Form **990-PF**

Department of the Treasury
Internal Revenue Service

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

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

OMB No. 1545-0052

2011

For calendar year 2011, or tax year beginning , 2011, and ending , 20

Name of foundation: THE MASTERS FOUNDATION INC

A Employer identification number: 75-2883327

Number and street (or P O box number if mail is not delivered to street address): 4 SAVANNAH CIRCLE

Room/suite:

B Telephone number (see instructions): (214)472-5000

City or town, state, and ZIP code: Frisco TX 75034

C If exempt 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) ▶$ 1,904,954

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), & (d) may not necessarily equal the amounts in column (a) (see instructions))	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1	Contributions, gifts, grants, etc , received (attach schedule)	920,557			
2	Check ▶ ☐ if the foundation is **not** required to attach Sch B				
3	Interest on savings and temp cash investments	21,914	21,914	21,914	
4	Dividends and interest from securities				
5 a	Gross rents	15,750	3,394	3,394	
b	Net rental income or (loss) 3,394				
6 a	Net gain/(loss) from sale of assets not on line 10	100			
b	Gross sales price for all assets on line 6a #1				
7	Capital gain net income (from Part IV, line 2)		0		
8	Net short-term capital gain			0	
9	Income modifications			0	
10 a	Gross sales less rtns & allowances 0				
b	Less Cost of goods sold				
c	Gross profit or (loss) (attach schedule)				
11	Other income (attach schedule) #2	-15,920	-15,920	-15,920	
12	**Total.** Add lines 1 through 11	942,401	9,388	9,388	
13	Compensation of officers, directors, trustees, etc	0			
14	Other employee salaries and wages				
15	Pension plans, employee benefits				
16 a	Legal fees (attach schedule)				
b	Accounting fees (attach schedule)				
c	Other professional fees (attach schedule)				
17	Interest				
18	Taxes (attach schedule) (see instructions) #3	-71			
19	Depreciation (attach sch) and depletion				
20	Occupancy				
21	Travel, conferences, and meetings				
22	Printing and publications				
23	Other expenses (attach schedule) #4	11,564			
24	**Total operating and administrative expenses.** Add lines 13 through 23	11,493	0	0	0
25	Contributions, gifts, grants paid	732,340			732,340
26	Total exp & disbursements Add lines 24 and 25	743,833	0	0	732,340
27	Subtract line 26 from line 12:				
a	**Excess of revenue over expenses and disbursements**	198,568			
b	**Net investment income** (if neg , enter -0-)		9,388		
c	**Adjusted net income** (if neg , enter -0-)			9,388	

Lines 1–12: REVENUE; lines 13–26: OPERATING & ADMINISTRATIVE EXPENSES

For Paperwork Reduction Act Notice, see the instructions.

Form **990-PF** (2011)

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Part II Balance Sheets

		Attached schedules and amounts in the description column should be for end-of-year amounts only. (See inst)	Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
ASSETS	1	Cash – non-interest-bearing	662,968	854,045	854,045
	2	Savings and temporary cash investments	441,874	446,729	446,729
	3	Accounts receivable ▶			
		Less: allowance for doubtful accts. ▶			
	4	Pledges receivable ▶			
		Less: allowance for doubtful accts. ▶			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see 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 govt. obligations (attach schedule)			
	b	Investments – corporate stock (attach schedule)			
	c	Investments – corporate bonds (attach schedule)			
	11	Investments – land, buildings, and equipment basis ▶ 423,960	#5		
		Less accumulated depreciation (attach schedule) ▶	297,136	423,960	423,960
	12	Investments – mortgage loans			
	13	Investments – other (attach schedule) #6.	93,459	180,220	180,220
	14	Land, buildings, and equipment basis ▶			
		Less accumulated depreciation (attach schedule) ▶			
	15	Other assets (describe ▶ See attachment #7)	210,949		
	16	**Total assets** (to be completed by all filers – see the instructions. Also, see page 1, item I)	1,706,386	1,904,954	1,904,954
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	0	
NET ASSETS OR FUND BALANCES		**Foundations that follow SFAS 117, check here ▶ ☐ and complete lines 24 through 26 and lines 30 and 31.**			
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted			
		Foundations that do not follow SFAS 117, ck. here ▶ ☒ and complete lines 27 through 31.			
	27	Capital stock, trust principal, or current funds	1,706,386	1,904,954	
	28	Paid-in or capital surplus, or land, bldg., and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds			
	30	**Total net assets or fund balances** (see the instructions)	1,706,386	1,904,954	
	31	**Total liabilities and net assets/fund balances** (see the inst.)	1,706,386	1,904,954	

Part III Analysis of Changes in Net Assets or Fund Balances

1	Total net assets or fund balances at beginning of year – Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	1,706,386
2	Enter amount from Part I, line 27a	2	198,568
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	1,904,954
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	1,904,954

Part IV Capital Gains and Losses for Tax on Investment Income

	(a) List and describe the kind(s) of property sold (e.g , real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)	(b) How acquired P – Purchase D – Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a				
b				
c				
d				
e				

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

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

	(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				
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	0
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 the instructions) .... If (loss), enter -0- in Part I, line 8 .... } > ...	3	0

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

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

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

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

1 Enter the appropriate amount in each column for each year; see the instructions before making any entries.

(a) Base period years Calendar year (or tax year beg in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2010	147,585	93,459	1.579142
2009	198,143	95,324	2.078627
2008	237,906	104,804	2.270009
2007	130,187	107,500	1.211042
2006	86,536	107,500	0.804986

2	**Total** of line 1, column (d)	2	7.943806
3	Average distribution ratio for the 5-year base period -- divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years........	3	1.588761
4	Enter the net value of noncharitable-use assets for 2011 from Part X, line 5	4	469,605
5	Multiply line 4 by line 3	5	746,090
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	94
7	Add lines 5 and 6	7	746,184
8	Enter qualifying distributions from Part XII, line 4	8	1,009,164

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 the instructions)

1 a	*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 inst.)**		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☒ and enter 1% of Part I, line 27b	1	94
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	94
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	94
6	Credits/Payments:		
a	2011 estimated tax payments and 2010 overpayment credited to 2011	6a	
b	Exempt foreign organizations – tax withheld at source	6b	
c	Tax paid with application for extension of time to file (Form 8868)	6c	
d	Backup withholding erroneously withheld	6d	
7	Total credits and payments. Add lines 6a through 6d	7	0
8	Enter any **penalty** for underpayment of estimated tax. Check here ☐ if Form 2220 is attached	8	
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶	9	94
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
1 a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		X
b	*Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see the instructions for definition)?*	1b		X
	If the answer is "Yes" to **1a** or **1b**, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.			
c	Did the foundation file **Form 1120-POL** for this year?	1c		X
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: **(1)** On the foundation ▶ $ 0 **(2)** On foundation managers ▶ $ 0			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ $ 0			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities.	2		X
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes	3		X
4 a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
b	If "Yes," has it filed a tax return on **Form 990-T** for this year?	4b	N/A	
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T.	5		X
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: ● By language in the governing instrument, or ● By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	X	
7	Did the foundation have at least $5,000 in assets at any time during the yr.? If "Yes," complete Part II, col. (c), & Part XV.	7	X	
8 a	Enter the states to which the foundation reports or with which it is registered (see the instructions) ▶TX			
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 ▶ http://masters-foundation.org/

14 The books are in care of ▶ See attachment #8 Telephone no. ▶

Located at ▶ ZIP+4 ▶

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

			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

			Yes	No
	File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.			
1a	During the year did the foundation (either directly or indirectly):			
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☒ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☒ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☒ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☐ Yes ☒ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes ☒ No			
	(6) Agree to pay money or property to a government official? (**Exception.** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) ☐ Yes ☒ No			
b	If any answer is "Yes" to 1a(1)-(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)?	1b		X
	Organizations relying on a current notice regarding disaster assistance check here ▶ ☐			
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2011?	1c		X
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):			
a	At the end of tax year 2011, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2011? ☐ Yes ☒ No If "Yes," list the years ▶ 20___ , 20___ , 20___ , 20___			
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement – see instructions.)	2b		X
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here. ▶ 20___ , 20___ , 20___ , 20___			
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☒ Yes ☐ No			
b	If "Yes," did it have excess business holdings in 2011 as a result of **(1)** any purchase by the foundation or disqualified persons after May 26, 1969; **(2)** the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or **(3)** the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2011.)	3b		X
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)

			Yes	No
5a	During the year did the foundation pay or incur any amount to:			
	(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No			
	(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No			
	(3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☒ No			
	(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions) ☐ Yes ☒ No			
	(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No			
b	If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)? 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 (see instructions).

(a) Name and address	(b) Title, and avg. hours per week devoted to position	(c) Compensation (if not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred comp.	(e) Expense account, other allowances
See attachment #9 See attachment #10				

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

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

Total number of other employees paid over $50,000 ▶ 0

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

3 Five highest-paid independent contractors for professional services (see the instructions). If none, enter "NONE."

(a) Name and address of each person paid more than $50,000	(b) Type of service	(c) Compensation
See attachment #11		
See attachment #12		

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 See attachment #13	421,326
2 See attachment #14	202,293
3 See attachment #15	58,321
4 See attachment #16	50,400

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

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.	Amount
1 See attachment #17	150,000
2 See attachment #18	126,824
All other program-related investments. See the instructions. 3	
Total. Add lines 1 through 3 ▶	276,824

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see 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	476,756
b	Average of monthly cash balances			1b	
c	Fair market value of all other assets (see the instructions)			1c	
d	**Total** (add lines 1a, b, and c)			1d	476,756
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	476,756
4	Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see the instructions)			4	7,151
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4			5	469,605
6	**Minimum investment return.** Enter 5% of line 5			6	23,480

Part XI Distributable Amount (see 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	23,480
2a	Tax on investment income for 2011 from Part VI, line 5	2a	94		
b	Income tax for 2011. (This does not include the tax from Part VI.)	2b			
c	Add lines 2a and 2b			2c	94
3	Distributable amount before adjustments. Subtract line 2c from line 1			3	23,386
4	Recoveries of amounts treated as qualifying distributions			4	
5	Add lines 3 and 4			5	23,386
6	Deduction from distributable amount (see the instructions)			6	
7	**Distributable amount** as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1			7	23,386

Part XII Qualifying Distributions (see 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	732,340
b	Program-related investments -- total from Part IX-B	1b	276,824
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	1,009,164
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 the instructions)	5	94
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	1,009,070

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 the instructions)

		(a) Corpus	(b) Years prior to 2010	(c) 2010	(d) 2011
1 Distributable amount for 2011 from Part XI, line 7					23,386
2 Undistributed income, if any, as of the end of 2011					
a Enter amount for 2010 only					
b Total for prior years 20 ___ , 20 ___ , 20 ___					
3 Excess distributions carryover, if any, to 2011					
a From 2006					
b From 2007	524,893				
c From 2008	289,243				
d From 2009	279,146				
e From 2010	192,886				
f Total of lines 3a through e		1,286,168			
4 Qualifying distributions for 2011 from Part XII, line 4 ▶ $ 1,009,164					
a Applied to 2010, but not more than line 2a					
b Applied to undistributed income of prior years (Election required – see the instructions)					
c Treated as distributions out of corpus (Election required – see the instructions)					
d Applied to 2011 distributable amount					
e Remaining amount distributed out of corpus		253,532			
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		1,539,700			
b Prior years' undistributed income. Subtract line 4b from line 2b					
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 the instructions					
e Undistributed income for 2010. Subtract line 4a from line 2a. Taxable amount -- see the instructions					
f Undistributed income for 2011. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2012					23,386
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see the instructions)					
8 Excess distributions carryover from 2006 not applied on line 5 or line 7 (see the instructions)					
9 Excess distributions carryover to 2012. Subtract lines 7 and 8 from line 6a		1,539,700			
10 Analysis of line 9:					
a Excess from 2007	524,893				
b Excess from 2008	289,243				
c Excess from 2009	279,146				
d Excess from 2010	192,886				
e Excess from 2011	253,532				

Part XIV Private Operating Foundations (see 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 foundation is a private operating foundation described in section ☐ 4942(j)(3) or ☐ 4942(j)(5)

	Tax year	Prior 3 years			
	(a) 2011	(b) 2010	(c) 2009	(d) 2008	(e) Total
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct exempt act.					
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 min. 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 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).)

See attachment # 19

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 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:

See attachment # 20

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 See attachment #21				
Total ▶ 3a				732,340
b Approved for future payment				
Total ▶ 3b				

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 (See the instructions.)
	(a) Business code	(b) Amount	(c) Excl. code	(d) Amount	
1 Program service revenue:					
a					
b					
c					
d					
e					
f					
g Fees & contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments			14	21,914	
4 Dividends and interest from securities					
5 Net rental income or (loss) from real estate:					
a Debt-financed property					
b Not debt-financed property			16	3,394	
6 Net rental income or (loss) from personal property					
7 Other investment income	211110	1,806	16	-17,726	
8 Gain or (loss) from sales of assets other than inventory			01	100	
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)		1,806		7,682	0

13 Total. Add line 12, columns (b), (d), and (e) . . . 13 9,488

(See worksheet in line 13 instructions to verify calculations.)

Part XVI-B Relationship of Activities to the Accomplishment of Exempt Purposes

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes). (See the instructions.)
	See attachment #22

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

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

▶ Signature of officer or trustee | 11/8/2011 Date | ▶ CO-CHAIRMAN Title

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

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
Firm's name ▶			Firm's EIN ▶	
Firm's address ▶			Phone no.	

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

Schedule of Contributors

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

OMB No. 1545-0047

2011

Name of the organization

THE MASTERS FOUNDATION INC

Employer identification number

75-2883327

Organization type (check one):

Filers of:	**Section:**
Form 990 or 990-EZ	☐ 501(c)( ) (enter number) organization
	☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation
	☐ 527 political organization
Form 990-PF	☒ 501(c)(3) exempt private foundation
	☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation
	☐ 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule.**
Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule

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

Special Rules

☐ For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of **(1)** $5,000 or **(2)** 2% of the amount on (i) Form 990, Part VIII, line 1h or (ii) Form 990-EZ, line 1. Complete Parts I and II.

☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than $1,000 for use exclusively for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.

☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use exclusively for religious, charitable, etc., purposes, but these contributions did not total to more than $1,000. If this box is checked, enter here the total contributions that were received during the year for an exclusively religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of $5,000 or more during the year . . . . . . ▶ $ ____________

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

For Paperwork Reduction Act Notice, see the Instructions for Form 990, 990-EZ, or 990-PF.

Name of organization
THE MASTERS FOUNDATION INC

Employer identification number
75-2883327

Part I **Contributors** (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	CHARLES A LOPER JR 4 SAVANNAH CIRCLE Frisco, TX 75034	$ 413,464	Person ☒ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
2	CHARLES A LOPER III 6 STONEBRIAR WAY Frisco, TX 75034	$ 25,000	Person ☒ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
3	FEED THE CHILDREN PO BOX 36 Oklahoma City, OK 73101-0036	$ 421,326	Person ☐ Payroll ☐ Noncash ☒ (Complete Part II if there is a noncash contribution.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution.)

Name of organization
THE MASTERS FOUNDATION INC

Employer identification number
75-2883327

Part II **Noncash Property** (see instructions). Use duplicate copies of Part II if additional space is needed.

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
3	FOOD, SPORTS DRINKS, WATER AND HYDENE BOXES	$ 421,326	

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

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

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

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

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

990 SCHEDULE OF GAIN/LOSS FROM SALE OF ASSETS OTHER THAN INVENTORY (Not Included In Part IV)

Attachment 1: page 1 - 990-PF Part I, Page 1, Line 6

Open to Public Inspection	For Calendar year 2011, or tax year period beginning	and ending

Name of Organization THE MASTERS FOUNDATION INC	Employer Identification Number 75-2883327

Name of Security or Description of Property	Acquisition Date	How Acquired	Date Sold
Other Noninventory Assets:			
SALE OF PALLETS	Various Short-Term	ACQUIRED WITH DELIVERY ON FOODSTUFFS	2011-09

To Whom Sold	Gross Sale Price	ERROR: Basis	Sales Expense	Gain or (Loss)	Accumulated Depreciation
	100	0	0	100	
Totals:	100			100	

990 SCHEDULE OF OTHER INCOME

Attachment 2: page 1 - 990-PF Page 1, Part I, Line 11

Open to Public Inspection | For calendar year 2011 or tax period beginning , and ending .

Name of Organization: THE MASTERS FOUNDATION INC

Employer Identification Number: 75-2883327

Description of Other Income	Revenue and Expenses	Net Investment Income	Adjusted Net Income
OIL & GAS - GROSS RECEIPTS (NO FORM 1099 RECEIVED FROM PECOS GATHERING & MARKETING	2,279	2,279	2,279
OIL & GAS DEPLETION & PRODUCTION TAXES	-473	-473	-473
nET lOSS fROM pARTNERSHIPS	-17,726	-17,726	-17,726
Totals:	-15,920	-15,920	-15,920

990 SCHEDULE OF TAXES PAID

Attachment 3: page 1 - 990- PF Page 1, Part I, Line 18

Open to Public Inspection	For calendar year 2011, or tax period beginning , and ending .

Name of Organization	Employer Identification Number
THE MASTERS FOUNDATION INC	75-2883327

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charity
TAXES PAID	202			
TAX REFUND	-273			
Total:	-71			

990 OTHER EXPENSES SCHEDULE

Attachment 4: page 1 990-PF Page 1, Part I, Line 23

Open to Public Inspection	For calendar year 2011, or tax period beginning , and ending .

Name of Organization THE MASTERS FOUNDATION INC	Employer Identification Number 75-2883327

Description of Activity	Revenue and Expenses	Net Investment Income	Adjusted Net Income	Disbursements for Charity
BANK FEES	201			
DUES & MEMBERSHIPS	1,020			
WEBSITE DEVELOPMENT	2,000			
FOOD BANK OPERATIONAL EXPENSES	8,343			
Total:	11,564			

990 SCHEDULE OF INVESTMENT LAND, BUILDINGS & EQUIPMENT

Attachment 5: page 1 - 990-PF Page 2, Part II, Line 11

Open to Public Inspection

For Calendar year 2011, or tax year period beginning and ending

Name of Organization
THE MASTERS FOUNDATION INC

Employer Identification Number
75-2883327

Category or Description of Property	Cost or Other Basis	Accumulated Depreciation	End of Year Book Value	Ending FML (990-PF Only)
RENTAL HOUSE	297,136		297,136	297,136
LAND/OFFICES FOR THE MASTER CARES PROJECT IN AFRICA	126,824		126,824	126,824
Total:	423,960		423,960	423,960

990 SCHEDULE OF INVESTMENTS - OTHERS

Attachment 6: page 1 - 990-PF Page 2, Part II, Line 13

Open to Public Inspection	For calendar year 2011, or tax period beginning , and ending .

Name of Organization
THE MASTERS FOUNDATION INC

Employer Identification Number
75-2883327

Description	Cost	FMV at Year End	Book Value	Fair Market Value
INVESTMENTS IN PARTNERSHIPS		X	137,993	137,993
INVESTSMENTS IN OIL & GAS		X	42,227	42,227
		Total:		

990 SCHEDULE OF OTHER ASSETS

Attachment 7: page 1 - 990-PF Page 2, Part II, Line 15

Open to Public Inspection	For calendar year 2011, or tax period beginning , and ending .

Name of Organization
THE MASTERS FOUNDATION INC

Employer Identification Number
75-2883327

Description of Other Assets	Beginning of Year	End of Year	EOY FMV (990-PF Only)
LOANS TO GATTO HOMES	210,949		
Totals:	210,949		

990 BOOKS ARE IN CARE OF

Attachment 8 - 990-PF Page 5, Part VII-A, Line 14

Open to Public Inspection	For calendar year 2011, or tax period beginning , and ending .
Name of Organization THE MASTERS FOUNDATION INC	Employer Identification Number 75-2883327

Part VII-A - Line 14

Individual Name or Business Name: CAROL LOPER

Street Address 4 SAVANNAH CIRCLE

U.S. Address:

Zip code 75034 City Frisco State TX

or

Foreign Address

City

Province or State

Country

Postal code

Phone Number (972)370-0087

Fax Number

990 CURRENT OFFICERS, DIRECTORS, TRUSTEES, AND KEY EMPLOYEES

Attachment 9: page 1 - 990-PF Page 6, Part VIII

Open to Public Inspection

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

Name of Organization
THE MASTERS FOUNDATION INC

Employer Identification Number
75-2883327

(A) Name and Address	(B) Title and Average Hrs. per Week	(C) Compensation (If not paid, enter 0)	(D) Cont. to Employee Ben. Plans & Def. Comp.	(E) Expense Account & Other Allowances
CHARLES A LOPER JR 4 SAVANNAH CIRCLE Frisco, TX 75034 See Comp. Expl. #1	CHAIRMAN 30.00	0	0	0
CAROL D LOPER 4 SAVANNAH CIRCLE Frisco, TX 75034 See Comp. Expl. #2	BOARD MEMBER BOARD MEMBER <5	0	0	0
CHARLES LOPER III 6 STONEBRIAR WAY Frisco, TX 75034 See Comp. Expl. #3	CO-CHAIRMAN CO-CHAIRMAN <5	0	0	0
JAMES BRADSHAW 9300 WADE BLVD # 100 Frisco, TX 75035 See Comp. Expl. #4	CO-CHAIRMAN CO-CHAIRMAN <5	0	0	0

990 COMPENSATION EXPLANATION

Attachment 10: page 1 - 990-PF Page 6, Part VIII, Officer Compensation Explanation

Open to Public Inspection

For Calendar year 2011, or tax year period beginning and ending

Name of Organization: THE MASTERS FOUNDATION INC

Employer Identification Number: 75-2883327

Name	Explanation
Officer Comp. Expln. #1 CHARLES A LOPER JR	NO COMPENSATION/BENEFITS PAID TO CHARLES A LOPER JR
Officer Comp. Expln. #2 CAROL D LOPER	NO COMPENSATION/BENEFITS PAID TO CAROL D LOPER
Officer Comp. Expln. #3 CHARLES LOPER III	NO COMPENSATION/BENEFITS PAID TO CHARLES A LOPER III
Officer Comp. Expln. #4 JAMES BRADSHAW	NO COMPENSATION/BENEFITS PAID TO JAMES BRADSHAW

990 COMPENSATION OF THE FIVE HIGHEST PAID INDEPENDENT CONTRACTORS FOR PROFESSIONAL SERVICES

Attachment 11: page 1 990-PF Page 6, Part VIII, Line 2

Open to Public Inspection	For calendar year 2011, or tax period beginning , and ending

Name of Organization THE MASTERS FOUNDATION INC	Employer Identification Number 75-2883327

Part VIII **Compensation of the Five Highest Paid Independent Contractors for Professional Services**

(a) Name and address of each independent contractor paid more than $50,000	(b)Type of service	(c) Compensation
NONE , See Contractor Comp. Expl. #1		0

990 CONTRACTOR COMPENSATION EXPLANATION

Attachment 12: page 1 990-PF Page 6, Part VIII, Line 2 - Contractor Compensation Explanation

Open to Public Inspection	For Calendar year 2011, or tax year period beginning	and ending

Name of Organization THE MASTERS FOUNDATION INC	Employer Identification Number 75-2883327

Name	Explanation
Contractor Comp. Expln. #1 NONE	THE FOUNDATION PAID NO MONEY TO INDEPENDENT CONTRACTORS

990 SUMMARY OF DIRECT CHARITABLE ACTIVITIES

Attachment 13: page 1 - 990-PF Page 7, Part IX-A, Line 1

Open to Public Inspection	For calendar year 2011, or tax period beginning , and ending .

Name of Organization	Employer Identification Number
THE MASTERS FOUNDATION INC	75-2883327

Charitable Activity
THE FOUNDATION STARTED OPERATING A FOOD BANK IN CELINA TEXAS. THE GRACE BRIDGE FOOD BANK PROVIDES FOOD AND CLOTHING FOR THE RESIDENTS THAT NEED ASSISTANCE IN THE CELINA, TEXAS AREA. IN 2011 THE GRACE BRIDGE FOODS BANK SUPPORTED OVER 1,500 FAMILIES.

990 SUMMARY OF DIRECT CHARITABLE ACTIVITIES

Attachment 14: page 1 - 990-PF Page 7, Part IX-A, Line 2

Open to Public Inspection	For calendar year 2011, or tax period beginning , and ending .

Name of Organization THE MASTERS FOUNDATION INC	Employer Identification Number 75-2883327

Charitable Activity

The Master Cares, Rakai Uganda Africa Earth, a Master's Foundation Ministry (CBO/NGO in Africa) DUE TO SPACE LIMITATIONS DETAILED DESCRIPTION ON PAGE IMMEDIATELY BEHIND "STATEMENT 14"

ADDENDUM TO ATTACHMENT 14

The Master Cares, Rakai Uganda Africa Earth, a Master's Foundation Ministry (CBO/NGO in Africa)

The Master Cares Ministry supports people in the villages of Rakai Uganda in many ways including education, discipleship/spiritual development, micro-finance loans, job creation and sanitation/water wells.

The Ministry supports the Nambarizi school in Uganda which, by providing education to the children, will provide them a greater opportunity to grow and thrive as they reach adulthood.

Our Director of Spiritual Development works with area pastors and their churches to become more familiar with the word of God through one-to-one discipleship and by designing and facilitating small group Bible studies. The aim of the spiritual development ministry is to equip all believers with effective tools to spread the gospel of Christ and to improve the spiritual quality of life for the people of Rakai.

The ministry's aim is to provide long-term self-sustaining improvement in the lives of those to which we minister. In addition to assisting the people with their immediate needs, we provide them with vocational training so they will be able to provide for their families for decades to come. We train them in the areas of agriculture, brick-making, construction and facilities management (we create jobs in these areas for the people in Rakai). For those with an entrepreneurial desire we also train them how to start their own businesses.

Creating jobs is not more important than the spiritual aspect of our ministry, but it enables us to provide lasting change to these people, and provides freedom to these entrepreneurs so God can freely lead them in His perfect will.

The sanitation in the Rakai area is unbelievably bad. Much of this is due to lack of education and lack of water. Children spend a large part of their day seeking out water from any source possible, including water shared with cattle. Education is also a large part of the solution to improve sanitation in this area, therefore decreasing disease and sickness and death. One of the reasons that The Master Cares is partnering with a primary school of 350 students is that the children need to be taught that the conditions that they are living in are not healthy and lead to disease, sickness, and death. We have improved living conditions in this region by constructing deep water wells for the community.

990 SUMMARY OF DIRECT CHARITABLE ACTIVITIES

Attachment 15: page 1 - 990-PF Page 7, Part IX-A, Line 3

Open to Public Inspection	For calendar year 2011, or tax period beginning , and ending .

Name of Organization	Employer Identification Number
THE MASTERS FOUNDATION INC	75-2883327

Charitable Activity

THE MASTER'S FOUNDATION SUPPORTED SIX RELIGOUS CHARITIES/SCHOOLS. THESE CHARITIES FOCUS ON SPREADING THE WORD OF CHRIST, THE BIBLE AND OTHER RELIGIOUS, EDUCATIONAL AND MENTORING ACTIVITES. THE FOUNDATION ALSO PROVIDED GRANTS TO SEVERAL FAMILIES IN NEED TO AID THE THE PAYMENT OF MEDICAL EXPENSES AS WELL AS HOUSING PAYMENTS TO PREVENT EVICTION. NONE OF THE GRANT RECIPIENTS ARE RELATED TO ANY CHAIRMAN/BOARD MEMBER OF THE FOUNDATION.

990 SUMMARY OF DIRECT CHARITABLE ACTIVITIES

Attachment 16: page 1 - 990-PF Page 7, Part IX-A, Line 4

Open to Public Inspection	For calendar year 2011, or tax period beginning , and ending .

Name of Organization	Employer Identification Number
THE MASTERS FOUNDATION INC	75-2883327

Charitable Activity
FEED THE CHILDREN - THE DONATIONS TO FEED THE CHILDREN ALLOW THE GRACE BRIDGE FOOD BANK TO RECEIVE FOOD AND HYGENE SUPPLIES TO DISTRIBUTE TO THOSE IN NEED IN THE CELINA, TEXAS AREA

990 SUMMARY OF PROGRAM-RELATED INVESTMENTS

Attachment 17: page 1 - 990-PF Page 7, Part IX-B, Line 1

Open to Public Inspection	For calendar year 2011, or tax period beginning , and ending .

Name of Organization THE MASTERS FOUNDATION INC	Employer Identification Number 75-2883327

Program-Related Investments

INVESTED IN ABERDEEN JOINT VENTURE - THE FOUNDATION BELIEVES THAT THIS INVESTMENT WILL PROVIDE A REVENUE STREAM THAT WILL PROVIDE ADDITIONAL MONIES FOR THE MASTER'S FOUNDATION TO USE TOWARDS ITS PHILANTHROPIC ENDEAVORS.

990 SUMMARY OF PROGRAM-RELATED INVESTMENTS

Attachment 18: page 1 - 990-PF Page 7, Part IX-B, Line 2

Open to Public Inspection	For calendar year 2011, or tax period beginning , and ending .

Name of Organization	Employer Identification Number
THE MASTERS FOUNDATION INC	75-2883327

Program-Related Investments

INVESTMENT IN LAND/OFFICE BUILDING - THE FOUNDATION PURCHASED LAND AND BUILT AN OFFICE IN RAKAI, UGANDA TO SUPPORT THE MASTER'S FOUNDATION'S THE MASTER CARES MINISTRY.

990 INFORMATION REGARDING FOUNDATION MANAGERS

Attachment 19: page 1 - 990-PF Page 10, Part XV, line 1a

Open to Public Inspection	For calendar year 2011, or tax period beginning , and ending .

Name of Organization THE MASTERS FOUNDATION INC	Employer Identification Number 75-2883327

Contributing Manager
CHARLES LOPER JR CHARLES LOPER III

990 APPLICATION SUBMISSION INFORMATION

Attachment 20: page 1 990-PF Page 10, Part XV, Line 2

Open to Public

For Calendar year 2011, or tax year period beginning and ending

Name of Organization
THE MASTERS FOUNDATION INC

Employer Identification Number
75-2883327

Name	Phone Number	Info and Materials Included	Submission Deadlines	Restrictions on Awards
CHARLES A LOPER JR 4 SAVANNAH CIRCLE FRISCO, TX 75034	214-472-5000			

990 GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

Attachment 21: page 1 990-PF Page 11, Part XV Line 3a

Open to Pu
Inspection

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

Name of Organization
THE MASTERS FOUNDATION INC

Employer Identification Number
75-2883327

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
See attached statements immediately behind this Attachment 21				732,340
			Total:	732,340

THE MASTER'S FOUNDATION
75-2883327
STATEMENT ATTACHED TO AND MADE PART OF
2011 FORM 990PF

Please Note: None of the recipents are related in any way to anyone at The Master's Foundation. None of the recipients are Private Foundations.

Name & Address	Purpose of Contribution	Amount
Amazon Outreach PO Box 794763 Dallas, TX 75379	Provides miswsions to minister and spread the gospel of Jesus Christ to the people of the Amazon River Basin	$ 670
Feed The Children PO Box 36, Oklahoma City, OK 73101	Feed The Children is a non-profit relief organization that delivers food, medicine, clothing and other necessities to children. Our contributions to Feed The Children allowed us to receive over $420,000 in food/drink/hygene supplies to be given out at our Grace Bridge Food Bank	$ 50,400
Fort Worth K-Life 6101 Malvey Avenue Fort Worth, TX 76116	Provides descipleship, mentoring and group bible studies for Fort Worth area children	$ 1,000
Grace Bridge Food Bank (owned and operated by the Master's Foundation 319 Walnut Street Celina, TX 75009	The Grace Bridge Food Bank helps provide the necessities for the people in the Celina, TX area	$ 421,326
Next Worldwide PO Box 1237, Prosper, TX 75078	The Focus of NEXT Worldwide is Church Planting and Leadership Development	$ 10,000
Power Point Ministries PO Box 799070 Dallas, TX 75379	Power Point Ministries provides ministries to spread the life-changing, life-giving word of Jesus Christ	$ 5,900
Prestonwood Baptist Church 6801 W. Parker Boulevard, Plano, TX 75093	Church Donations	$ 10,900
Prestonwood Christian Academy 6801 W. Park Boulevard, Plano, TX 75093	Christian School Donation to offset costs for children who would otherwise be unable to attend.	$ 15,000
The Master Cares, Rakai Uganda Africa Earth, a Master's Foundation Ministry	Please see statement immediately behid this statement for details of The Master Cares ministry.	$ 202,293
Grants to individuals Various addresses	The Master's Foundation has provided grants to various individuals in dire need. Theses grants were to provide support for immediate needs such as medical bills, money to pay mortgage/rent to prevent eviction of famlies and utility bills, etc. None of the recipients of these grants are related to any of the Foundation's chairman, board members or their families.	$ 14,851

Total Qualifying Distributions $ 732,340

ADDENDUM TO ATTACHMENT 21

The Master Cares, Rakai Uganda Africa Earth, a Master's Foundation Ministry (CBO/NGO in Africa)

The Master Cares Ministry supports people in the villages of Rakai Uganda in many ways including education, discipleship/spiritual development, micro-finance loans, job creation and sanitation/water wells.

The Ministry supports the Nambarizi school in Uganda which, by providing education to the children, will provide them a greater opportunity to grow and thrive as they reach adulthood.

Our Director of Spiritual Development works with area pastors and their churches to become more familiar with the word of God through one-to-one discipleship and by designing and facilitating small group Bible studies. The aim of the spiritual development ministry is to equip all believers with effective tools to spread the gospel of Christ and to improve the spiritual quality of life for the people of Rakai.

The ministry's aim is to provide long-term self-sustaining improvement in the lives of those to which we minister. In addition to assisting the people with their immediate needs, we provide them with vocational training so they will be able to provide for their families for decades to come. We train them in the areas of agriculture, brick-making, construction and facilities management (we create jobs in these areas for the people in Rakai). For those with an entrepreneurial desire we also train them how to start their own businesses.

Creating jobs is not more important than the spiritual aspect of our ministry, but it enables us to provide lasting change to these people, and provides freedom to these entrepreneurs so God can freely lead them in His perfect will.

The sanitation in the Rakai area is unbelievably bad. Much of this is due to lack of education and lack of water. Children spend a large part of their day seeking out water from any source possible, including water shared with cattle. Education is also a large part of the solution to improve sanitation in this area, therefore decreasing disease and sickness and death. One of the reasons that The Master Cares is partnering with a primary school of 350 students is that the children need to be taught that the conditions that they are living in are not healthy and lead to disease, sickness, and death. We have improved living conditions in this region by constructing deep water wells for the community.

990 SCHEDULE OF RELATIONSHIP OF ACTIVITIES TO THE ACCOMPLISHMENT OF EXEMPT PURPOSES

Attachment 22: page 1 990-PF Page 12, Part XVI-B

Open to Public Inspection

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

Name of Organization: THE MASTERS FOUNDATION INC

Employer Identification Number: 75-2883327

Line Number	Briefly Describe How the Activity Reported In Column (E) of Part VII Specifically Contributed to the Accomplishment of The Organization's Exempt Purposes (other than by providing funds for such purposes).
N/A	N/A

Form **8868**
(Rev. January 2012)
Department of the Treasury
Internal Revenue Service

Application for Extension of Time To File an Exempt Organization Return

▶ **File a separate application for each return.**

OMB No. 1545-1709

- If you are filing for an **Automatic 3-Month Extension, complete only Part I** and check this box .... ▶ ☒
- If you are filing for an **Additional (Not Automatic) 3-Month Extension, complete only Part II** (on page 2 of this form).

Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.

Electronic filing (e-file). You can electronically file Form 8868 if you need a 3-month automatic extension of time to file (6 months for a corporation required to file Form 990-T), or an additional (not automatic) 3-month extension of time. You can electronically file Form 8868 to request an extension of time to file any of the forms listed in Part I or Part II with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, which must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit *www.irs.gov/efile* and click on *e-file for Charities & Nonprofits*.

Part I Automatic 3-Month Extension of Time. Only submit original (no copies needed).

A corporation required to file Form 990-T and requesting an automatic 6-month extension -- check this box and complete Part I only .... ▶ ☐

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

Enter filer's identifying number, see instructions

Type or print File by the due date for filing your return See instructions	Name of exempt organization or other filer, see instructions. THE MASTERS FOUNDATION INC	Employer identification number (EIN) or ☒ 75-2883327
	Number, street, and room or suite no. If a P.O. box, see instructions. 4 SAVANNAH CIRCLE	Social security number (SSN) ☐
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. Frisco TX 75034	

Enter the Return code for the return that this application is for (file a separate application for each return) 04

Application Is For	Return Code	Application Is For	Return Code
Form 990	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 990-EZ	01	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

- The books are in the care of ▶ CAROL LOPER

Telephone No. ▶ 214-425-9423 FAX No. ▶

- If the organization does not have an office or place of business in the United States, check this box .... ▶ ☐
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) ______________ . If this is for the whole group, check this box .... ▶ ☐ . If it is for part of the group, check this box .... ▶ ☐ and attach a list with the names and EINs of all members the extension is for.

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until AUGUST 15 , 20 12 , to file the exempt organization return for the organization named above. The extension is for the organization's return for:

▶ ☒ calendar year 20 11 or
▶ ☐ tax year beginning ______________ , 20 ___ , and ending ______________ , 20 ___ .

2 If the tax year entered in line 1 is for less than 12 months, check reason: ☐ Initial return ☐ Final return ☐ Change in accounting period

3a	If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	$
b	If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	$
c	**Balance due.** Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	$

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

For Privacy Act and Paperwork Reduction Act Notice, see Instructions.

- If you are filing for an **Additional (Not Automatic) 3-Month Extension, complete only Part II** and check this box . . . . ▶ ☒

Note. Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.

- If you are filing for an **Automatic 3-Month Extension, complete only Part I** (on page 1).

Part II Additional (Not Automatic) 3-Month Extension of Time. Only file the original (no copies needed).

Enter filer's identifying number, see instructions

Type or print File by the due date for filing the return. See instructions.	Name of exempt organization or other filer, see instructions. THE MATERS FOUNDATION INC	Employer identification number (EIN) or ☒ 75-2883327
	Number, street, and room or suite no. If a P.O box, see instructions. 4 SAVANNAH CIRCLE	Social security number (SSN) ☐
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. Frisco TX 75034	

Enter the Return code for the return that this application is for (file a separate application for each return) 04

Application Is For	**Return Code**	**Application Is For**	**Return Code**
Form 990	01		
Form 990-BL	02	Form 1041-A	08
Form 990-EZ	01	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

- The books are in the care of ▶ CAROL LOPER
  Telephone No. ▶ 214-425-9423 FAX No. ▶
- If the organization does not have an office or place of business in the United States, check this box . . . . ▶ ☐
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) ________ . If this is for the whole group, check this box . . . . ▶ ☐ . If it is for part of the group, check this box . . . . ▶ ☐ and attach a list with the names and EINs of all members the extension is for.

4 I request an additional 3-month extension of time until NOVEMBER 15 , 2012 .

5 For calendar year 2011 , or other tax year beginning ________ , 20____ , and ending ________ , 20____

6 If the tax year entered in line 5 is for less than 12 months, check reason. ☐ Initial return ☐ Final return ☐ Change in accounting period

7 State in detail why you need the extension WE RESPECTFULLY REQUEST AN EXTENSION OF TIME TO FILE TO ALLOW US TO GATHER THE NECESSARY DOCUMENTATION TO PREPARE AN ACCURATE RETURN

8a	If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	**8a**	$ 0
b	If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868.	**8b**	$ 0
c	**Balance due.** Subtract line 8b from line 8a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	**8c**	$ 0

Signature and Verification must be completed for Part II only.

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature ▶ Title ▶ Date ▶