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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.

2012

For calendar year 2012 or tax year beginning **May 1**, 2012, and ending **April 30**, 2013

Name of foundation J B Cornelius Foundation Inc C/O John L Sherrill		A Employer identification number 56-6060705
Number and street (or P.O. box number if mail is not delivered to street address) 18 Royal Oak Dr		B Telephone number (see instructions) 864-229-7604
City or town, state, and ZIP code Greenwood, SC 29649		C If exemption application is pending, check here ► <input type="checkbox"/>
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 . . . ► <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation . . . ► <input type="checkbox"/> E If private foundation status was terminated under section 507(b)(1)(A), check here . . . ► <input type="checkbox"/>
H Check type of organization: Section 501(c)(3) exempt private foundation Section 4947(a)(1) nonexempt charitable trust Other taxable private foundation		F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here . . . ► <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) ► \$ 1,870,500	J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual Other (specify) _____	

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)					
2 Check ► <input 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		118,637	118,637	118,637	
5a Gross rents					
b Net rental income or (loss) _____					
6a Net gain or (loss) from sale of assets not on line 10		4,697			
b Gross sales price for all assets on line 6a 133,125					
7 Capital gain net income (from Part IV, line 2) . . .			4,697		
8 Net short-term capital gain					
9 Income modifications					
10a Gross sales less returns and allowances					
b Less: Cost of goods sold					
c Gross profit or (loss) (attach schedule)					
11 Other income (attach schedule)					
12 Total. Add lines 1 through 11		123,334	123,334	118,637	
Revenue					
13 Compensation of officers, directors, trustees, etc.		13,000	6,500	6,500	6,500
14 Other employee salaries and wages					
15 Pension plans, employee benefits					
16a Legal fees (attach schedule)					
b Accounting fees (attach schedule)		1,500	750	750	750
c Other professional fees (attach schedule)		2,000	1,000	1,000	1,000
17 Interest					
18 Taxes (attach schedule) (see instructions)		10,142	5,071	5,071	0
19 Depreciation (attach schedule) and depletion					
20 Occupancy					
21 Travel, conferences, and meetings					
22 Printing and publications					
23 Other expenses (attach schedule)		786	393	393	393
24 Total operating and administrative expenses.					
Add lines 13 through 23		27,428	13,714	13,714	8,643
25 Contributions, gifts, grants paid		97,000			97,000
26 Total expenses and disbursements. Add lines 24 and 25		124,428	13,714	13,714	105,643
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements		-1,094			
b Net investment income (if negative, enter -0-) .			109,620		
c Adjusted net income (if negative, enter -0-) .				104,923	
Operating and Administrative Expenses					

For Paperwork Reduction Act Notice, see instructions.

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	43,724	90,890	90,890
	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			
	10a	Investments—U.S. and state government obligations (attach schedule)			
	b	Investments—corporate stock (attach schedule)	708,005	570,678	562,299
	c	Investments—corporate bonds (attach schedule)			
Liabilities	11	Investments—land, buildings, and equipment: basis ►			
		Less: accumulated depreciation (attach schedule) ►			
	12	Investments—mortgage loans			
	13	Investments—other (attach schedule)	1,215,400	1,293,980	1,217,071
	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)	1,967,129	1,955,548	1,870,260
	17	Accounts payable and accrued expenses			
	18	Grants payable			
Net Assets or Fund Balances	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	
		Foundations that follow SFAS 117, check here ► <input type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.			
	24	Unrestricted	1,967,129	1,955,548	
	25	Temporarily restricted			
	26	Permanently restricted			
		Foundations that do not follow SFAS 117, check here ► <input type="checkbox"/> 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)	1,967,129	1,955,548	
	31	Total liabilities and net assets/fund balances (see instructions)			

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	1,967,129
2	Enter amount from Part I, line 27a	2	-1,094
3	Other increases not included in line 2 (itemize) ►	3	0
4	Add lines 1, 2, and 3	4	1,966,035
5	Decreases not included in line 2 (itemize) ►	5	0
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	1,966,035

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 See Statement 9					
b					
c					
d					
e					
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)		
a					
b					
c					
d					
e					
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69					
(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))		
a					
b					
c					
d					
e					
2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }			2	4,697	
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	0	

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

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

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

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

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2011	101,844	1,666,849	.061099
2010	86,467	1,594,632	.054244
2009	93,217	1,437,504	.064846
2008	106,312	1,457,976	.072918
2007	119,304	1,970,798	.060536

2 Total of line 1, column (d)	2	.313643
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	.0627286
4 Enter the net value of noncharitable-use assets for 2012 from Part X, line 5	4	1,755,937
5 Multiply line 4 by line 3	5	110,147
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	1,096
7 Add lines 5 and 6	7	111,243
8 Enter qualifying distributions from Part XII, line 4	8	105,643

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 ► <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary—see instructions)	1	2,192
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		
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	2	0
3	Add lines 1 and 2	3	2,192
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	
6	Credits/Payments:		
a	2012 estimated tax payments and 2011 overpayment credited to 2012	6a	2,000
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	2,000
8	Enter any penalty for underpayment of estimated tax. Check here <input 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	192
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

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?	Yes	No
1b	Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see Instructions for the definition)?	Yes	No
	<i>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.</i>		
1c	Did the foundation file Form 1120-POL for this year?	Yes	No
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? <i>If "Yes," attach a detailed description of the activities.</i>	Yes	No
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? <i>If "Yes," attach a conformed copy of the changes.</i>	Yes	No
4a	Did the foundation have unrelated business gross income of \$1,000 or more during the year?	Yes	No
b	If "Yes," has it filed a tax return on Form 990-T for this year?	Yes	No
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If "Yes," attach the statement required by General Instruction T.</i>	Yes	No
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?	Yes	No
7	Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col. (c), and Part XV</i>	Yes	No
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ►		
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? <i>If "No," attach explanation</i>	Yes	No
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)? <i>If "Yes," complete Part XIV</i>	Yes	No
10	Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>	Yes	No

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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	✓	
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	✓	
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► N/A	13	✓	
14	The books are in care of ► John L Sherrill Telephone no. ► 864-229-7604 Located at ► 18 Royal Oak Dr, Greenwood ZIP+4 ► 29649			
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

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)?	1b	✓
	Organizations relying on a current notice regarding disaster assistance check here ► <input type="checkbox"/>		
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?	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?	<input type="checkbox"/> Yes	<input 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	✓
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 type="checkbox"/> 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.)	3b	✓
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	✓
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	✓

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))?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No			
	(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No			
	(3) Provide a grant to an individual for travel, study, or other similar purposes?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> 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)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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			<input type="checkbox"/>		
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?	<input type="checkbox"/> Yes	<input type="checkbox"/> 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?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No			
b	Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?					
	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?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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 Statement 8				

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				

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	Provide Academic Scholarships	
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.

1	N/A
2	
3	
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	1,720,324
b	Average of monthly cash balances	1b	62,353
c	Fair market value of all other assets (see instructions)	1c	0
d	Total (add lines 1a, b, and c)	1d	1,782,677
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	0
3	Subtract line 2 from line 1d	3	1,782,677
4	Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see instructions)	4	26,740
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	1,755,937
6	Minimum investment return. Enter 5% of line 5	6	87,797

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	87,797
2a	Tax on investment income for 2012 from Part VI, line 5	2a	2192
b	Income tax for 2012. (This does not include the tax from Part VI.)	2b	0
c	Add lines 2a and 2b	2c	2192
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	85,605
4	Recoveries of amounts treated as qualifying distributions	4	0
5	Add lines 3 and 4	5	85,605
6	Deduction from distributable amount (see instructions)	6	0
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	85,605

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	105,643
b	Program-related investments—total from Part IX-B	1b	0
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	105,643
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	105,643

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				85,605
2 Undistributed income, if any, as of the end of 2012:				
a Enter amount for 2011 only			0	
b Total for prior years: 20 ____ ,20 ____ ,20 ____		0		
3 Excess distributions carryover, if any, to 2012:				
a From 2007	23,156			
b From 2008	35,755			
c From 2009	22,191			
d From 2010	3,720			
e From 2011	28,364			
f Total of lines 3a through e	113,186			
4 Qualifying distributions for 2012 from Part XII, line 4: ► \$ 105,643			0	
a Applied to 2011, but not more than line 2a			0	
b Applied to undistributed income of prior years (Election required—see instructions)		0		
c Treated as distributions out of corpus (Election required—see instructions)	0			
d Applied to 2012 distributable amount				85,605
e Remaining amount distributed out of corpus	20,038			
5 Excess distributions carryover applied to 2012 (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	133,224			
b Prior years' undistributed income. Subtract line 4b from line 2b	0			
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed	0			
d Subtract line 6c from line 6b. Taxable amount—see instructions	0			
e Undistributed income for 2011. Subtract line 4a from line 2a. Taxable amount—see instructions	0			
f Undistributed income for 2012. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2013	0			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)	0			
8 Excess distributions carryover from 2007 not applied on line 5 or line 7 (see instructions)	23,156			
9 Excess distributions carryover to 2013. Subtract lines 7 and 8 from line 6a	110,068			
10 Analysis of line 9:				
a Excess from 2008	35,755			
b Excess from 2009	22,191			
c Excess from 2010	3,720			
d Excess from 2011	28,364			
e Excess from 2012	20,038			

Part XIV **Private Operating Foundations** (see instructions and Part VII-A, question 9)

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

1 Information Regarding Foundation Managers:

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

None

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

None

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

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

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

**John L Sherrill 864-229-7604
18 Royal Oak Dr. Greenwood, SC 29649**

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

Completed Application Form

c Any submission deadlines:

May 1. Prior to beginning of school year

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

Females attending Methodist supported colleges in North Carolina

Part XV Supplementary Information (continued)**3 Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient	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
Name and address (home or business)				
a Paid during the year				
Various Individuals-List maintained in Foundation Office- 18 Royal Oak Dr. Greenwood, SC			Academic Scholarships Based on need	97,000
Total				► 3a 97,000
b Approved for future payment				
None				
Total				► 3b

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.

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****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****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)**123,334****13 Total. Add line 12, columns (b), (d), and (e)****13 123,334**

(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.)

4 Income from investments to pay scholarships**8 Income from investments to pay scholarships**

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

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?	Yes	No
a	Transfers from the reporting foundation to a noncharitable exempt organization of:		
(1)	Cash	1a(1)	✓
(2)	Other assets	1a(2)	✓
b	Other transactions:		
(1)	Sales of assets to a noncharitable exempt organization	1b(1)	✓
(2)	Purchases of assets from a noncharitable exempt organization	1b(2)	✓
(3)	Rental of facilities, equipment, or other assets	1b(3)	✓
(4)	Reimbursement arrangements	1b(4)	✓
(5)	Loans or loan guarantees	1b(5)	✓
(6)	Performance of services or membership or fundraising solicitations	1b(6)	✓
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c	✓
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.		

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

Sign 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

10 of 10

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

9/9/13 Sec/Treasurer
Date Title

Signature of officer or trustee

**Paid
Preparer
Use Only**

Print/Type preparer's name

Preparer's signature

D

Check if
self-employed

—
—

Self-evaluations

Firm's name ►

Firm's EIN

Form 990-PF	Dividends and Interest from Securities	Statement 1
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Source	Gross Amount	Capital Gains	Column (A)
		Dividends	Amount
Wells Fargo Advisors	118,637	0	118,637
Total to FM 990-PF, Part I, Ln 4	118,637	0	118,637

Form 990-PF	Accounting Fees	Statement 2
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Description	(A) Expenses Per Books	(B) Net Investment Income	(C) Adjusted Net Income	(D) Charitable Purposes
Tax Return Preparation	1,500	750	750	750
Total to FM 990-PF, Part I, Ln 16b	1,500	750	750	750

Form 990-PF	Other Professional Fees	Statement 3
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Description	(A) Expenses Per Books	(B) Net Investment Income	(C) Adjusted Net Income	(D) Charitable Purposes
Investment Mgmt Fees	2,000	1,000	1,000	1,000
Total to FM 990-PF, Part I, Ln 16c	2,000	1,000	1,000	1,000

Form 990-PF	Taxes	Statement 4
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Description	(A) Expenses Per Books	(B) Net Investment Income	(C) Adjusted Net Income	(D) Charitable Purposes
Taxes	10,142	5,071	5,071	0

Form 990-PF	Other Expenses		Statement 5	
Description	(A) Expenses Per Books	(B) Net Investment Income	(C) Adjusted Net Income	(D) Charitable Purposes
Administrative Expenses	786	393	393	393
Total to FM 990-PF, Part I, Ln 23	786	393	393	393

Form 990-PF	Corporate Stocks	Statement 6	
Description		Book Value	Fair Market Value
Bank of America Corp - 5,000 Shs		136,710	61,550
Verizon Communications - 2,700 Shs		102,442	145,557
Bank of America 7.25% - 3,200 Shs		77,534	81,952
Bank of America 8.20% - 3,000 Shs		76,505	74,970
JP Morgan Chase 6.25% - 3000 Shs		75,000	75,270
Wells Fargo 8% - 4000 Shs		102,487	123,000
Total to FM 990-PF, Part II, Ln 10b		570,678	562,299

Form 990-PF	Other Investments	Statement 7	
Description	Valuation Method	Book Value	Fair Market Value
JP Morgan TR I Income - 20,853 Shs	Cost	200,828	215,827
JP Morgan TR II High Yield - 20,457 Shs	Cost	164,080	170,406
Advent Claymore Conv - 3615 Shs	Cost	91,992	63,443
Blackrock Ltd. - 5200 Shs	Cost	100,581	98,644
Calamos Strategic Total Return - 10425 Shs	Cost	100,772	110,088
Calamos Global Dynamic In. Fund - 6835 Shs	Cost	52,994	62,130
First Trust Senior Floating - 5000 Shs	Cost	84,449	81,050
Liberty All-Star Equity - 20,900	Cost	101,267	108,680
Nuveen Preferred Income - 8,800 Shs	Cost	75,533	92,488
Blackrock Credit Alloc In.Tr. IV - 3200 Shs	Cost	70,505	46,144
Wells Fargo Global Div - 4200 Shs	Cost	84,000	33,054
Wells Fargo Adv Income - 4140 Shs	Cost	66,979	42,352
Wells Fargo Multi-sector Income -5525 Shs	Cost	100,000	92,765
Total to FM 990-PF, Part II, Ln 13		1,293,980	1,217,071

Form 990-PF	Part VIII - List of Officers, Directors, Trustees and Foundation Managers			Statement 8
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Name and Address	Title and Avrg. Hrs/Wk	Compen-sation	Employee Ben Plan Contrib	Expense Account
John L Sherrill 18 Royal Oak Drive Greenwood, SC 29649	5 Sec/Treas	13,000	0	0
Mrs. Edwin S Young 4328 Silo Lane Charlotte, NC 28226	President 0	0	0	0
Frank C Sherrill, II 8075 Leesburg Pike, Suite 600 Vienna, VA 22182	Director 0	0	0	0
C Kermit Sherrill 18 Royal Oak Drive Greenwood, SC 29649	Director 0	0	0	0
Edwin S Young, Jr. 415 Medearis Dr. Charlotte, NC 28211	Director 0	0	0	0
John L. Sherril, Jr. 355 Quill Lane Matthews, NC 28105	Director 0	0	0	0
Totals Included on 990-PF, Page 6, Part VIII		13,000	0	0

Form 990-PF	Part IV- Capital Gains and Losses for Tax on Investment Income			Statement 9
Security	Shares	(b)How Aquired	(c)Date Aquired	(d)Date Sold
Bank of America 7 percent	3100 Purchase		2/7/2012	11/5/2012
Parkway Props 8 percent	2225 Purchase		7/9/2003	4/25/2013
Security	(e)Gross Sales Price	(f)Depreciation	(g)Cost plus Expenses	(h)Gain or (loss)
Duke Energy 7 percent	77,500		77,135	365
Parkway Props 8 percent	55,625		51,292	4,332
Totals	133,125		128,427	4,697