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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 9/1/2011, and ending 8/31/2012

Name of foundation Patrick Beaver Scholarship Foundation, Inc.		A Employer identification number 56-2048446
Number and street (or P O box number if mail is not delivered to street address) 2425 North Center Street	Room/suite 362	B Telephone number (see instructions) (828) 325-0655
City or town, state, and ZIP code Hickory NC 28601		C If exemption application is pending, check here <input type="checkbox"/>
G Check all that apply <input type="checkbox"/> Initial return <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Address change <input type="checkbox"/> Name change		D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
H Check type of organization <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col (c), line 16) ▶ \$ 1,565,246	J Accounting method <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> 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 <input type="checkbox"/>		

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) (see instructions))		(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 (attach schedule)				
	2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch. B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	66,778	66,778		
	5 a Gross rents				
	b Net rental income or (loss)				
	6 a Net gain or (loss) from sale of assets not on line 10	-7,817			
	b Gross sales price for all assets on line 6a	230,570			
	7 Capital gain net income (from Part IV, line 2)		540		
	8 Net short-term capital gain				
	9 Income modifications				
	10 a Gross sales less returns and allowances				
b Less Cost of goods sold					
c Gross profit or (loss) (attach schedule)					
11 Other income (attach schedule)					
12 Total. Add lines 1 through 11	58,961	67,318			
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc				
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16 a Legal fees (attach schedule)				
	b Accounting fees (attach schedule)	2,691			2,691
	c Other professional fees (attach schedule)	26,165	2,333		23,832
	17 Interest				
	18 Taxes (attach schedule) (see instructions)	500			
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule)	12,278	72		12,206
	24 Total operating and administrative expenses. Add lines 13 through 23	41,634	2,405		38,729
	25 Contributions, gifts, grants paid	74,322			74,322
26 Total expenses and disbursements. Add lines 24 and 25	115,956	2,405		113,051	
27 Subtract line 26 from line 12					
a Excess of revenue over expenses and disbursements	-56,995				
b Net investment income (if negative, enter -0-)		64,913			
c Adjusted net income (if negative, enter -0-)					

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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 instructions)		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value		
Assets	1	Cash—non-interest-bearing				
	2	Savings and temporary cash investments	9,479	13,778	13,778	
	3	Accounts receivable				
		Less allowance for doubtful accounts				
	4	Pledges receivable				
		Less allowance for doubtful accounts				
	5	Grants receivable				
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see 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				
	10 a	Investments—U S and state government obligations (attach schedule)	25,000			
	b	Investments—corporate stock (attach schedule)	616,375	647,217	859,459	
	c	Investments—corporate bonds (attach schedule)	752,347	685,211	692,009	
	Liabilities	11	Investments—land, buildings, and equipment basis			
		Less accumulated depreciation (attach schedule)				
12		Investments—mortgage loans				
13		Investments—other (attach schedule)				
14		Land, buildings, and equipment basis				
		Less accumulated depreciation (attach schedule)				
15		Other assets (describe)				
16		Total assets (to be completed by all filers—see the instructions Also, see page 1, item I)	1,403,201	1,346,206	1,565,246	
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. <input type="checkbox"/>					
	24	Unrestricted				
	25	Temporarily restricted				
	26	Permanently restricted				
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. <input checked="" type="checkbox"/>					
	27	Capital stock, trust principal, or current funds				
	28	Paid-in or capital surplus, or land, bldg, and equipment fund				
	29	Retained earnings, accumulated income, endowment, or other funds	1,403,201	1,346,206		
30	Total net assets or fund balances (see instructions)	1,403,201	1,346,206			
31	Total liabilities and net assets/fund balances (see instructions)	1,403,201	1,346,206			

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	1,403,201
2	Enter amount from Part I, line 27a	2	-56,995
3	Other increases not included in line 2 (itemize)	3	
4	Add lines 1, 2, and 3	4	1,346,206
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	1,346,206

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 Publicly-traded Securities				
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 230,570		230,030	540	
b				
c				
d				
e				
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69				
(i) FMV 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			540	
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	540	
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 instructions) If (loss), enter -0- in Part I, line 8 }		3		

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? ☒ Yes ☐ No

If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part.

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2010			
2009			
2008			
2007			
2006			
2 Total of line 1, column (d)			2
3 Average distribution ratio for the 5-year base period—divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years			3
4 Enter the net value of noncharitable-use assets for 2011 from Part X, line 5			4 0
5 Multiply line 4 by line 3			5 0
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 0
7 Add lines 5 and 6			7 0
8 Enter qualifying distributions from Part XII, line 4 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.			8 0

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948—see instructions)

1 a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1 Date of ruling or determination letter _____ (attach copy of letter if necessary—see instructions)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b		1	1,298
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	1,298
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)		4	
5 Tax based on investment income. Subtract line 4 from line 3 If zero or less, enter -0-		5	1,298
6 Credits/Payments			
a 2011 estimated tax payments and 2010 overpayment credited to 2011	6a	620	
b Exempt foreign organizations—tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c	678	
d Backup withholding erroneously withheld	6d		
7 Total credits and payments Add lines 6a through 6d	7	1,298	
8 Enter any penalty for underpayment of estimated tax Check here <input checked="" type="checkbox"/> if Form 2220 is attached	8	0	
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	0	
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	0	
11 Enter the amount of line 10 to be Credited to 2012 estimated tax <input type="checkbox"/> 0 Refunded <input type="checkbox"/>	11	0	

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?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)? If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation <input type="checkbox"/> \$ _____ (2) On foundation managers <input type="checkbox"/> \$ _____		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers <input type="checkbox"/> \$ _____		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
4 a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?	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		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col (c), and Part XV	X	
8 a Enter the states to which the foundation reports or with which it is registered (see instructions) <input type="checkbox"/> NC		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2011 or the taxable year beginning in 2011 (see instructions for Part XIV)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ▶	13	X	
14	The books are in care of ▶ Angela B. Simmons Telephone no ▶ (828) 325-0655 Located at ▶ 2425 North Center Street Suite 362 Hickory NC ZIP+4 ▶ 28601			
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			
16	At any time during calendar year 2011, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See the instructions for exceptions and filing requirements for Form TD F 90-22.1 If "Yes," enter the name of the foreign country ▶	16	Yes	No
				X

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required**File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.**

		Yes	No
1a	During the year did the foundation (either directly or indirectly)		
(1)	Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> 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)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If any answer is "Yes" to 1a(1)–(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here ▶ <input type="checkbox"/>	1b	X
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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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	N/A
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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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	N/A
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)? (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)?

Organizations relying on a current notice regarding disaster assistance check here

▶ ☐**5b**

X

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?☐ Yes ☐ No

If "Yes," attach the statement required by Regulations section 53.4945–5(d)

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?☐ Yes ☒ No**6b**

X

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? If "Yes" to 6b, file Form 8870☐ Yes ☒ No**7b**

N/A

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?**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 average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE ATTACHMENT				

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 average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
NONE				
	00			
	00			
	00			
	00			
	00			

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

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

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

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

**Part IX-A Summary of Direct Charitable Activities**

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

Expenses

1		
2		
3		
4		

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

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

Amount

1		
2		
3	All other program-related investments See instructions	
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	1,520,818
b	Average of monthly cash balances	1b	35,221
c	Fair market value of all other assets (see instructions)	1c	0
d	Total (add lines 1a, b, and c)	1d	1,556,039
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	1,556,039
4	Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see instructions)	4	23,341
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	1,532,698
6	Minimum investment return. Enter 5% of line 5	6	76,635

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	76,635
2a	Tax on investment income for 2011 from Part VI, line 5	2a	1,298
b	Income tax for 2011 (This does not include the tax from Part VI.)	2b	0
c	Add lines 2a and 2b	2c	1,298
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	75,337
4	Recoveries of amounts treated as qualifying distributions	4	0
5	Add lines 3 and 4	5	75,337
6	Deduction from distributable amount (see instructions)	6	
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	75,337

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	113,051
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	0
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	0
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	113,051
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 instructions)	5	0
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	113,051

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				75,337
2 Undistributed income, if any, as of the end of 2011				
a Enter amount for 2010 only			70,684	
b Total for prior years 20____, 20____, 20____		0		
3 Excess distributions carryover, if any, to 2011				
a From 2006	0			
b From 2007	0			
c From 2008	0			
d From 2009	0			
e From 2010	0			
f Total of lines 3a through e	0			
4 Qualifying distributions for 2011 from Part XII, line 4 ▶ \$ 113,051				
a Applied to 2010, but not more than line 2a			70,684	
b Applied to undistributed income of prior years (Election required—see instructions)		0		
c Treated as distributions out of corpus (Election required—see instructions)				
d Applied to 2011 distributable amount				42,367
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				
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 instructions			0	
f Undistributed income for 2011 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2012				32,970
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)				
8 Excess distributions carryover from 2006 not applied on line 5 or line 7 (see instructions)	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	0			
b Excess from 2008	0			
c Excess from 2009	0			
d Excess from 2010	0			
e Excess from 2011	0			

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 <i>Paid during the year</i>				
L Barkley APPALACHIAN ST UNIV BOX 32059 BOONE NC 28608	None	N/A	Scholarship Grant	1,250
K Reid APPALACHIAN ST UNIV BOX 32059 BOONE NC 28608	None	N/A	Scholarship Grant	2,336
M Sheets APPALACHIAN ST UNIV BOX 32059 BOONE NC 28608	None	N/A	Scholarship Grant	4,672
S Bernhardt BELMONT UNIV 1900 BELMONT BLVD NASHVILLE TN 37212	None	N/A	Scholarship Grant	4,672
B Mallett BYU PO BOX 21128 PROVO UT 84602	None	N/A	Scholarship Grant	5,922
E Swink COLL OF CHARLESTON 66 GEORGE ST CHARLESTON SC 29424	None	N/A	Scholarship Grant	1,250
E Martin DAVIDSON COLLEGE PO BOX 7162 DAVIDSON NC 28035	None	N/A	Scholarship Grant	2,336
A Travis GARDNER-WEBB UNIV PO BOX 997 BOILING SPGS NC 28017	None	N/A	Scholarship Grant	4,672
D Nguyen LENOIR-RHYNE UNIV PO BOX 7164 HICKORY NC 28603	None	N/A	Scholarship Grant	5,922
S Ellie NC STATE UNIV 2016 HARRIS HALL RALEIGH NC 27695	None	N/A	Scholarship Grant	4,672
K Mayberry NC STATE UNIV 2016 HARRIS HALL RALEIGH NC 27695	None	N/A	Scholarship Grant	1,250
Total See Attached Statement			▶ 3a	74,322
b <i>Approved for future payment</i>				
Total			▶ 3b	0

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated

Enter gross amounts unless otherwise indicated		Unrelated business income		Excluded by section 512, 513, or 514		(e)
		(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	Related or exempt function income (See instructions)
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	66,778	
5	Net rental income or (loss) from real estate					
a	Debt-financed property					
b	Not debt-financed property					
6	Net rental income or (loss) from personal property					
7	Other investment income					
8	Gain or (loss) from sales of assets other than inventory			18	-7,817	
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		58,961	0
13	Total. Add line 12, columns (b), (d), and (e)				13 58,961	58,961

(See worksheet in line 13 instructions to verify calculations)

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

[illegible]

Form 990-PF, Part I, Line 16b - Accounting Fees

TOTAL:		2,691	0	0	2,691
	Description	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purpose
1	Preparation of Annual Return and Tax Consultations	2,691	0	0	2,691
2					
3					
4					
5					
6					
7					
8					
9					
10					

Form 990-PF, Part I, Line 16c - Other Professional Fees

TOTAL:		26,165	2,333	0	23,832
	Description	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purpose
1	Management Fees	23,832	0	0	23,832
2	Investment Managment Services	2,333	2,333	0	0
3					
4					
5					
6					
7					
8					
9					
10					

Form 990-PF, Part I, Line 18 - Taxes

TOTAL:		500	0	0	0
	Description	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purpose
1	Estimated Tax for 2012	500	0	0	0
2					
3					
4					
5					
6					
7					
8					
9					
10					

Form 990-PF, Part I, Line 23 - Other Expenses

TOTAL:		12,278	72	0	12,206
	Description	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purpose
1	Administrative Fees	5,456	0	0	5,456
2	Administrative Set-Up Fee	6,750	0	0	6,750
3	Bank Charges	72	72	0	0
4					
5					
6					
7					
8					
9					
10					

Form 990-PF, Part II, Line 10b - Investments - Corporate Stock

		TOTAL:		647,217	859,459
	Description	Shares	Book Value End of Year	FMV End of Year	
1	APPLE INC (AAPL)	25	8,401	16,631	
2	BECTON DICKINSON & CO (BDX)	200	16,118	15,196	
3	BERKSHIRE HATHAWAY INC CLASS B (BRK-B)	750	36,173	63,254	
4	BGE CAPITAL TRUST II (BGE)	1,500	37,406	38,355	
5	CHEVRON CORP (CVX)	200	6,220	22,432	
6	CHINA MOBILE HKG LTD (CHL)	550	24,656	29,530	
7	COLGATE-PALMOLIVE COMPANY (CL)	50	4,298	5,316	
8	GENERAL ELECTRIC CO (GE)	3,000	62,458	62,130	
9	GOOGLE INC CL A (GOOG)	20	11,691	13,702	
10	GRUPO MODELO SP ADR (GPMCY)	400	19,484	36,468	
11	ISHARES IBOX \$ INVESTMENT GRADE CORPORATE BOND FD (LQD)	250	27,130	30,208	
12	JOHNSON & JOHNSON (JNJ)	300	12,609	20,229	
13	MCDONALD'S CORP (MCD)	200	10,916	17,898	
14	MEDTRONIC INC (MDT)	300	11,197	12,198	
15	MICROSOFT CORPORATION (MSFT)	500	10,348	15,410	
16	NATIONAL GRID TRANSO PLC (NGG)	500	22,189	27,235	
17	NESTLE S A (NSRGY)	1,000	18,028	62,309	
18	PEPSICO INC (PEP)	500	30,411	36,215	
19	QUALCOMM INC (QCOM)	200	12,839	12,292	
20	SANTANDER FIN PFD - 10 500% - PERPETUAL (STD-PE)	1,600	44,068	43,632	
21	SPDR GOLD TR GOLD SHS (GLD)	150	12,885	24,633	
22	SYSCO CORP (SY)	675	19,777	20,453	
23	TEMPLETON GLOBAL INCOME FUND (GIM)	4,000	30,078	38,120	
24	UNITED PARCEL SERVICE (UPS)	400	29,690	29,524	
25	VANGUARD EMERGING MARKETS STOCK INDEX VIPERS (VWO)	1,000	25,455	40,110	
26	VANGUARD ST BOND ETF (BSV)	500	39,983	40,755	
27	VODAFONE GROUP PLC (VOD)	1,000	22,214	28,920	
28	WAL-MART STORES INC (WMT)	600	32,795	43,560	
29	YUM BRANDS INC (YUM)	200	7,700	12,744	

Form 990-PF, Part II, Line 10c - Investments - Corporate Bonds

		TOTAL:		
			685,211	692,009
	Description	Shares	Book Value End of Year	FMV End of Year
1	AES CORP - 8 000% - 10/15/2017 (00130HBH7)	25,000	27,319	29,250
2	AMERICAN INTL GROUP INC - 5 450% - 05/18/2017 (02687QBW7)	25,000	27,392	28,090
3	BERKSHIRE HATHAWAY FIN CORP - 5 000% - 08/15/2013 (084664BG5)	90,000	93,784	93,911
4	COMCAST CORP NEW NT 5 30% 01/15/2014 (20030NAE1)	50,000	50,285	53,000
5	ENTERPRISE PRODUCTS - 7 034% - 01/15/2068 (293791AW9)	25,000	27,119	28,000
6	FORD MOTOR CREDIT- 7 000% - 04/15/2015 (345397VN0)	20,000	21,646	22,284
7	KELLOGG CO NOTES - 4 25% - 03/06/2013 (487836BA5)	120,000	120,545	122,227
8	MCDONALDS CORP NOTES - 4 300% - 03/01/2013 (58013MED2)	120,000	124,912	122,263
9	MERRILL LYNCH & CO INC BOND DTD 5/16/2006 6 05% 5/16/2016 (5901884M7)	25,000	26,525	26,942
10	MORGAN STANLEY STEP - 4 000% - 08/19/2020 (61745E4J7)	45,000	45,000	44,543
11	PRES&FELLOW HARVARD COLL - 3 700% - 04/01/2013 (740816AC7)	50,000	50,514	51,042
12	TELEFONICA EMISIONESSAU - 3 992% - 02/16/2016 (87938WAN3)	25,000	25,346	24,063
13	WACHOVIA CAPITAL TR BONDS 05 80000% 03/15/2042 (92978AAA0)	25,000	23,931	24,688
14	YUM! BRANDS INC NOTE 03 87500% 11/01/2020 (988498AG6)	20,000	20,893	21,706

Form 990-PF, Part VIII, Line 1 - Compensation of Officers, Directors, Trustees and Foundation Managers

							TOTAL:			
	Name	Street	City	State	Zip Code	Title	Avg Hrs	Comp	Benefits	Expense Acct
1	Patncia A Anderson	2425 North Center Street Suite 362	Hickory	NC	28601	Director / Treasurer	1	0	0	0
2	Donald C Beaver	2425 North Center Street Suite 362	Hickory	NC	28601	President / Director	1	0	0	0
3	Donna B Fleming	2425 North Center Street Suite 362	Hickory	NC	28601	Director	1	0	0	0
4	Deborah B Looper	2425 North Center Street Suite 362	Hickory	NC	28601	Director	1	0	0	0
5	Angela B Simmons	2425 North Center Street Suite 362	Hickory	NC	28601	Director / Secretary	1	0	0	0
6										
7	Beaver Family Investments and ABS Legacy Partners are owned by an officer of the Patnck Beaver Scholarship Foundation, Inc. Beaver Family Investments and ABS Legacy Partners were paid \$8,832 and \$15,000, respectively, by the Foundation to provide management services. This compensation is reported on Part I, Line 16c to be consistent with the characters of the expenses. Such firms billed the Foundation at or below market rates. Angela B Simmons is a Vice President at Everett Harris & Co., which provides investment management services to the Foundation. Everett Harris & Co. is not a disqualified person with respect to the Foundation. In FYE 8/31/2012, the Foundation paid \$2,333 for investment management services rendered by this firm as reported in Part I, Line 16c.									
8										
9										

Form 990-PF, Part XV, Line 3a - Grants and Contributions Paid During the Year

Recipient(s) paid during the year

Name

K Schwankert

Street

UNC ASHEVILLE 255 UNIVERSITY HALL

City

ASHEVILLE

State

NC

Zip Code

28804

Foreign Country**Relationship**

None

Foundation Status

N/A

Purpose of grant/contribution

Scholarship Grant

Amount

4,672

Name

S Stegall

Street

UNC CHAPEL HILL 104 AIRPORT DR

City

CHAPEL HILL

State

NC

Zip Code

27599

Foreign Country**Relationship**

None

Foundation Status

N/A

Purpose of grant/contribution

Scholarship Grant

Amount

4,672

Name

S Carter

Street

UNC CHAPEL HILL 104 AIRPORT DR

City

CHAPEL HILL

State

NC

Zip Code

27599

Foreign Country**Relationship**

None

Foundation Status

N/A

Purpose of grant/contribution

Scholarship Grant

Amount

4,672

Name

H Abernathy

Street

UNC CHAPEL HILL 104 AIRPORT DR

City

CHAPEL HILL

State

NC

Zip Code

27599

Foreign Country**Relationship**

None

Foundation Status

N/A

Purpose of grant/contribution

Scholarship Grant

Amount

1,250

Name

S Hung

Street

UNC CHARLOTTE 9201 UNIV CITY BLVD

City

CHARLOTTE

State

NC

Zip Code

28223

Foreign Country**Relationship**

None

Foundation Status

N/A

Purpose of grant/contribution

Scholarship Grant

Amount

1,250

Name

C Martin

Street

UNC GREENSBORO PO BOX 26170

City

GREENSBORO

State

NC

Zip Code

27402

Foreign Country**Relationship**

None

Foundation Status

N/A

Purpose of grant/contribution

Scholarship Grant

Amount

4,672

Form 990-PF, Part XV, Line 3a - Grants and Contributions Paid During the Year

Recipient(s) paid during the year

Name

N Miyazaki

Street

WAKE FOREST UNIV PO BOX 7246

City

WINSTON SALEM

State

NC

Zip Code

27109

Foreign Country**Relationship**

None

Foundation Status

N/A

Purpose of grant/contribution

Scholarship Grant

Amount

1,250

Name

A McGhinnis

Street

WESTERN CAR UNIV 118 KILLIAN ANX

City

CULLOWHEE

State

NC

Zip Code

28723

Foreign Country**Relationship**

None

Foundation Status

N/A

Purpose of grant/contribution

Scholarship Grant

Amount

3,586

Name

G Locke

Street

WESTERN CAR UNIV 118 KILLIAN ANX

City

CULLOWHEE

State

NC

Zip Code

28723

Foreign Country**Relationship**

None

Foundation Status

N/A

Purpose of grant/contribution

Scholarship Grant

Amount

4,672

Name

S Simmons

Street

WINGATE UNIV PO BOX 159

City

WINGATE

State

NC

Zip Code

28174

Foreign Country**Relationship**

None

Foundation Status

N/A

Purpose of grant/contribution

Scholarship Grant

Amount

4,672

Name**Street****City****State****Zip Code****Foreign Country****Relationship****Foundation Status****Purpose of grant/contribution****Amount**

0

Name**Street****City****State****Zip Code****Foreign Country****Relationship****Foundation Status****Purpose of grant/contribution****Amount**

0