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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

2012

Open to Public Inspection

For calendar year 2012 or tax year beginning , and ending

Name of foundation
K.B. TIERNEY CHARITABLE FOUNDATION
C/O FIRST COMMUNITY BANK

A Employer identification number
55-0747723

Number and street (or P O box number if mail is not delivered to street address) | Room/suite
P.O. BOX 950

B Telephone number (see instructions)
304-325-7151

City or town, state, and ZIP code
BLUEFIELD WV 24701-0950

C If exemption application is pending, check here ▶ ☐

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

D 1 Foreign organizations, check here ▶ ☐
2. Foreign organizations meeting the 85% test, check here and attach computation ▶ ☐

H Check type of organization. ☒ Section 501(c)(3) exempt private foundation
☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation

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

I Fair market value of all assets at end of year (from Part II, col (c), line 16) ▶ $ 2,451,726

J Accounting method ☐ Cash ☒ Accrual ☐ Other (specify) (Part I, column (d) must be on cash basis)

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

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))

	Line	Description	(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 ▶ ☒ if the foundation is **not** required to attach Sch B				
	3	Interest on savings and temporary cash investments	6	6	6	
	4	Dividends and interest from securities	62,580	62,580	62,580	
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10 Stmt 1	20,642			
	b	Gross sales price for all assets on line 6a 488,971				
	7	Capital gain net income (from Part IV, line 2)		18,881		
	8	Net short-term capital gain			0	
	9	Income modifications				
	10a	Gross sales less returns and allowances				
	b	Less Cost of goods sold				
	c	Gross profit or (loss) (attach schedule)				
	11	Other income (attach schedule)				
	12	**Total.** Add lines 1 through 11	83,228	81,467	62,586	
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc	0			
	14	Other employee salaries and wages				
	15	Pension plans, employee benefits				
	16a	Legal fees (attach schedule)				
	b	Accounting fees (attach schedule) Stmt 2	14,797	14,797	14,797	
	c	Other professional fees (attach schedule)				
	17	Interest				
	18	Taxes (attach schedule) (see instructions) Stmt 3	1,236			
	19	Depreciation (attach schedule) and depletion				
	20	Occupancy				
	21	Travel, conferences, and meetings				
	22	Printing and publications				
	23	Other expenses (att. sch)				
	24	**Total operating and administrative expenses.** Add lines 13 through 23	16,033	14,797	14,797	0
	25	Contributions, gifts, grants paid	131,600			131,600
	26	**Total expenses and disbursements.** Add lines 24 and 25	147,633	14,797	14,797	131,600
	27	Subtract line 26 from line 12:				
	a	**Excess of revenue over expenses and disbursements**	-64,405			
	b	**Net investment income** (if negative, enter -0-)		66,670		
	c	**Adjusted net income** (if negative, enter -0-)			47,789	

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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 (a) Book Value	End of year (b) Book Value	(c) Fair Market Value
Assets 1	Cash – non-interest-bearing		-51,315	-51,315
2	Savings and temporary cash investments	11,268	98	98
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 (att schedule) ▶			
	Less. allowance for doubtful accounts ▶ 0			
8	Inventories for sale or use			
9	Prepaid expenses and deferred charges			
10a	Investments – U S and state government obligations (attach schedule) Stmt 4	174,957	94,993	95,792
b	Investments – corporate stock (attach schedule) See Stmt 5	756,119	768,795	1,197,905
c	Investments – corporate bonds (attach schedule) See Stmt 6	673,870	728,770	742,232
11	Investments – land, buildings, and equipment basis ▶			
	Less accumulated depreciation (attach sch) ▶			
12	Investments – mortgage loans			
13	Investments – other (attach schedule) See Statement 7	397,911	397,911	467,014
14	Land, buildings, and equipment basis ▶			
	Less accumulated depreciation (attach sch) ▶			
15	Other assets (describe ▶)			
16	**Total assets** (to be completed by all filers – see the instructions Also, see page 1, item I)	2,014,125	1,939,252	2,451,726
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, check here ▶ ☒ and complete lines 27 through 31.			
27	Capital stock, trust principal, or current funds			
28	Paid-in or capital surplus, or land, bldg , and equipment fund			
29	Retained earnings, accumulated income, endowment, or other funds	2,014,125	1,939,252	
30	**Total net assets or fund balances**(see instructions)	2,014,125	1,939,252	
31	**Total liabilities and net assets/fund balances**(see instructions)	2,014,125	1,939,252	

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	2,014,125
2	Enter amount from Part I, line 27a	2	-64,405
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	1,949,720
5	Decreases not included in line 2 (itemize) ▶ See Statement 8	5	10,468
6	Total net assets or fund balances at end of year (line 4 minus line 5) – Part II, column (b), line 30	6	1,939,252

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Part IV Capital Gains and Losses for Tax on Investment Income

	(a) List and describe the kind(s) of property sold (e g , real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)	(b) How acquired P – Purchase D – Donation	(c) Date acquired (mo , day, yr)	(d) Date sold (mo , day, yr)
1a	SHORT TERM			
b	LONG TERM			
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	5,769			5,769
b	13,112			13,112
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				5,769
b				13,112
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	18,881
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))
2011	140,500	2,468,854	0.056909
2010	187,057	2,383,963	0.078465
2009	152,588	2,297,793	0.066406
2008	159,792	2,779,848	0.057482
2007	279,328	2,999,091	0.093138

2 **Total** of line 1, column (d)	2	0.352400
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	0.070480
4 Enter the net value of noncharitable-use assets for 2012 from Part X, line 5	4	2,476,002
5 Multiply line 4 by line 3	5	174,509
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	667
7 Add lines 5 and 6	7	175,176
8 Enter qualifying distributions from Part XII, line 4	8	131,600

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

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

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1 Date of ruling or determination letter (attach copy of letter if necessary—see instructions)			
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☐ and enter 1% of Part I, line 27b		1	1,333
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	1,333
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	1,333
6	Credits/Payments			
a	2012 estimated tax payments and 2011 overpayment credited to 2012	6a 1,300		
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	1,300
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	33
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 2013 estimated tax** ▶ Refunded ▶		11	

Part VII-A Statements Regarding Activities

			Yes	No
1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see Instructions for the 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 ▶ $ ____ **(2)** On foundation managers ▶ $ ____			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ $ ____			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities	2		X
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes	3		X
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
b	If "Yes," has it filed a tax return on **Form 990-T** for this year? N/A	4b		
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T	5		X
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	X	
7	Did the foundation have at least $5,000 in assets at any time during the year? If "Yes," complete Part II, col. (c), and Part XV	7	X	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ None			
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 2012 or the taxable year beginning in 2012 (see instructions for Part XIV)? If "Yes," complete Part XIV	9		X
10	Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	10		X

Part VII-A Statements Regarding Activities (continued)

				Yes	No
11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)		11		X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)		12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?		13	X	

Website address ▶ N/A

14 The books are in care of ▶ First Community Bank P.O. Box 950 Telephone no. ▶ 304-325-7151

Located at ▶ Bluefield WV ZIP+4 ▶ 24701-0950

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 2012, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?	16		X
	See the instructions for exceptions and filing requirements for Form TD F 90-22 1 If "Yes," enter the name of the foreign country ▶			

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

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

					Yes	No
1a	During the year did the foundation (either directly or indirectly):					
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	☐ Yes	☒ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	☐ Yes	☒ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	☐ Yes	☒ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	☐ Yes	☒ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	☐ Yes	☒ No			
	(6) Agree to pay money or property to a government official? **(Exception.** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days)	☐ Yes	☒ No			
b	If any answer is "Yes" to 1a(1)–(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)?		N/A	1b		
	Organizations relying on a current notice regarding disaster assistance check here		▶ ☐			
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2012?		N/A	1c		
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):					
a	At the end of tax year 2012, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2012?	☐ 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.)		N/A	2b		
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here. ▶ 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 2012 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 2012)		N/A	3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?			4a		X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2012?			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)? 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 | No: 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 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
FIRST COMMUNITY BANK BLUEFIELD P.O. BOX 950 WV 24701	TRUSTEE 5.00	0	0	0

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				

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 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 VIRGINIA HORSE CENTER FOUNDATION	
2 BLUEFIELD STATE COLLEGE ATHLETIC DEPARTMENT	
3 BUCKSKIN COUNCIL, INC	
4 BLUEFIELD BEAUTIFICATION COMMISSION	

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 N/A	
2	
All other program-related investments See instructions 3	
Total. Add lines 1 through 3 ▶	

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	2,513,708
b	Average of monthly cash balances	1b	0
c	Fair market value of all other assets (see instructions)	1c	0
d	**Total** (add lines 1a, b, and c)	1d	2,513,708
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) 1e 0		
2	Acquisition indebtedness applicable to line 1 assets	2	0
3	Subtract line 2 from line 1d	3	2,513,708
4	Cash deemed held for charitable activities Enter 1½% of line 3 (for greater amount, see instructions)	4	37,706
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4	5	2,476,002
6	**Minimum investment return.** Enter 5% of line 5	6	123,800

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	123,800
2a	Tax on investment income for 2012 from Part VI, line 5	2a	1,333		
b	Income tax for 2012. (This does not include the tax from Part VI)	2b			
c	Add lines 2a and 2b			2c	1,333
3	Distributable amount before adjustments. Subtract line 2c from line 1			3	122,467
4	Recoveries of amounts treated as qualifying distributions			4	
5	Add lines 3 and 4			5	122,467
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	122,467

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	131,600
b	Program-related investments – total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc , purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	**Qualifying distributions.** Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	131,600
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	131,600

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 2011	(c) 2011	(d) 2012
1 Distributable amount for 2012 from Part XI, line 7					122,467
2 Undistributed income, if any, as of the end of 2012					
a Enter amount for 2011 only					
b Total for prior years: 20 ____ , 20 ____ , 20 ____					
3 Excess distributions carryover, if any, to 2012:					
a From 2007	132,087				
b From 2008	22,774				
c From 2009	39,021				
d From 2010	69,077				
e From 2011	18,314				
f **Total** of lines 3a through e		281,273			
4 Qualifying distributions for 2012 from Part XII, line 4 ▶ $ 131,600					
a Applied to 2011, but not more than line 2a					
b Applied to undistributed income of prior years (Election required – see instructions)					
c Treated as distributions out of corpus (Election required – see instructions)					
d Applied to 2012 distributable amount					122,467
e Remaining amount distributed out of corpus		9,133			
5 Excess distributions carryover applied to 2012 (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		290,406			
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 instructions					
e Undistributed income for 2011 Subtract line 4a from line 2a. Taxable amount – see instructions					
f Undistributed income for 2012. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2013					0
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 2007 not applied on line 5 or line 7 (see instructions)		132,087			
9 **Excess distributions carryover to 2013.** Subtract lines 7 and 8 from line 6a		158,319			
10 Analysis of line 9:					
a Excess from 2008	22,774				
b Excess from 2009	39,021				
c Excess from 2010	69,077				
d Excess from 2011	18,314				
e Excess from 2012	9,133				

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 2012, 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 (a) 2012	Prior 3 years (b) 2011	(c) 2010	(d) 2009	(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 of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon **a** "Assets" alternative test – enter **(1)** Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test – enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test – enter: **(1)** Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the foundation had $5,000 or more in assets at any time during the year – see instructions.)

1 Information Regarding Foundation Managers:

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

N/A

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.

N/A

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

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

a The name, address, and telephone number or e-mail of the person to whom applications should be addressed

N/A

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

N/A

c Any submission deadlines.

N/A

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

N/A

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 Statement 9				131,600
Total			▶ 3a	131,600
b Approved for future payment N/A				
Total			▶ 3b	

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.

	Unrelated business income (a) Business code	Unrelated business income (b) Amount	Excluded by section 512, 513, or 514 (c) Exclusion code	Excluded by section 512, 513, or 514 (d) Amount	(e) 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					6
4 Dividends and interest from securities					62,580
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					20,642
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		0	83,228

13 **Total.** Add line 12, columns (b), (d), and (e) 13 83,228

(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 instructions.)
N/A	

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

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

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

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

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

b If "Yes," complete the following schedule

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

Sign Here

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

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

Signature of officer or trustee: [signature] Date: 05/09/13 Title: V.P. & Sr. Trust Adm. Off

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☒ if self-employed
Ralph T. Tinney, Jr.	[signature]	05/09/13	
Firm's name ▶ Ralph T. Tinney, Jr., CPA		PTIN	235-80-1756
Firm's address ▶ P.O. Box 9 Bluefield, WV 24701		Firm's EIN ▶	55-0743470
		Phone no	304-324-8881

Federal Statements

Statement 1 - Form 990-PF, Part I, Line 6a - Sale of Assets

Description			How Received					
Whom Sold	Date Acquired	Date Sold	Sale Price	Cost	Expense	Depreciation	Net Gain / Loss
54 TRANSOCEAN LTD			Purchase				
	12/22/08	12/31/12	$ 2,349	$ 1,586	$	$	$ 763
50000 ALCOA INC NOTES			Purchase				
	5/09/02	1/15/12	50,000	49,873			127
50000 FAMC MTN 2.05%			Purchase				
	4/03/09	4/13/12	50,000	49,976			24
40000 FFCB 1.74%			Purchase				
	8/13/10	8/20/12	40,000	40,000			
50000 FFCB 2.3%			Purchase				
	2/15/11	2/24/12	50,000	50,001			-1
70000 FHLB 3.35%			Purchase				
	3/18/11	3/28/12	70,000	69,955			45
50000 FHLMC 2.25%			Purchase				
	2/10/11	2/24/12	50,000	50,000			
75000 FNMA 1%			Purchase				
	8/12/10	8/27/12	75,000	75,000			
700 FIRST CMNTY BANCSHARES COM			Purchase				
	11/13/95	7/11/12	10,323	658			9,665
100 GOLDMAN SACHS GROUP COM			Purchase				
	6/29/06	3/07/12	11,460	14,725			-3,265
300 HEWLETT PACKARD CO COM			Purchase				
	6/09/09	11/07/12	4,124	11,031			-6,907
300 HEWLETT PACKARD CO COM			Purchase				
	6/09/09	11/07/12	4,124	11,032			-6,908
400 JACOBS ENGR GROUP INC			Purchase				
	6/29/06	12/31/12	16,589	15,558			1,031
107 PHILIP MORRIS INTL INC			Purchase				
	6/22/09	12/31/12	8,846	4,446			4,400
750 WALGREEN CO COM			Purchase				
	3/24/04	12/31/12	27,275	24,488			2,787

Federal Statements

Statement 1 - Form 990-PF, Part I, Line 6a - Sale of Assets (continued)

Description: Whom Sold	Description: Date Acquired	Description: Date Sold	How Received: Sale Price	Cost	Expense	Depreciation	Net Gain / Loss
Total			$ 470,090	$ 468,329	$ 0	$ 0	$ 1,761

Statement 2 - Form 990-PF, Part I, Line 16b - Accounting Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
TAX PREPARATION	$ 992	$ 992	$ 992	$
TRUSTEE FEES	13,805	13,805	13,805	
Total	$ 14,797	$ 14,797	$ 14,797	$ 0

Statement 3 - Form 990-PF, Part I, Line 18 - Taxes

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Indirect taxes/licenses	$ 1,236	$	$	$
Total	$ 1,236	$ 0	$ 0	$ 0

Federal Statements

Statement 4 - Form 990-PF, Part II, Line 10a - US and State Government Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
FFCB 31331XBSO	$ 15,000	$ 15,000		$ 15,649
FHLB 313381BRS		10,020		9,909
FFCB 3133EALS5		69,972		70,235
FFCB 31331JZJ5	40,000			
FFCB 2.5% 31331KCW8	50,001			
FHLB 3.35% 3133734D1	69,955			
ROUNDING ADJUSTMENT	1	1		-1
Total	$ 174,957	$ 94,993		$ 95,792

Statement 5 - Form 990-PF, Part II, Line 10b - Corporate Stock Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
416 AT&T COMMON	$ 21,150	$ 21,150		$ 14,023
300 ABBOTT LABORATORIES COMMON	14,791	14,791		19,650
2000 ALTRIA GROUP, INC.	32,828	32,828		62,880
90 APPLE INC		50,122		47,896
400 BECTON DICKINSON & COMPANY	24,020	24,020		31,276
350 CHEVRON CORPORATION	21,883	21,883		37,849
500 CISCO SYSTEMS INC COMMON	18,318	18,318		9,825
500 COLGATE-PALMOLIVE CO COMMON	29,858	29,858		52,270
600 CONOCOPHILLIPS COMMON	20,631	15,905		34,794
200 COSTCO WHOLESALE CORP COMMON	8,252	8,252		19,746
800 DANAHER CORP COMMON	17,737	17,737		44,720
575 EXXON MOBIL CORP COMMON	14,373	14,373		49,766
6593 FIRST COMMUNITY BANCSHARES COMM	6,197			
5893 FIRST COMMUNITY BANCSHARES		5,539		94,111
1525 GENERAL DYNAMICS CORP	87,465	87,465		105,637
1125 GENERAL ELECTRIC COMMON	25,515	25,515		23,614
100 GOLDMAN SACHS GROUP COMMON	14,725			
600 HEWLETT PACKARD CO	22,063			
400 HOME DEPOT COMMON	14,428	14,428		24,740
1100 INTEL CORPORATION COMMON	22,822	22,822		22,682
100 ISHARES TRUST	3,108	3,108		4,435

Federal Statements

Statement 5 - Form 990-PF, Part II, Line 10b - Corporate Stock Investments (continued)

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
400 JACOBS ENGINEERING	$ 15,558	$ 15,558		$ 17,028
600 JOHNSON & JOHNSON COMMON	28,104	28,104		42,060
300 KIMBERLY-CLARK COMMON	14,749	14,749		25,329
200 MCDONALDS CORPORATION	14,104	14,104		17,642
300 MEDTRONIC INC COMMON	4,946	4,946		12,306
1000 MICROSOFT CORP COMMON	41,829	41,829		26,710
300 NEXTERA ENERGY INC	12,200	12,200		20,757
500 ORACLE CORPORATION COMMON	15,097	15,097		16,660
700 PEPSICO INC COMMON	29,855	29,855		47,901
525 PFIZER INC COMMON	16,202	16,202		13,167
1000 PHILIP MORRIS INTL	41,549	41,549		83,640
300 PHILLIPS 66		4,727		15,930
552 PROCTER & GAMBLE COMMON	28,465	28,465		37,475
550 SCHLUMBERGER LIMITED COMMON	13,326	13,326		38,114
360 VERIZON COMMUNICATIONS	9,600	9,600		15,577
550 WAL-MART STORES INC COMMON	24,296	24,296		37,526
750 WALGREEN CO COMMON	24,488	24,488		27,757
54 TRANSOCEAN INC COMMON	1,586	1,586		2,412
ROUNDING AJUSTMENT	1			
Total	$ 756,119	$ 768,795		$ 1,197,905

Statement 6 - Form 990-PF, Part II, Line 10c - Corporate Bond Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
ALCOA 6% 01-15-12	$ 49,873	$		$
BANK OF AMERICA 06051GED7		74,885		79,286
BANK OF AMERICA 06051GED7	74,885			
BARCLAYS BANK PLC 06738JYJ7		50,001		49,656
FHLMC .5% 3134G2YJ5		99,701		100,390
FHLMC 1.25% 3134G3SW1		100,001		100,667
FAMC 2.05% 4/13/12	49,976			
FHLMC 2.25% 3134G14Y7	50,000			
FHLMC .5% 3134G2YJ5	99,701			

Federal Statements

Statement 6 - Form 990-PF, Part II, Line 10c - Corporate Bond Investments (continued)

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
FNMA .625% 3135G0DWO	$ 49,967	$ 49,967		$ 50,312
FNMA 1% 3136FPCR6	75,000			
FNMA 2.00% 3136FRUP6	50,000	50,000		50,484
FHLMC 1.25% 3137EADK2		79,714		80,110
GEN ELEC CAP CORP 36962G4T8	49,538	49,538		51,636
GEN ELEC CAP CORP 36966R2X3	25,000	25,000		26,794
KIMBERLY CLARK CORP		40,033		40,507
NATL RURAL UTIL CORP 63743FLT1	50,002	50,002		50,437
US BANCORP MTNS 91159HGT1	49,928	49,928		52,074
WESTPAC BANKING COPR		10,000		9,879
Total	$ 673,870	$ 728,770		$ 742,232

Statement 7 - Form 990-PF, Part II, Line 13 - Other Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
604.576 COHEN & STEERS RLTY SHS FD	$ 39,617	$ 39,617		$ 39,038
1037.849 HARBOR INTL FUND	38,151	38,151		64,471
1812.261 NEUBERGER & BERMAN GENESIS FD	51,772	51,772		61,653
1301.933 T.ROWE PRICE MID-CAP GROWTH FD	60,168	60,168		73,520
2727.780 T.ROWE PRICE MID-CAP VALUE FD	60,168	60,168		65,576
4703.608 ROYCE TOTAL RETURN FUND	54,272	54,272		64,110
9041.786 VANGUARD FIXED-INCOME GNMA FUND	93,763	93,763		98,646
Total	$ 397,911	$ 397,911		$ 467,014

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Statement 8 - Form 990-PF, Part III, Line 5 - Other Decreases

Description	Amount
ADJUSTMENT FOR 2013 ACTIVITY	$ 10,468
Total	$ 10,468

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Statement 9 - Form 990-PF, Part XV, Line 3a - Grants and Contributions Paid During the Year

Name / Address	Address / Relationship	Status	Purpose	Amount
BLUEFIELD BEAUTIFICATION BLUEFIELD WV 24701	NONE		FENCING AND MAINTENANCE	5,000
CHARLESTON BALLET CHARLESTON WV	NONE		ADMISSION STUDENTS SOUTHERN COUNTIES	2,000
SOUTHWEST VA COMMUNITY CO RICHLANDS VA	NONE		FESTIVAL FOR THE ARTS	5,000
BLUEFIELD STATE COLLEGE BLUEFIELD WV 24701	NONE		SCHOLARSHIPS FOR STUDENT ATHLETES	15,000
CLAY CENTER CHARLESON WV	NONE		ADMISSION STUDENTS MERCER COUNTY	2,000
WV SYMPHONY CHARLESTON WV	NONE		MUSIC EDUCATIONAL FUNDING	5,000
VIRGINIA HORSE CENTER FOU LEXINGTON VA	NONE		UNRESTRICTED	50,000
MERCER CTY FELLOWSHIP HOM BLUEFIELD WV 24701	NONE		OPERATIONS	5,000
CITY OF BLUEFIELD BLUEFIELD WV 24701	NONE		LEMONADE DAYS	2,500
SECOND CHANCE FOR CATS PRINCETON WV 24740	NONE		NEUTERING/NO KILL FACILITY	5,000
HIGH POINT UNIVERSITY HIGH POINT NC	NONE		TUITION ASSISTANCE	2,000
MERCER SPORTSMAN CLUB BLUEFIELD WV 24701	1037 JAMES ST. NONE		FISHING SEMINAR FOR YOUTH	1,000
BUCKSKIN COUNCIL , BOY SCOUTS CHARLESTON WV 25311	2829 KANAWAH BLVD, EAST NONE		SERVICE TO YOUTH/FAMILIES	5,000
BLUEFIELD COLLEGE BLUEFIELD VA 24605	3000 COLLEGE DR NONE		OPPORTUNITY FOR WOMEN	2,500
CHILD PROTECT OF MERCER COUNTY PRINCETON WV 24740	206 CENTER ST NONE		OCCUPANCY EXPENSES	2,550
RETIRED MILITARY POLICE ASSOC. FAYETTEVILLE NC	NONE		DORMITORY	1,000
MERCER CO SPAY ASSOCIATION PRINCETON WV 24740	NONE		GENERAL OPERATIONS	3,000

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Statement 9 - Form 990-PF, Part XV, Line 3a - Grants and Contributions Paid During the Year (continued)

Name / Address	Address / Relationship	Status	Purpose	Amount
RADFORD UNIVERSITY RADFORD VA 24142	P O BOX 6922 NONE		SCHOLARSHIP	2,000
COMMUNITY CONCERT ASSOCIATION BLUEFIELD WV 24701	P O BOX 887 NONE		DEFRAY COST	4,000
CARNEGIE HALL, INC LEWISBURG WV 24901	105 CHURCH ST NONE		STUDENTS MERCER/MCDOWELL	2,500
CHILDREN'S HOME SOCIETY PRINCETON WV 24740	P O BOX 5533 NONE		WE CAN PROGRAM	1,000
PET HAVEN & RESCUE CENTER FALLS MILLS VA 24613	P O BOX 24 NONE		GENERAL FUNDING	2,550
WESTMINISTER AT WADE INC BLUEFIELD WV 24701	P O BOX 777 NONE		AFTER SCHOOL PROGRAM	5,000
UNITED WAY OF THE VIRGINIAS BLUEFIELD VA 24605	403 1/2 BLAND AVENUE NONE		FIRST BOOK PROGRAM	1,000
Total				131,600