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Return of Private Foundation
or Section 4947(a)(1) Trust Treated as Private Foundation**2013**

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► Information about Form 990-PF and its separate instructions is at www.irs.gov/form990pf.

For calendar year 2013 or tax year beginning

, 2013, and ending

, 20

Name of foundation G.C. BROUGHTON FOUNDATION		A Employer identification number 75-6395131
Number and street (or P O box number if mail is not delivered to street address) PO BOX 2197	Room/suite	B Telephone number (see instructions) 432-267-5284
City or town, state or province, country, and ZIP or foreign postal code BIG SPRING, TEXAS 79721		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 ☐
H Check type of organization: ☒ Section 501(c)(3) exempt private foundation ☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation		E 2. Foreign organizations meeting the 85% test, check here and attach computation ☐
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) ► \$ 15,482,481	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)
Revenue	1 Contributions, gifts, grants, etc., received (attach schedule)				
	2 Check ☐ if the foundation is not required to attach Sch. B				
	3 Interest on savings and temporary cash investments	11,965	11,965		
	4 Dividends and interest from securities	239,848	239,848		
	5a Gross rents	60,000	60,000		
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	(292)			
	b Gross sales price for all assets on line 6a 1,131,228				
	7 Capital gain net income (from Part IV, line 2)		-0-		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances 41,784				
b Less: Cost of goods sold 23,281					
c Gross profit or (loss) (attach schedule)	18,503				
11 Other income (attach schedule)	2,645,467	2,645,467			
12 Total. Add lines 1 through 11	2,975,491	2,957,280			
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc.	28,950	26,250		
	14 Other employee salaries and wages	-0-	-0-		
	15 Pension plans; employee benefits	-0-	-0-		
	16a Legal fees (attach schedule)	725	-0-		
	b Accounting fees (attach schedule)	6,066	6,066		
	c Other professional fees (attach schedule)	43,490	43,490		
	17 Interest	-0-	-0-		
	18 Taxes (attach schedule) (see instructions)	106,294	76,352		
	19 Depreciation (attach schedule) and depletion	379,485	379,485		
	20 Occupancy	4,000	3,500		
	21 Travel, conferences, and meetings	344	-0-		
	22 Printing and publications	-0-	-0-		
	23 Other expenses (attach schedule)	2,310	981		
	24 Total operating and administrative expenses. Add lines 13 through 23	571,664	536,124		
	25 Contributions, gifts, grants paid	585,607			585,607
26 Total expenses and disbursements. Add lines 24 and 25	1,157,271	536,124			
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	1,818,220				
b Net investment income (if negative, enter -0-)		2,411,156			
c Adjusted net income (if negative, enter -0-)			-0-		

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Part II Balance Sheets

Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)

		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash—non-interest-bearing	1,155,870	2,397,323	2,397,323
	2 Savings and temporary cash investments	3,654,863	1,665,614	1,665,614
	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)	172,442	294,118	345,139
	c Investments—corporate bonds (attach schedule)	3,419,576	6,250,124	6,213,851
	11 Investments—land, buildings, and equipment: basis ▶			
Liabilities	Less: accumulated depreciation (attach schedule) ▶			
	12 Investments—mortgage loans			
	13 Investments—other (attach schedule)	5,300,611	4,834,971	4,834,971
	14 Land, buildings, and equipment: basis ▶			
	Less: accumulated depreciation (attach schedule) ▶	25,583	25,583	25,583
	15 Other assets (describe ▶)			
	16 Total assets (to be completed by all filers—see the instructions. Also, see page 1, item I)	13,728,945	15,467,733	15,482,481
	17 Accounts payable and accrued expenses	197		
	18 Grants payable			
	19 Deferred revenue			
Net Assets or Fund Balances	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)	197		
	Foundations that follow SFAS 117, check here ▶ ☐ and complete lines 24 through 26 and lines 30 and 31.			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ ☐ and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds	13,728,748	15,467,733	
	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)	13,728,748	15,467,733	
	31 Total liabilities and net assets/fund balances (see instructions)	13,728,945	15,467,733	

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	13,728,748
2 Enter amount from Part I, line 27a	2	1,818,220
3 Other increases not included in line 2 (itemize) ▶	3	-0-
4 Add lines 1, 2, and 3	4	15,546,968
5 Decreases not included in line 2 (itemize) ▶ APPRAISALS OF OIL & GAS PROPERTIES	5	(79,235)
6 Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	15,467,733

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 OIL LEASE WORKING INTEREST-SEE ATTACHED SCHEDULE	D	02/08/2001	12/01/13
b SECURITIES-SEE ATTACHED SCHEDULE	P	10/10-12/10	01/13-11/13
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 3,750	12,013	12,013	3,750
b 1,127,478	-0-	1,131,520	(4,042)
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	(292)
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	1,003,023	11,988,430	.0837
2011	742,576	9,600,315	.0772
2010	268,836	5,376,715	.0500
2009	246,987	4,939,740	.0500
2008	184,223	3,684,454	.0500

2 Total of line 1, column (d)	2	.3109
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	.0622
4 Enter the net value of noncharitable-use assets for 2013 from Part X, line 5	4	13,293,846
5 Multiply line 4 by line 3	5	826,877
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	24,112
7 Add lines 5 and 6	7	802,765
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	585,607

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	-0-
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	48,223
3	Add lines 1 and 2	3	48,223
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	48,223
6	Credits/Payments:		
a	2013 estimated tax payments and 2012 overpayment credited to 2013	6a	48,223
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	48,223
8	Enter any penalty for underpayment of estimated tax. Check here ☐ if Form 2220 is attached	8	-0-
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	-0-
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	-0-
11	Enter the amount of line 10 to be: Credited to 2014 estimated tax Refunded	11	-0-

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?		✓
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see Instructions for the definition)? <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>		✓
c Did the foundation file Form 1120-POL for this year?		✓
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>		✓
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>		✓
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? <i>If "Yes," attach the statement required by General Instruction T.</i>		✓
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?	✓	
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>	✓	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ TEXAS		
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>	✓	
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)? <i>If "Yes," complete Part XIV</i>		✓
10 Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>		✓

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 ▶	13	✓	
14	The books are in care of ▶ JEAN BROUGHTON, TRUSTEE Telephone no. ▶ 432-267-5284 Located at ▶ 415 MAIN STREET, BIG SPRING, TEXAS ZIP+4 ▶ 79720-2197			
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 ✓

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)? ☐ Yes ☒ No Organizations relying on a current notice regarding disaster assistance check here ▶ ☐	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 2013?	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 2013, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2013? ☐ 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.)	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 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.)	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 2013?	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))? ☐ Yes ☒ No
- (2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No
- (3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☒ No
- (4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions) ☐ Yes ☒ No
- (5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No

b If any answer is "Yes" to 5a(1)–(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?

Organizations relying on a current notice regarding disaster assistance check here ☐ ☒c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? ☐ Yes ☒ No

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

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☒ Nob Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? ☐ Yes ☒ No
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 ☒ Nob If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? ☐ Yes ☒ No**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 SCHEDULE ATTACHED				

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 NONE	
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 NONE	
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	5,948,557
b	Average of monthly cash balances	1b	2,707,301
c	Fair market value of all other assets (see instructions)	1c	4,866,015
d	Total (add lines 1a, b, and c)	1d	13,521,873
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	25,583
2	Acquisition indebtedness applicable to line 1 assets	2	25,583
3	Subtract line 2 from line 1d	3	13,496,290
4	Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see instructions)	4	202,444
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	13,293,846
6	Minimum investment return. Enter 5% of line 5	6	664,692

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	664,692
2a	Tax on investment income for 2013 from Part VI, line 5	2a	48,223
b	Income tax for 2013. (This does not include the tax from Part VI.)	2b	5,725
c	Add lines 2a and 2b	2c	53,948
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	610,744
4	Recoveries of amounts treated as qualifying distributions	4	-0-
5	Add lines 3 and 4	5	610,744
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	610,744

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	585,607
b	Program-related investments—total from Part IX-B	1b	-0-
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	-0-
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	-0-
b	Cash distribution test (attach the required schedule)	3b	-0-
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	585,607
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	24,112
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	561,495

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				610,744
2 Undistributed income, if any, as of the end of 2013:				
a Enter amount for 2012 only			-0-	
b Total for prior years: 20____, 20____, 20____		-0-		
3 Excess distributions carryover, if any, to 2013:				
a From 2008	-0-			
b From 2009	-0-			
c From 2010	-0-			
d From 2011	279,159			
e From 2012	456,615			
f Total of lines 3a through e	735,787			
4 Qualifying distributions for 2013 from Part XII, line 4: ▶ \$_____				
a Applied to 2012, 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 2013 distributable amount				585,607
e Remaining amount distributed out of corpus	-0-			
5 Excess distributions carryover applied to 2013 (If an amount appears in column (d), the same amount must be shown in column (a).)	25,137			25,137
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	-0-			
b Prior years' undistributed income. Subtract line 4b from line 2b		-0-		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		-0-		
d Subtract line 6c from line 6b. Taxable amount—see instructions		-0-		
e Undistributed income for 2012. Subtract line 4a from line 2a. Taxable amount—see instructions			-0-	
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)	-0-			
8 Excess distributions carryover from 2008 not applied on line 5 or line 7 (see instructions)	-0-			
9 Excess distributions carryover to 2014. Subtract lines 7 and 8 from line 6a	-0-			
10 Analysis of line 9:				
a Excess from 2009	-0-			
b Excess from 2010	-0-			
c Excess from 2011	279,159			
d Excess from 2012	431,478			
e Excess from 2013	-0-			

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 2013, enter the date of the ruling **NOT APPLICABLE**

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) 2013	(b) 2012	(c) 2011	(d) 2010	
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			NOT		
3 Complete 3a, b, or c for the alternative test relied upon:					
a "Assets" alternative test—enter:			APPLICABLE		
(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).)

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 address of the person to whom applications should be addressed:

G.C. BROUGHTON FOUNDATION, PO BOX 2197, BIG SPRING, TEXAS 79721 ATTN: JEAN BROUGHTON

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

NO POLICY

- c** Any submission deadlines:

NO POLICY

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

APPLICANT MUST PROVIDE THE FOUNDATION A CURRENT FAVORABLE IRS DETERMINATION LETTER

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 <i>Paid during the year</i>					
SCHEDULE ATTACHED					
Total					3a
b <i>Approved for future payment</i>					
NONE					
Total					3b

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	11,965	
4	Dividends and interest from securities			14	239,848	
5	Net rental income or (loss) from real estate:					
a	Debt-financed property					
b	Not debt-financed property			16	60,000	
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	(292)	
9	Net income or (loss) from special events					
10	Gross profit or (loss) from sales of inventory	211,110	18,503			
11	Other revenue: a _____					
b	OIL & GAS ROYALTIES _____			15	2,640,920	
c	PATRONAGE DIVIDENDS _____			15	4,547	
d	_____					
e	_____					
12	Subtotal. Add columns (b), (d), and (e)		18,503		2,956,988	
13	Total. Add line 12, columns (b), (d), and (e)				13	2,975,491

(See worksheet in line 13 instructions to verify calculations.)

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.)
---------------	---

[illegible]

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?

(1) Cash

(2) Other assets

(1) Sales of assets to a noncharitable exempt organization

(2) Purchases of assets from a noncharitable exempt organization

(3) Rental of facilities, equipment, or other assets

(4) Reimbursement arrangements

(5) Loans or loan guarantees

(6) Performance of services or membership or fundraising solicitations

c Sharing of facilities, equipment, mailing lists, other assets, or paid employees

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.

[illegible]

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
Here**

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

Signature of officer or trustee Sean Broughton Trustee Date 12-24-14

TRUSTEE
Title

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

**Paid
Preparer
Use Only**

Print/Type preparer's name

John P. Wilson

Preparer's signature _____

John P. Walsh

Date

2-20-14

Check ☐ if self-employed

PTIN

PO1489332

Firm's name ▶ JOHN P. WILSON, P.C.

Firm's address ► PO BOX 2829, BIG SPRING, TEXAS 79721

Firm's EIN ▶ 75-1774904

Phone no	432-263-1269
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G C Broughton Foundation
SUPPLEMENTAL SCHEDULES

December 31, 2013

Form 990-PF-Part 1 - Analysis of Revenue and Expenses

Line 10c - Gross Profit

Oil & Gas Working Interest

Oil & Gas Sales

\$41,784

less lease operating costs charged by third party operator

23,281

\$18,503

Line 11 - Other Income

Oil & Gas Royalty

\$2,640,920

Patronage dividends

4,547

\$2,645,467

Line 16a & 16b - Professional Fees

Legal fees-administrative

\$725

Legal fees-oil & gas matters

0

\$725

Accounting fees for maintaining books, preparing tax forms & budget

\$6,066

Money Manager's commission

\$43,490

Line 18 - Taxes

Form 990-T and excise tax on investment income

\$29,942

Advalorem tax

76,352

\$106,294

Line 23 - Other Expenses

Office expense not occupancy

\$2,310

Form 990 - PF - Part X - Minimum Investment Return

Line 1-e - Reduction

Value of office building used only for administrative purposes by Trustees

\$25,583

G C Broughton Foundation

SUPPLEMENTAL SCHEDULE

December 31, 2013

Form 990 - PF - Part II - Balance Sheet

	<u>BOOK VALUE</u>	<u>FAIR MARKET VALUE</u>
Line 10b - Investments in Corporate Stock		
Blackrock Equity Dividend Fund	\$136,940	\$171,484
Lord Abbett Fundamental Equity Fund	157,178	173,655
	<u>\$294,118</u>	<u>\$345,139</u>
Line 10c - Investment in Corporate Bonds		
Blackrock Strategic Income Fund	\$650,370	\$657,483
J P Morgan Strategic Income Fund	522,943	521,853
Lord Abbett Bond Debenture Fund	716,479	722,181
Lord Abbett Short Duration Income Fund	1,984,996	1,955,761
Pimco Total Return Fund	339,633	323,540
Blackrock Gobal Allocation Fund	157,577	167,732
Virtus Multi-Sector Short-Term Bond Fund	1,465,129	1,432,634
American Funds, Inc Fund of Amer F-1	259,049	266,866
Thornburg Income Buuilder Fund	153,948	165,801
	<u>\$6,250,124</u>	<u>\$6,213,851</u>
Line 13 - Investments-other		
Nonproducing Minerals	\$0	\$0
Coop Equity	398	398
Producing Oil & Gas Royalties	4,787,671	4,787,671
Nonoperating Working Interest in Oil & Gas Leaases	46,902	46,902
	<u>\$4,834,971</u>	<u>\$4,834,971</u>
Line 14 - Land, Building & Equipment		
Office Building & Furniture- Big Spring, Texas	<u>\$25,583</u>	<u>\$25,583</u>
Form 990 - PF - Part III - Analysis of Change in in Fund Balance		
Line 5 - Decreases		
Producing Oil & Gas Properties with book basis adjusted to appraisals	-\$464,845	
Less charge to depletion	<u>385,610</u>	
	<u>-\$79,235</u>	

G. C. Broughton Foundation
SUPPLEMENTAL SCHEDULES

December 31, 2013

Form 990 - PF - Part VIII - Information about Trustees

	TITLE	HRS WEEKLY	COMP SATION	DEFER. COMP.	EXPENSE ACCOUNT
Jean Broughton 2811 MacAuslan Big Spring, Texas 79720	Trustee Fnd. Mgr	30	\$26,250	0	0
Jim Weaver 609 West 15th Big Spring, Texas 79720	Trustee	less than 1	\$850	0	0
Cliff Talbot 2814 Coronado Ave Big Spring, Texas 79720	Trustee	less than 1 1	\$500	0	0
John Grant 706 Highland Drive Big Spring, Texas 79720	Trustee	less than 1 1	\$500	0	0
John Marshall 902 Highland Drive Big Spring, Texas 79720	Trustee	less than 1 1	\$850	0	0

The Foundation and Ms. Jean Broughton entered into a personal service contract whereby Ms. Broughton would provide managerial services for the foundation to include but not be limited to supervising oil & gas properties, assisting those with grant request, banking functions

Amounts reflected as compensation of officers, directors, and trustees as stated above are for one year.

G. C Broughton Foundation
SUPPLEMENTAL SCHEDULES

December 31, 2013

990-PF - Part XV - 3

GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR:

NAME AND ADDRESS	PURPOSE OF GIFT	AMOUNT
Howard College 1001 Birdwell Lane Big spring, texas 79721	Construction	\$530,607
West Side Day Care Center 2400 Simier Big Spring, texas 79720	Operations	10,000
Retina Foundation of The Southwest 9900 N Central Expressway Dallas, Texas 75231	Operations	10,000
Isiah 58 107 Runnels Big Spring, Texas 79720	Operations	10,000
Big Spring Symphony Association Big Spring, Texas 79720	Operations	25,000
Total		\$585,607

G.C. BROUGHTON FOUNDATION
 SALE OF OIL & GAS EQUIPMENT
 YEAR ENDED DECEMBER 31, 2013

DESCRIPTION	<u>SALE PRICE</u>	<u>COSTS</u>	<u>DEPRECIATION ALLOWED</u>	<u>GAIN</u>
LANGFORD LEASE	\$938	\$1,482	\$1,482	\$938
DATE OF SALE 12/01/13				
DATE OF PURCHASE 02/08/01				
MOORE LEASE	937	4,388	4,388	937
DATE OF PURCHASE 02/08/01				
DATE OF SALE 12/01/13				
MATTHEWS LEASE	312	3,218	3,218	312
DATE OF SALE 12/01/13				
DATE OF PURCHASE 02/08/01				
WICKHAM LEASE	1,463	2,925	2,925	1,463
DATE OF PURCHASE 02/08/01				
DATE OF SALE 12/01/13				
				<u>\$3,750</u>

G.C. BROUGHTON FOUNDATION

SALE OF SECURITIES

YEAR ENDED DECEMBER 31, 2013

DESCRIPTION	DATE ACQUIRED	DATE SOLD	SALES PRICE	DEPR'N ALLOW	COSTS OR BASIS	GAIN OR (LOSS)
279 768SH BLACKROCK EQUITY FND.	12/13/10	11/04/13	\$6,510	0	\$4,834	\$1,676
13,246SH LORD ABBETT	02/09/12	01/18/13	135,529	0	136,269	-740
6,333SH LORD ABBETT CORE FIXED FNC	08/31/11	01/18/13	292,468	0	288,300	4,168
612SH LORD ABBETT FUNDMENTAL	12/13/10	11/04/13	10,375	0	7,793	2,582
129SH BLACKROCK GLOBAL FND A	12/13/10	11/04/13	2,831	0	2,502	329
79,581SH LORD ABBETT SHORT DUR.	10/05/10	11/04/13	365,157	0	369,657	-4,500
28,639SH PIMCO TOTAL RET. FND.	10/05/10	11/04/13	311,593	0	319,433	-7,840
144SH THORNBURG INCOME BUILDER	12/13/10	11/04/13	3,013	0	2,732	281
			<u>\$1,127,478</u>		<u>\$1,131,520</u>	<u>-\$4,042</u>