08	3 2%	100 0%
Total Other Assets			$255,961 50	$255,961 50	$0 00		$8,298 08	3 2%	100.0%

	Market Price		Market Value	Cost	Unrealized Gain/(Loss)	Accrual	Estimated Annual Income	Yield/ YTM	% of Assets
Cash and Short Term Investments - Cash									
Available cash balances are invested daily in MFB NORTHERN FUNDS MONEY MKT FD MONEY MARKET FUND									
PRINCIPAL CASH	$1 000	162,300 84	$162,300 84	$162,300 84	$0 00				
INCOME CASH	1 000	136,149 50	136,149 50	136,149 50	0 00				
Total Cash			$298,450 34	$298,450 34	$0 00	$2 48	$29 85	0 0%	
Total Cash and Short Term Investments			$298,450 34	$298,450 34	$0 00	$2 48	$29 85	0 0%	
Total Portfolio			$2,846,534 83	$2,870,154.28	($23,619 45)	$8,471 92	$113,732.51	4.0%	

Total Accrual	$8,471 92
Total Value	$2,855,006 75

*** Complete cost information not available**