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Form **990-PF**Department of the Treasury
Internal Revenue Service**Return of Private Foundation**
or Section 4947(a)(1) Trust Treated as Private Foundation

OMB No 1545-0052

2013

Open to Public Inspection

For calendar year 2013 or tax year beginning , and ending

Name of foundation

**THE YEARGAN FOUNDATION CHARITABLE
TRUST**

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

7777 WHITE OAK ROAD

Room/suite

City or town, state or province, country, and ZIP or foreign postal code

GARNER**NC 27529-8808**

G Check all that apply

<input type="checkbox"/> Initial return	<input type="checkbox"/> Initial return of a former public charity
<input type="checkbox"/> Final return	<input type="checkbox"/> Amended return
<input type="checkbox"/> Address change	<input type="checkbox"/> Name change

H Check type of organization Section 501(c)(3) exempt private foundation Section 4947(a)(1) nonexempt charitable trust Other taxable private foundationI Fair market value of all assets at
end of year (from Part II, col (c),
line 16) ► **\$ 19,775,288**J Accounting method Cash Accrual
 Other (specify)

(Part I, column (d) must be on cash basis)

A Employer identification number

58-1846281

B Telephone number (see instructions)

919-571-3669C If exemption application is pending, check here ► D 1 Foreign organizations, check here ► 2. Foreign organizations meeting the
85% test, check here and attach computation ► E If private foundation status was terminated under
section 507(b)(1)(A), check here ► 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)

Revenue 1 Contributions, gifts, grants, etc., received (attach schedule) 2 Check ► <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B 3 Interest on savings and temporary cash investments 4 Dividends and interest from securities 5a Gross rents b Net rental income or (loss) 6a Net gain or (loss) from sale of assets not on line 10 b Gross sales price for all assets on line 6a 7 Capital gain net income (from Part IV, line 2) 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	STMT 1	18,825	18,825		
		257,364	257,364		
		267,107			
		694,424			
		267,107			
		0			
Operating and Administrative Expenses 13 Compensation of officers, directors, trustees, etc 14 Other employee salaries and wages 15 Pension plans, employee benefits 16a Legal fees (attach schedule) SEE STMT 2 b Accounting fees (attach schedule) c Other professional fees (attach schedule) 17 Interest RECEIVED 18 Taxes (attach schedule) (see instructions) 19 Depreciation (attach schedule) and depletion 20 Occupancy MAY 19 2014 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 25 Contributions, gifts, grants paid SEE STATEMENT 7 26 Total expenses and disbursements. Add lines 24 and 25	STMT 2 STMT 3 STMT 4 STMT 5 STMT 6 STMT 7	30,000	15,000	15,000	
		3,825			3,825
		960	960		
		1,137			1,137
		4,579	4,530	49	
		76,342	76,342		
		116,843	96,832	0	20,011
		520,733			520,733
		637,576	96,832	0	540,744
		-31,099			
			446,464		
			0		

For Paperwork Reduction Act Notice, see instructions.

DAA

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Part II. Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions.)	Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1	Cash – non-interest-bearing			
	2	Savings and temporary cash investments			
	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) ►	0		
		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)	SEE STMT 8	5,296,427	12,154,005
	c	Investments – corporate bonds (attach schedule)	SEE STMT 9	373,374	256,136
	11	Investments – land, buildings, and equipment basis ►	1,922,377		
		Less accumulated depreciation (attach sch) ►	STMT 10	1,868,581	6,044,589
	12	Investments – mortgage loans			
	13	Investments – other (attach schedule)			
	14	Land, buildings, and equipment basis ►			
		Less accumulated depreciation (attach sch) ►			
	15	Other assets (describe ►	SEE STATEMENT 11)	-370,471	-395,979
	16	Total assets (to be completed by all filers – see the instructions Also, see page 1, item I)		7,655,036	656,100
				7,676,732	19,775,288
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 ►)	0	0
	23	Total liabilities (add lines 17 through 22)			
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31.			► <input type="checkbox"/>	
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted			
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31.			► <input checked="" type="checkbox"/>	
	27	Capital stock, trust principal, or current funds			
	28	Paid-in or capital surplus, or land, bldg , and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds			
	30	Total net assets or fund balances (see instructions)		7,655,036	7,676,732
	31	Total liabilities and net assets/fund balances (see instructions)		7,655,036	7,676,732

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	7,655,036
2	Enter amount from Part I, line 27a	2	-31,099
3	Other increases not included in line 2 (itemize) ► SEE STATEMENT 12	3	52,795
4	Add lines 1, 2, and 3	4	7,676,732
5	Decreases not included in line 2 (itemize) ►	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5) – Part II, column (b), line 30	6	7,676,732

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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 SEE WORKSHEET					
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) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))		
(l) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (l) over col. (j), if any			
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	267,107	
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))
2012	2,131,869	16,641,476	0.128106
2011	442,489	16,430,050	0.026932
2010	584,495	13,316,284	0.043893
2009	479,189	12,584,062	0.038079
2008	776,517	13,288,235	0.058436

2 Total of line 1, column (d)

2 0.295446

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 0.059089

4 Enter the net value of noncharitable-use assets for 2013 from Part X, line 5

4 18,103,761

5 Multiply line 4 by line 3

5 1,069,733

6 Enter 1% of net investment income (1% of Part I, line 27b)

6 4,465

7 Add lines 5 and 6

7 1,074,198

8 Enter qualifying distributions from Part XII, line 4

8 540,744

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.

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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	8,929
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	8,929
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	8,929
6	Credits/Payments		
a	2013 estimated tax payments and 2012 overpayment credited to 2013	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 <input checked="" type="checkbox"/> if Form 2220 is attached	8	85
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	9,014
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 2014 estimated tax ►	11	

Refunded ►

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)? 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?		
b	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		
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	SEE STMT 13	
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 2013 or the taxable year beginning in 2013 (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	

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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? 13

Website address ► **N/A**14 The books are in care of ► **ROWANN YEARGAN**
7777 WHITE OAK ROAD

Telephone no ►

NC

ZIP+4 ► **27529**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 2013, 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.

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

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 2013?

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 2013, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2013?

If "Yes," list the years ► 20 , 20 , 20 , 20

 Yes Nob 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

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

2b

3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?

 Yes Nob If "Yes," did it have excess business holdings in 2013 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 2013) N/A

4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?

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 2013? 4b

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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	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
	(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 type="checkbox"/> Yes <input checked="" 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	N/A	<input type="checkbox"/> 5b	
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? If "Yes," attach the statement required by Regulations section 53.4945–5(d)	N/A	<input type="checkbox"/> Yes <input type="checkbox"/> No	
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	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		6b <input checked="" type="checkbox"/>
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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		7b <input checked="" type="checkbox"/>

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
ROWANN YEARGAN 7777 WHITE OAK ROAD	GARNER NC 27529	TRUSTEE 1.00	0	0
SHERMAN YEARGAN 7777 WHITE OAK ROAD	GARNER NC 27529	TRUSTEE 5.00	30,000	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

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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** ►

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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	11,393,213
b	Average of monthly cash balances	1b	570,780
c	Fair market value of all other assets (see instructions)	1c	6,415,460
d	Total (add lines 1a, b, and c)	1d	18,379,453
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	18,379,453
4	Cash deemed held for charitable activities Enter 1½% of line 3 (for greater amount, see instructions)	4	275,692
5	Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4	5	18,103,761
6	Minimum investment return. Enter 5% of line 5	6	905,188

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	905,188
2a	Tax on investment income for 2013 from Part VI, line 5	2a	8,929
b	Income tax for 2013 (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	8,929
3	Distributable amount before adjustments Subtract line 2c from line 1	3	896,259
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	896,259
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	896,259

Part XII Qualifying Distributions (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc , purposes	1a	540,744
a	Expenses, contributions, gifts, etc – total from Part I, column (d), line 26	1b	
b	Program-related investments – total from Part IX-B	2	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc , purposes	3a	
3	Amounts set aside for specific charitable projects that satisfy the	3b	
a	Suitability test (prior IRS approval required)	4	540,744
b	Cash distribution test (attach the required schedule)	5	0
4	Qualifying distributions. Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	6	540,744
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)		
6	Adjusted qualifying distributions. Subtract line 5 from line 4		

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 2012	(c) 2012	(d) 2013
1 Distributable amount for 2013 from Part XI, line 7				896,259
2 Undistributed income, if any, as of the end of 2013				
a Enter amount for 2012 only				
b Total for prior years 20 ____ , 20 ____ , 20 ____				
3 Excess distributions carryover, if any, to 2013				
a From 2008				
b From 2009				
c From 2010				
d From 2011				
e From 2012				
f Total of lines 3a through e	871,143	871,143		
4 Qualifying distributions for 2013 from Part XII, line 4 ► \$ 540,744				540,744
a Applied to 2012, 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 2013 distributable amount				
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2013 (If an amount appears in column (d), the same amount must be shown in column (a))	355,515			355,515
6 Enter the net total of each column as indicated below:	515,628			
a Corpus Add lines 3f, 4c, and 4e Subtract line 5				
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 2012 Subtract line 4a from line 2a. Taxable amount – see instructions				
f Undistributed income for 2013 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2014				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 2008 not applied on line 5 or line 7 (see instructions)				
9 Excess distributions carryover to 2014. Subtract lines 7 and 8 from line 6a	515,628			
10 Analysis of line 9				
a Excess from 2009				
b Excess from 2010				
c Excess from 2011				
d Excess from 2012	515,628			
e Excess from 2013				

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

a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2013, enter the date of the ruling ►

4942(j)(3) or 4942(j)(5)

b Check box to indicate whether the foundation is a private operating foundation described in section

Tax year	Prior 3 years			(e) Total
	(a) 2013	(b) 2012	(c) 2011	
1a				
1b				
2a				
2b				
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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 SEE STATEMENT 14				520,733
Total			► 3a	520,733
b Approved for future payment N/A				
Total			► 3b	

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated

Enter gross amounts unless otherwise indicated		Unrelated business income		Excluded by section 512, 513, or 514		(e) 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	18,825	
4	Dividends and interest from securities			14	257,364	
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			14	267,107	
9	Net income or (loss) from special events					
10	Gross profit or (loss) from sales of inventory					
11	Other revenue	a				
		b	SEE STATEMENT 15			63,181
		c				
		d				
		e				
12	Subtotal Add columns (b), (d), and (e)			0	606,477	0
13	Total. Add line 12, columns (b), (d), and (e)				13	606,477

(See worksheet in line 13 instructions to verify calculations)

Part XVI-B Relationship of Accts.

Explains below how each activity fits with the following outcomes:

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

STATEMENT REPORTING DISTRIBUTION OF PROPERTY VALUED AT FAIR MARKET VALUE

Organization: THE YEARGAN FOUNDATION CHARITABLE TRUST
EIN: 58-1846281
Tax Year Ended: 12/31/2013

Attachment to Form 990-PF, Part I, Line 25, Column (a)

Distributions of property valued at fair market value at date of distribution

1 Date of Distribution	5/28/2013
2 Description of Property	75% Undivided interest in 1 53 Acres, 225 Montague St, Garner, NC
3 Book Value of Property	\$ 22,205 00
Method for determining book value	Value at date of inheritance or cost basis
4 Fair Market Value	\$ 75,000 00
Method for determining fair market value	Appraisal

Capital Gains and Losses for Tax on Investment Income

Form 990-PF

2013

For calendar year 2013, or tax year beginning

, and ending

Name

THE YEARGAN FOUNDATION CHARITABLE
TRUST

Employer Identification Number

58-1846281

(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.)
(1) TARGET CORP		P	05/12/11	06/07/13
(2) BANK OF AMERICA CORP NOTES		P	08/13/09	05/01/13
(3) CAROLINA POWER & LIGHT PFD		P	05/05/99	03/08/13
(4) CAROLINA POWER & LIGHT PFD		P	02/24/00	03/08/13
(5) DUPONT EI DE NEMOURS AND CO		P		02/27/13
(6) KNIGHT TRANSPORTATION		P	10/13/08	06/14/13
(7) LEUCADIA NATL CORP NOTES		P	01/14/09	08/15/13
(8) MARKEL CORP NOTES		P	04/09/09	02/15/13
(9) TARGET CORP		P		05/20/13
(10) TARGET CORP		P		06/07/13
(11) LEHMAN BROTHERS NOTES - MERGER		P		04/04/13
(12) LEHMAN BROTHERS NOTES - MERGER		P		10/03/13
(13) RBC DAIN RAUSCHER				
(14) WELLS FARGO				
(15)				

(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)
(1) 35,263		25,607	9,656
(2) 70,000		70,749	-749
(3) 11,000		8,925	2,075
(4) 1,100		892	208
(5) 118,782		85,696	33,086
(6) 8,421		7,560	861
(7) 25,000		25,000	
(8) 25,000		25,490	-490
(9) 164,286		81,481	82,805
(10) 182,311		95,917	86,394
(11) 1,500			1,500
(12) 1,732			1,732
(13) 41,311			41,311
(14) 8,718			8,718
(15)			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (Col. (h) gain minus col. (k), but not less than -0-) OR Losses (from col. (h))
(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	
(1)			9,656
(2)			-749
(3)			2,075
(4)			208
(5)			33,086
(6)			861
(7)			
(8)			-490
(9)			82,805
(10)			86,394
(11)			1,500
(12)			1,732
(13)			41,311
(14)			8,718
(15)			

YEARGFDN THE YEARGAN FOUNDATION CHARITABLE
58-1846281
FYE: 12/31/2013

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Federal Statements

Statement 1 - Form 990-PF, Part I, Line 11 - Other Income

Description	Revenue per Books	Net Investment Income	Adjusted Net Income
LC YEARGAN SR HEIRS	\$ 28,235	\$ 340	\$ 2,743
LC YEARGAN SR HEIRS			32,645
LC YEARGAN SR HEIRS			2
YEARGAN REAL ESTATE JV			-1,108
YEARGAN REAL ESTATE JV			44
LEIGH VENTURES, LLC			70
LEIGH VENTURES, LLC			-80
LEIGH VENTURES, LLC			290
WINTERS YOUNG, LLC			
SPRINGHILL VENTURES, LLC			
TOTAL	\$ <u>63,181</u>	\$ <u>0</u>	\$ <u>0</u>

Statement 2 - Form 990-PF, Part I, Line 16a - Legal Fees

Description	Total	Net Investment	Adjusted Net
INDIRECT LEGAL FEES	\$ <u>3,825</u>	\$ <u>0</u>	\$ <u>3,825</u>
TOTAL	\$ <u>3,825</u>	\$ <u>0</u>	\$ <u>3,825</u>

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

Description	Total	Net Investment	Adjusted Net
INDIRECT ACCOUNTING FEES	\$ <u>960</u>	\$ <u>960</u>	\$ <u>960</u>
TOTAL	\$ <u>960</u>	\$ <u>0</u>	\$ <u>0</u>

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

<u>Description</u>	<u>Total</u>	<u>Net Investment</u>	<u>Adjusted Net</u>	<u>Charitable Purpose</u>
APPRAISAL FEES	\$ 1,137	\$ 1,137	\$ 0	\$ 1,137
TOTAL	\$ 1,137	\$ 0	\$ 0	\$ 1,137

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

<u>Description</u>	<u>Total</u>	<u>Net Investment</u>	<u>Adjusted Net</u>	<u>Charitable Purpose</u>
2012 INVESTMENT INCOME TAX	\$ 3,755	\$ 3,755	\$ 0	\$ 0
FOREIGN TAXES PAID	775	775	0	4.9
WINTERS YOUNG, LLC - REAL ESTATE	49	49	0	4.9
TOTAL	\$ 4,579	\$ 4,530	\$ 0	\$ 4.9

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

<u>Description</u>	<u>Total</u>	<u>Net Investment</u>	<u>Adjusted Net</u>	<u>Charitable Purpose</u>
EXPENSES	\$ 76,342	\$ 76,342	\$ 0	\$ 0
BANK CHARGES				
TOTAL	\$ 76,342	\$ 76,342	\$ 0	\$ 0

Statement 7 - Form 990-PF, Part I, Line 25 - Noncash Contributions, Gifts, Grants

<u>Amount</u>	<u>Noncash Description</u>	<u>FMV Explanation</u>	<u>Book Value Amount</u>	<u>Book Value Explanation</u>	<u>Date</u>
75,000	LAND	APPRaisal	22,205	COST	5/28/13

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58-1846281
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Federal Statements

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Statement 8 - Form 990-PF, Part II, Line 10b - Corporate Stock Investments

<u>Description</u>	<u>Beginning of Year</u>	<u>End of Year</u>	<u>Basis of Valuation</u>	<u>Fair Market Value</u>
RBC DAIN RAUSCHER	\$ 1,121,472	\$ 1,189,048	COST	\$ 1,348,141
WELLS FARGO	4,174,955	4,050,716	COST	10,805,864
TOTAL	\$ 5,296,427	\$ 5,239,764		\$ 12,154,005

Statement 9 - Form 990-PF, Part II, Line 10c - Corporate Bond Investments

<u>Description</u>	<u>Beginning of Year</u>	<u>End of Year</u>	<u>Basis of Valuation</u>	<u>Fair Market Value</u>
WELLS FARGO	\$ 373,374	\$ 256,136	COST	\$ 266,160
TOTAL	\$ 373,374	\$ 256,136		\$ 266,160

Statement 10 - Form 990-PF, Part II, Line 11 - Land, Building, and Equipment Investments

<u>Description</u>	<u>Beginning Net Book</u>	<u>End Cost / Basis</u>	<u>End Accumulated Depreciation</u>	<u>Net FMV</u>
REAL ESTATE	\$ 1,868,581	\$ 1,922,377	\$ 0	\$ 6,044,589
TOTAL	\$ 1,868,581	\$ 1,922,377	0	\$ 6,044,589

Statement 11 - Form 990-PF, Part II, Line 15 - Other Assets

Description	Beginning of Year	End of Year	Fair Market Value
INCOME DISTRIBUTIONS RECEIVABLE	\$ -572,471	\$ -521,979	\$ 530,100
OTHER INVESTMENTS	126,000	126,000	126,000
DEPOSIT	76,000		
TOTAL	\$ -370,471	\$ -395,979	\$ 656,100

Statement 12 - Form 990-PF, Part III, Line 3 - Other Increases

Description	Amount
FMV OF LAND CONTRIBUTION OVER BASIS	\$ 52,795
TOTAL	\$ 52,795

**Statement 13 - Form 990-PF, Part VII-A, Line 8b - Not Filing with Attorney General
Explanation****Description**

NOT REQUIRED IN NORTH CAROLINA.

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Statement 14 - Form 990-PF, Part XV, Line 3a - Grants and Contributions Paid During the Year

Name	Address	Relationship	Address	Status	Purpose	Amount
DUKE UNIVERSITY DURHAM NC 27708	BOX 90581	PUBLIC	208 WEST FRANKLIN ST	ENDOWMENT		200,000
UNIVERSITY OF NC CHAPEL HILL NC 27599		PUBLIC	PO BOX 3537	ENDOWMENT		133,200
DURHAM NATIVITY SCHOOL DURHAM NC 27702		PUBLIC	PO BOX 797	CONTRIBUTION		25,000
GARNER AREA MINISTRIES GARNER NC 27529		PUBLIC		CONTRIBUTION		25,000
COMMUNITY OF HOPE MINISTRIES GARNER NC 27529	601 ST. MARYS STREET	PUBLIC		CONTRIBUTION		5,000
MEDICAL FOUNDATION OF NC CHAPEL HILL NC 27514-0309	PO BOX 309	PUBLIC		CONTRIBUTION		2,000
YMCA OF THE TRIANGLE RALEIGH NC 27607	801 CORPORATE CENTER DRIV	PUBLIC		CONTRIBUTION		2,000
WAKE TECH FOUNDATION RALEIGH NC 27603	9101 FAYETTEVILLE ROAD	PUBLIC		CONTRIBUTION		33,333
TROUT UNLIMITED ARLINGTON VA 22209	1300 17TH ST N STE 500	PUBLIC		CONTRIBUTION		5,000
LIFE OUTREACH INTERNATIONAL EULESS TX 76040	1801 W EULESS BLVD	PUBLIC		MEMORIAL		100
CYSTIC FIBROSIS FOUNDATION BETHESDA MD 20814	6931 ARLINGTON ROAD	PUBLIC		CONTRIBUTION		1,000
WOMENS RESOURCE CENTER OF DILLON DILLON MT 59725	PO BOX 888	PUBLIC		CONTRIBUTION		14,100
TOWN OF GARNER GARNER NC 27529	900 7TH AVENUE	PUBLIC		LAND DONATION		75,000
TOTAL						<u>520,733</u>

Statement 15 - Form 990-PF, Part XVI-A, Line 11 - Other Revenue**Description**

	<u>Business Code</u>	<u>Unrelated Amount</u>	<u>Exclusion Code</u>	<u>Exclusion Amount</u>	<u>Related Income</u>
LC YEARGAN SR HEIRS		\$	16	\$ 28,235	\$
LC YEARGAN SR HEIRS			14	340	
LC YEARGAN SR HEIRS			1	2,743	
YEARGAN REAL ESTATE JV			16	32,645	
YEARGAN REAL ESTATE JV			14	2	
LEIGH VENTURES, LLC			16	-1,108	
LEIGH VENTURES, LLC			14	44	
LEIGH VENTURES, LLC			1	70	
WINTERS YOUNG, LLC			16	-80	
SPRINGHILL VENTURES, LLC			16	290	
TOTAL		<u>\$ 0</u>		<u>\$ 63,181</u>	<u>\$ 0</u>

Federal Statements**Taxable Interest on Investments**

Description	Amount	Unrelated Business Code	Exclusion Code	Postal Code	US Obs (\$ or %)
WELLS FARGO	\$ 17,664			14	
WELLS FARGO	30			14	
RBC	19			14	
US AGRICULTURE	1,112			14	
TOTAL	\$ 18,825				

Taxable Dividends from Securities

Description	Amount	Unrelated Business Code	Exclusion Code	Postal Code	US Obs (\$ or %)
WELLS FARGO	\$ 233,458			14	
RBC DAIN RAUSCHER	23,906			14	
TOTAL	\$ 257,364				