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Form **990-PF**

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

OMB No 1545-0052

2012Department of the Treasury
Internal Revenue Service

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

Open to Public Inspection

For calendar year 2012 or tax year beginning

, and ending

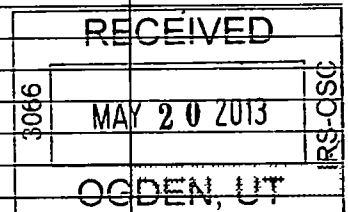
Name of foundation W. S. Wellons Foundation		A Employer identification number 58-1537766
Number and street (or P.O. box number if mail is not delivered to street address) P.O. Box 766	Room/suite	B Telephone number (see instructions) 910-436-3131
City or town, state, and ZIP code Spring Lake NC 28390		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) \$ 1,096,731	J Accounting method: ☒ Cash ☐ Accrual ☐ Other (specify)	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).)		(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)	15,050			
2	Check ☒ if the foundation is not required to attach Sch. B				
3	Interest on savings and temporary cash investments	1	1		
4	Dividends and interest from securities	13,681	13,681		
5a	Gross rents	7,767	7,767		
b	Net rental income or (loss)	2,021			
6a	Net gain or (loss) from sale of assets not on line 10 Stmt 1	-9,812			
b	Gross sales price for all assets on line 6a	238,270			
7	Capital gain net income (from Part IV, line 2)		0		
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) Stmt 2	406			
12	Total. Add lines 1 through 11	27,093	21,449	0	
13	Compensation of officers, directors, trustees, etc	36,000			
14	Other employee salaries and wages	41,000			
15	Pension plans, employee benefits				
16a	Legal fees (attach schedule)				
b	Accounting fees (attach schedule) Stmt 3	4,598			
c	Other professional fees (attach schedule) Stmt 4	6,494	4,164		
17	Interest				
18	Taxes (attach schedule) (see instructions) Stmt 5	11,988	243		
19	Depreciation (attach schedule) and depletion				
20	Occupancy				
21	Travel, conferences, and meetings				
22	Printing and publications				
23	Other expenses (attach schedule) Stmt 6	24,775	5,746		
24	Total operating and administrative expenses. Add lines 13 through 23	124,855	10,153	0	0
25	Contributions, gifts, grants paid	72,854			72,854
26	Total expenses and disbursements. Add lines 24 and 25	197,709	10,153	0	72,854
27	Subtract line 26 from line 12	-170,616			
a	Excess of revenue over expenses and disbursements				
b	Net investment income (if negative, enter -0-)		11,296		
c	Adjusted net income (if negative, enter -0-)			0	

For Paperwork Reduction Act Notice, see instructions.

Form **990-PF** (2012)

SCANNED MAY 28 2013
 Revenue
 Operating and Administrative Expenses



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		6,054	1,991	1,991
	3	Accounts receivable ▶				
		Less allowance for doubtful accounts ▶		4,450		
	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)				
	b	Investments – corporate stock (attach schedule) See Stmt 7		727,450	562,682	602,169
	c	Investments – corporate bonds (attach schedule)				
	11	Investments – land, buildings, and equipment basis ▶ 468,227				
		Less accumulated depreciation (attach sch) ▶ Stmt 8		466,190	468,227	468,227
	12	Investments – mortgage loans				
	13	Investments – other (attach schedule)				
	14	Land, buildings, and equipment basis ▶ 24,344				
		Less accumulated depreciation (attach sch) ▶ Stmt 9		24,344		24,344
	15	Other assets (describe ▶)				
	16	Total assets (to be completed by all filers – see the instructions Also, see page 1, item I)		1,204,144	1,032,900	1,096,731
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 ▶ See Statement 10)		12,500	12,500	
	23	Total liabilities (add lines 17 through 22)		12,500	12,500	
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		1,191,644	1,020,400	
	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				
	30	Total net assets or fund balances (see instructions)		1,191,644	1,020,400	
	31	Total liabilities and net assets/fund balances (see instructions)		1,204,144	1,032,900	

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	1,191,644
2	Enter amount from Part I, line 27a	2	-170,616
3	Other increases not included in line 2 (itemize) ▶ See Statement 11	3	3
4	Add lines 1, 2, and 3	4	1,021,031
5	Decreases not included in line 2 (itemize) ▶ See Statement 12	5	631
6	Total net assets or fund balances at end of year (line 4 minus line 5) – Part II, column (b), line 30	6	1,020,400

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 N/A				
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) 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			
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	
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	614,325	1,163,352	0.528065
2010	55,600	1,325,085	0.041960
2009	75,039	1,291,661	0.058095
2008	76,061	1,623,891	0.046839
2007	113,682	2,044,611	0.055601

2 Total of line 1, column (d)	2	0.730560
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	0.146112
4 Enter the net value of noncharitable-use assets for 2012 from Part X, line 5	4	1,152,029
5 Multiply line 4 by line 3	5	168,325
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	113
7 Add lines 5 and 6	7	168,438
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	72,854

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	226
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	226
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	226
6	Credits/Payments		
a	2012 estimated tax payments and 2011 overpayment credited to 2012	6a	
b	Exempt foreign organizations – tax withheld at source	6b	
c	Tax paid with application for extension of time to file (Form 8868)	6c	
d	Backup withholding erroneously withheld	6d	
7	Total credits and payments. Add lines 6a through 6d	7	
8	Enter any penalty for underpayment of estimated tax. Check here ☐ 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	226
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?		X
1b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see Instructions for the 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
1c 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 ☐ \$ _____ (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		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
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
4b If "Yes," has it filed a tax return on Form 990-T for this year?		
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	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) ☐ NC		
8b 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 2012 or the taxable year beginning in 2012 (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 ► NONE	13	X	
14	The books are in care of ► W. S. Wellons P.O. Box 766 Located at ► Spring Lake NC ZIP+4 ► 28390 Telephone no ► 			
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 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? 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? ☐ 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)? Organizations relying on a current notice regarding disaster assistance check here N/A ☐	1b	
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 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** ☐ Yes ☒ 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
W. S. Wellons, Jr. P O Box 766 Spring Lake NC 28390	Chairman 22.00	36,000	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 N/A	
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 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	682,409
b	Average of monthly cash balances	1b	5,558
c	Fair market value of all other assets (see instructions)	1c	481,606
d	Total (add lines 1a, b, and c)	1d	1,169,573
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	1,169,573
4	Cash deemed held for charitable activities. Enter 1½% of line 3 (for greater amount, see instructions)	4	17,544
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	1,152,029
6	Minimum investment return. Enter 5% of line 5	6	57,601

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	57,601
2a	Tax on investment income for 2012 from Part VI, line 5	2a	226
b	Income tax for 2012 (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	226
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	57,375
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	57,375
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	57,375

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	72,854
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	72,854
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	72,854

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				57,375
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				
b From 2008				
c From 2009				8,357
d From 2010				
e From 2011				557,407
f Total of lines 3a through e	565,764			
4 Qualifying distributions for 2012 from Part XII, line 4 ▶ \$ 72,854				
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				57,375
e Remaining amount distributed out of corpus	15,479			
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	581,243			
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)				
9 Excess distributions carryover to 2013. Subtract lines 7 and 8 from line 6a	581,243			
10 Analysis of line 9				
a Excess from 2008				
b Excess from 2009				8,357
c Excess from 2010				
d Excess from 2011				557,407
e Excess from 2012				15,479

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	Prior 3 years			(e) Total
	(a) 2012	(b) 2011	(c) 2010	(d) 2009	
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))
William S. Wellons

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
William S. Wellons
P.O. Box 766 Spring Lake NC 28390

b The form in which applications should be submitted and information and materials they should include
Contact Individual in 2a for details

c Any submission deadlines
None

d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors
None

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 13				72,854
Total			▶ 3a	72,854
b Approved for future payment N/A				
Total			▶ 3b	

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated

Part A-PA 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 instructions)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue					
a _____					
b _____					
c _____					
d _____					
e _____					
f _____					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments			14	1	
4 Dividends and interest from securities			14	13,681	
5 Net rental income or (loss) from real estate					
a Debt-financed property					
b Not debt-financed property			16	2,021	
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	-9,812	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue a _____					
b <u>Smith Barney - Fidelity</u>			14	97	
c <u>Misc Income</u>			14	309	
d _____					
e _____					
12 Subtotal Add columns (b), (d), and (e)		0		6,297	0
13 Total Add line 12 columns (b), (d), and (e)				13	6,297

(See worksheet in line 13 instructions to verify calculations)

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

[illegible]

Federal Statements

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

Description			How Received		Cost	Expense	Depreciation	Net Gain / Loss
Whom Sold	Date Acquired	Date Sold	Sale Price					
Chevron Corp - 150 Sh	8/12/11	1/06/12	\$ 16,239	Purchase	14,459	\$	\$	1,780
J C Penny Co Inc - 500 sh	10/18/11	1/26/12	19,281	Purchase	15,699			3,582
Salesforce.com - 50 sh	Various	2/24/12	7,151	Purchase	7,541			-390
Columbia Seligman Comm - 74.349 sh	9/18/07	3/15/12	3,000	Purchase	2,398			602
Chesapeake Energy Corp - 300 sh	8/16/11	4/20/12	5,238	Purchase	9,476			-4,238
Fidelity Adv New Ins - 429.594 sh	Various	4/19/12	9,000	Purchase	7,524			1,476
Amgen Inc - 100 sh	5/12/11	8/10/12	8,225	Purchase	5,945			2,280
Alcoa Inc - 200 sh	9/14/07	12/13/12	1,731	Purchase	7,106			-5,375
Alcoa Inc - 300 sh	5/12/08	12/13/12	2,596	Purchase	12,083			-9,487
Columbia Seligman Comm - 143.358 sh	9/18/07	12/13/12	4,960	Purchase	4,623			337
Columbia Seligman Comm - 316.011 sh	1/25/08	12/13/12	10,933	Purchase	9,000			1,933
Enerplus Corp Com - 500 sh	12/01/10	12/13/12	6,466	Purchase	14,739			-8,273
Enerplus Corp Com - 500 sh	10/14/11	12/13/12	6,466	Purchase	13,301			-6,835
Fidelity Adv New Ins - .974 sh	2/21/08	12/13/12	20	Purchase	18			2
Fidelity Adv New Ins - 2.257 sh	2/10/10	12/13/12	47	Purchase	35			12
Fidelity Adv New Ins - 1701.094 sh	3/04/10	12/13/12	35,293	Purchase	28,000			7,293
General Electric Co - 1000 sh	5/11/05	12/13/12	21,890	Purchase	36,100			-14,210

Federal Statements

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

Whom Sold	Description	Date Acquired	Date Sold	How Received		Cost	Expense	Depreciation	Net Gain / Loss
				Sale Price	Purchase				
Home Depot Inc - 500 sh		1/20/11	12/13/12	\$ 31,460	Purchase	18,204	\$	\$	13,256
Salesforce.com Inc - 50 sh		8/08/11	12/13/12	8,330	Purchase	6,325			2,005
Columbia Seligman Comm - 27.828 sh		12/20/11	12/13/12	963	Purchase	933			30
Dow Chemical Co - 500 sh		1/12/12	12/13/12	15,625	Purchase	16,204			-579
Flowers Foods Inc - 130 sh		10/08/12	12/18/12	3,112	Purchase	2,502			610
Duke Energy Corp - Split		7/03/12	7/03/12	46	Purchase	40			6
Chevron Corp - 10 sh		12/28/09	9/25/12	1,173	Purchase	778			395
Fidelity Small Cap Val - 111.999 sh		7/19/10	1/20/12	1,661	Purchase	1,439			222
Flowserve Corp - 15 sh		Various	6/22/12	1,613	Purchase	783			830
Home Depot Inc - 55 sh		Various	10/08/12	3,453	Purchase	1,378			2,075
JP Morgan Chase - 50 sh		12/12/10	2/27/12	1,942	Purchase	1,959			-17
Nucor Corp - 40 sh		10/16/09	4/23/12	1,543	Purchase	1,811			-268
Perkins Mid Cap Value - 342.706 sh		8/26/10	1/20/12	7,248	Purchase	6,542			706
Schlumberger Limited - 25 sh		Various	6/22/12	1,565	Purchase	1,137			428
Total				\$ 238,270	\$	248,082	\$	0 \$	-9,812

Federal Statements

Statement 2 - Form 990-PF, Part I, Line 11 - Other Income

Description	Revenue per Books	Net Investment Income	Adjusted Net Income
Smith Barney - Fidelity	\$ 97	\$	\$
Misc Income	309		
Total	\$ 406	\$ 0	\$ 0

Statement 3 - Form 990-PF, Part I, Line 16b - Accounting Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
LEGAL AND PROFESSIONAL	\$ 4,598	\$	\$	\$
Total	\$ 4,598	\$ 0	\$ 0	\$ 0

Statement 4 - Form 990-PF, Part I, Line 16c - Other Professional Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
COMMISSIONS	\$ 4,164	\$	\$	\$
Jonathan Harbour #105	2,330			
Total	\$ 6,494	\$ 4,164	\$ 0	\$ 0

Statement 5 - Form 990-PF, Part I, Line 18 - Taxes

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
PAYROLL TAXES	\$ 5,891	\$	\$	\$
REAL ESTATE TAXES	5,854			
FOREIGN TAXES	243	243		
Total	\$ 11,988	\$ 243	\$ 0	\$ 0

Federal Statements

Statement 6 - Form 990-PF, Part I, Line 23 - Other Expenses

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Jonathan Harbour #105				
HOA FEES	3,185	3,185		
PROPERTY FEES	426	426		
OTHER RENTAL EXPENSES	2,135	2,135		
Expenses				
Morgan Stanley	14,329			
Uncollectible Debt	4,450			
Miscellaneous Expenses	250			
Total	<u>24,775</u>	<u>5,746</u>	<u>0</u>	<u>0</u>

Federal Statements

Statement 7 - Form 990-PF, Part II, Line 10b - Corporate Stock Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
CSEC-EASTOVER CAPITAL-STOCKS	\$ 59,592	\$ 54,587	Cost	\$ 62,611
CSEC-EASTOVER CAPITAL-CASH	5,175	16,708	Cost	16,708
CSEC-SMITH BARNEY-STOCKS	597,420	422,378	Cost	459,012
CSEC-SMITH BARNEY-CASH	1,378	3,552	Cost	3,552
CSEC-BBT BANK	63,885	65,457	Cost	60,286
Total	\$ 727,450	\$ 562,682		\$ 602,169

Statement 8 - Form 990-PF, Part II, Line 11 - Land, Building, and Equipment Investments

Description	Beginning Net Book	End Cost / Basis	End Accumulated Depreciation	Net FMV
REAL ESTATE	\$ 466,190	\$ 468,227	\$	\$ 468,227
Total	\$ 466,190	\$ 468,227	\$ 0	\$ 468,227

Statement 9 - Form 990-PF, Part II, Line 14 - Land, Building, and Equipment

Description	Beginning Net Book	End Cost / Basis	End Accumulated Depreciation	Net FMV
FURNITURE AND FIXTURES	\$	\$ 24,344	\$ 24,344	\$ 24,344
Total	\$ 0	\$ 24,344	\$ 24,344	\$ 24,344

Federal Statements

Statement 10 - Form 990-PF, Part II, Line 22 - Other Liabilities

Description	Beginning of Year	End of Year
Real Estate Deposits	\$ 12,500	\$ 12,500
Total	\$ 12,500	\$ 12,500

Statement 11 - Form 990-PF, Part III, Line 3 - Other Increases

Description	Amount
Rounding	\$ 3
Total	\$ 3

Statement 12 - Form 990-PF, Part III, Line 5 - Other Decreases

Description	Amount
IRS Payment	\$ 631
Total	\$ 631

Federal Statements**Form 990-PF, Part XV, Line 1a - Managers Who Contributed Over 2% or \$5,000**

<u>Name of Manager</u>	<u>Amount</u>
William S. Wellons	\$
Total	\$ 0

Form 990-PF, Part XV, Line 2b - Application Format and Required Contents

<u>Description</u>
Contact Individual in 2a for details

Form 990-PF, Part XV, Line 2c - Submission Deadlines

<u>Description</u>
None

Form 990-PF, Part XV, Line 2d - Award Restrictions or Limitations

<u>Description</u>
None

Federal Statements

Statement 13 - Form 990-PF, Part XV, Line 3a - Grants and Contributions Paid During the Year

Name	Address	Relationship	Address	Status	Purpose	Amount
Community Concerts	Fayetteville NC 28306		1960 Coliseum Drive		Charitable	2,500
Emmanuel College	Franklin Springs GA 30639		501(c)(3) 181 Springs Street		Religious	1,500
Northwood Temple	Fayetteville NC 28311		School 4250 Ramsey Street		Religious	23,692
Falcon Childrens Home	Falcon NC 28342		501(c)(3) P.O. Box 39		Charitable	5,000
Methodist University	Fayetteville NC 28311		501(c)(3) 5400 Ramsey Street		Scholarship	1,000
L L Allan Legacy Fund	Fayetteville NC 28302		501(c)(3) P O Box 9		Charitable	2,500
Cape Fear Botanical Gardens	Fayetteville NC 28305		501(c)(3) P O Box 53485		Charitable	2,500
Unknown Angel	Fayetteville NC 28390		501(c)(3) P O Box 766		Charitable	8,000
Christian Life Ministries	Fayetteville NC 28390		501(c)(3) P O Box 766		Charitable	8,000
Fishers of Men	Myrtle Beach SC 29579		501(c)(3) P O Box 50425		Charitable	8,000
Newton PH Church	Newton NC 28658		501(c)(3) 1500 Northwest Blvd		Religious	10,000
Exchange Club of Fayetteville	Toledo OH 43606		Church 3050 Central Avenue		Charitable	162
Total			501(c)(3)			72,854