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Return of Private Foundation

or Section 4947(a)(1) Trust Treated as Private Foundation

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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 **JUN 1, 2013**, and ending **MAY 31, 2014**

Name of foundation
Eugene R. Matthews Memorial Fund

Number and street (or P O box number if mail is not delivered to street address)
Post Office Box 3737

Room/suite

City or town, state or province, country, and ZIP or foreign postal code
Gastonia, NC 28054

A Employer identification number
58-1580753

B Telephone number
704-868-9330

C 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

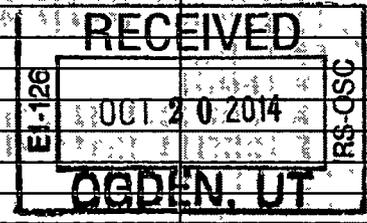
G Check all that apply:
 Initial return
 Final return
 Address change
 Initial return of a former public charity
 Amended return
 Name change

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

I Fair market value of all assets at end of year (from Part II, col (c), line 16)
 \$ **776,236.** (Part I, column (d) must be on cash basis)

J Accounting method: Cash 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))		(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			N/A	
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	18,674.	18,674.		Statement 1
5a	Gross rents				
b	Net rental income or (loss)				
6a	Net gain or (loss) from sale of assets not on line 10	334,594.			
b	Gross sales price for all assets on line 6a	841,809.			
7	Capital gain net income (from Part IV, line 2)		334,594.		
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)				
11	Other income				
12	Total. Add lines 1 through 11	353,268.	353,268.		
13	Compensation of officers, directors, trustees, etc	0.	0.		0.
14	Other employee salaries and wages				
15	Pension plans, employee benefits				
16a	Legal fees				
b	Accounting fees Stmt 2	2,625.	0.		0.
c	Other professional fees Stmt 3	4,069.	4,069.		0.
17	Interest	24.	24.		0.
18	Taxes Stmt 4	828.	211.		0.
19	Depreciation and depletion				
20	Occupancy				
21	Travel, conferences, and meetings				
22	Printing and publications				
23	Other expenses				
24	Total operating and administrative expenses. Add lines 13 through 23	7,546.	4,304.		0.
25	Contributions, gifts, grants paid	33,665.			33,665.
26	Total expenses and disbursements. Add lines 24 and 25	41,211.	4,304.		33,665.
27	Subtract line 26 from line 12:				
a	Excess of revenue over expenses and disbursements	312,057.			
b	Net investment income (if negative, enter -0-)		348,964.		
c	Adjusted net income (if negative, enter -0-)			N/A	



SCANNED OCT 23 2014 Revenue Operating and Administrative Expenses

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Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only		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		4,941.	7,673.	7,673.
	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				
	7	Other notes and loans receivable ▶				
		Less: allowance for doubtful accounts ▶				
	8	Inventories for sale or use				
	9	Prepaid expenses and deferred charges		500.	620.	620.
	10a	Investments - U.S. and state government obligations				
	b	Investments - corporate stock Stmt 5		418,093.	727,237.	767,943.
	c	Investments - corporate bonds				
	11	Investments - land, buildings, and equipment basis ▶				
	Less accumulated depreciation ▶					
12	Investments - mortgage loans					
13	Investments - other					
14	Land, buildings, and equipment: basis ▶					
	Less accumulated depreciation ▶					
15	Other assets (describe ▶)					
16	Total assets (to be completed by all filers - see the instructions. Also, see page 1, item 1)		423,534.	735,530.	776,236.	
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				
22	Other liabilities (describe ▶)					
23	Total liabilities (add lines 17 through 22)		0.	0.		
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here <input type="checkbox"/>					
	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 <input checked="" type="checkbox"/>					
	and complete lines 27 through 31.					
	27	Capital stock, trust principal, or current funds		423,534.	735,530.	
28	Paid-in or capital surplus, or land, bldg., and equipment fund		0.	0.		
29	Retained earnings, accumulated income, endowment, or other funds		0.	0.		
30	Total net assets or fund balances		423,534.	735,530.		
31	Total liabilities and net assets/fund balances		423,534.	735,530.		

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	423,534.
2	Enter amount from Part I, line 27a	2	312,057.
3	Other increases not included in line 2 (itemize) ▶	3	0.
4	Add lines 1, 2, and 3	4	735,591.
5	Decreases not included in line 2 (itemize) ▶ Prior year adjustment	5	61.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	735,530.

Part IV Capital Gains and Losses for Tax on Investment Income

1a	(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.)
b	See Attached Statements			
c				
d				
e				

a	(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)
e	841,809.		507,215.	334,594.

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
(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	
e			334,594.

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	334,594.
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). If (loss), enter -0- in Part I, line 8	3	N/A

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	31,255.	685,644.	.045585
2011	28,630.	632,338.	.045276
2010	26,083.	582,328.	.044791
2009	26,403.	529,096.	.049902
2008	38,391.	530,816.	.072324

2	Total of line 1, column (d)	2	.257878
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	.051576
4	Enter the net value of noncharitable-use assets for 2013 from Part X, line 5	4	734,744.
5	Multiply line 4 by line 3	5	37,895.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	3,490.
7	Add lines 5 and 6	7	41,385.
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	33,665.

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)		
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	1	6,979.
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	6,979.
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	6,979.
6	Credits/Payments:		
a	2013 estimated tax payments and 2012 overpayment credited to 2013	6a	620.
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	620.
8	Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8	
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	6,359.
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 <input type="checkbox"/> Refunded <input type="checkbox"/>	11	

Part VII-A Statements Regarding Activities

	Yes	No
1a		X
b		X
c		X
d		
e		
2		X
3		X
4a		X
4b		
5		X
6	X	
7	X	
8a		
8b	X	
9		X
10		X

N/A

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)
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)
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address N/A
14 The books are in care of B. Frank Matthews, II Telephone no. 704-868-9330 Located at Post Office Box 3737, Gastonia, NC ZIP+4 28054
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 N/A
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

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?
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?
(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)?
(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.)
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
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.)
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here.
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?
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)
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?

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)? 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)? Yes No

Organizations relying on a current notice regarding disaster assistance check here N/A

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). N/A

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? 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 No

b 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.

(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
B. Frank Matthews II Post Office Box 3737 Gastonia, NC 28054	Trustee	0.00	0.	0.

2 Compensation of five highest-paid employees (other than those included on line 1). If none, enter "NONE."

(a) Name and address of each employee paid more than \$50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
NONE				

Total number of other employees paid over \$50,000 0

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)

3 Five highest-paid independent contractors for professional services. 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 ▶ 0

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

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	
3 All other program-related investments. See instructions.	

Total. Add lines 1 through 3 ▶ 0.

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	741,519.
b	Average of monthly cash balances	1b	4,414.
c	Fair market value of all other assets	1c	
d	Total (add lines 1a, b, and c)	1d	745,933.
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	745,933.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	11,189.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	734,744.
6	Minimum investment return. Enter 5% of line 5	6	36,737.

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	36,737.
2a	Tax on investment income for 2013 from Part VI, line 5	2a	6,979.
b	Income tax for 2013. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	6,979.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	29,758.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	29,758.
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	29,758.

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	33,665.
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	33,665.
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	5	0.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	33,665.

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				29,758.
2 Undistributed income, if any, as of the end of 2013				
a Enter amount for 2012 only			33,665.	
b Total for prior years:		0.		
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	0.			
4 Qualifying distributions for 2013 from Part XII, line 4: ▶ \$ 33,665.				
a Applied to 2012, but not more than line 2a			33,665.	
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				0.
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).)	0.			0.
6 Enter the net total of each column as indicated below:	0.			
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 instr.			0.	
f Undistributed income for 2013. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2014				29,758.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2008 not applied on line 5 or line 7	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				
b Excess from 2010				
c Excess from 2011				
d Excess from 2012				
e Excess from 2013				

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

1 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 ▶

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	
2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon:					
a "Assets" alternative test - enter:					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test - enter:					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

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

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

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:

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

- c Any submission deadlines:

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

Part XV Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year				
Boys and Girls Club of Greater Gaston 310 South Boyd Street Gastonia, NC 28052		Public Charity	General Fund	2,000.
Davidson College 405 N. Main Street Davidson, NC 28035		Public Charity	General Fund	10,000.
First Presbyterian Church 1621 East Garrison Boulevard Gastonia, NC 28054		Public Charity	General Fund	19,665.
Gaston Literacy Council 116 South Marietta Street Gastonia, NC 28052		Public Charity	General Fund	2,000.
Total				▶ 3a 33,665.
b Approved for future payment				
None				
Total				▶ 3b 0.

Eugene R. Matthews Memorial Fund

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 150 Shrs Exxon Mobile Corp	P	04/02/81	06/18/13
b 50 Shrs General Electric Company	P	12/05/05	06/21/13
c 25 Shrs Johnson & Johnson	P	09/24/99	06/21/13
d 50 Shrs McGraw-Hill Financial, Inc	P	09/28/99	06/17/13
e 50 Shrs Pepsico, Inc	P	03/25/04	06/18/13
f 75 Shrs Philip Morris International, Inc	P	09/24/99	06/18/13
g 50 Shrs Plaxair, Inc	P	09/12/05	06/18/13
h 0.28571 Shrs News Corp	P	03/25/04	07/01/13
i 0.21429 Shrs News Corp	P	11/23/04	07/01/13
j 30 Shrs Exxon Mobil Corp	P	04/02/81	11/29/13
k 200 Shrs Intel Corp	P	10/13/99	11/29/13
l 60 Shrs Intel Corp	P	03/21/00	11/29/13
m 3,581.80 Shrs Sarofim Equity Fund	P	01/17/14	05/06/14
n 300 Shrs Abbot Laboratories	P	Various	01/17/14
o 250 Shrs Abbvie, Inc.	P	Various	01/17/14

(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 13,706.		675.	13,031.
b 1,162.		1,801.	<639.>
c 2,095.		1,139.	956.
d 2,689.		1,197.	1,492.
e 4,062.		2,560.	1,502.
f 6,878.		1,374.	5,504.
g 5,872.		2,491.	3,381.
h 4.		2.	2.
i 3.		2.	1.
j 2,800.		135.	2,665.
k 4,782.		7,250.	<2,468.>
l 1,435.		4,127.	<2,692.>
m 37,000.		35,818.	1,182.
n 11,820.		7,388.	4,432.
o 12,515.		6,179.	6,336.

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
(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	
a			13,031.
b			<639.>
c			956.
d			1,492.
e			1,502.
f			5,504.
g			3,381.
h			2.
i			1.
j			2,665.
k			<2,468.>
l			<2,692.>
m			1,182.
n			4,432.
o			6,336.

2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 If (loss), enter "-0-" in Part I, line 7 }	2
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). If (loss), enter "-0-" in Part I, line 8	3

Eugene R. Matthews Memorial Fund

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 70 Shrs Ace Limited	P	11/29/13	01/17/14
b 600 Shrs Altria Group Inc.	P	Various	01/17/14
c 125 Shrs American Express	P	Various	01/17/14
d 60 Shrs Apple, Inc	P	08/14/07	01/17/14
e 40 Shrs ASML Holding	P	11/29/13	01/17/14
f 150 Shrs ADP	P	01/31/06	01/17/14
g 25 Shrs Blackrock Inc	P	02/07/12	01/17/14
h 35 Shrs Canadian Pacific Railway Ltd	P	Various	01/17/14
i 150 Shrs Caterpillar Inc	P	Various	01/17/14
j 140 Shrs Chevron Corp	P	Various	01/17/14
k 1200 Shrs Coca-Cola Co	P	Various	01/17/14
l 150 Shrs Comcast Corp	P	Various	01/17/14
m 200 Shrs ConocoPhillips	P	12/05/05	01/17/14
n 70 Shrs Diageo PLC	P	Various	01/17/14
o 100 Shrs Estee Lauder Cos Inc	P	06/12/13	01/17/14

(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 6,797.		7,271.	<474.>
b 22,218.		4,866.	17,352.
c 11,371.		5,160.	6,211.
d 32,436.		7,603.	24,833.
e 3,376.		3,771.	<395.>
f 11,996.		6,130.	5,866.
g 7,918.		4,748.	3,170.
h 5,226.		4,390.	836.
i 13,716.		9,378.	4,338.
j 16,701.		14,936.	1,765.
k 47,136.		29,835.	17,301.
l 8,031.		6,074.	1,957.
m 13,502.		9,749.	3,753.
n 8,935.		8,422.	513.
o 7,257.		6,865.	392.

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
(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	
a			<474.>
b			17,352.
c			6,211.
d			24,833.
e			<395.>
f			5,866.
g			3,170.
h			836.
i			4,338.
j			1,765.
k			17,301.
l			1,957.
m			3,753.
n			513.
o			392.

2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 If (loss), enter "-0-" in Part I, line 7 }	2
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). If (loss), enter "-0-" in Part I, line 8	3

Eugene R. Matthews Memorial Fund

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 570 Shrs Exxon Mobil Corp	P	07/04/76	01/17/14
b 150 Shrs Franklin Resources Inc	P	06/01/11	01/17/14
c 150 Shrs Freeport-Mcmoran	P	Various	01/17/14
d 450 Shrs General Electric Co	P	Various	01/17/14
e 100 Shrs HSBC Holdings	P	Various	01/17/14
f 340 Shrs Intel Corp	P	03/21/00	01/17/14
g 110 Shrs Intl Business Machines	P	Various	01/17/14
h 225 Shrs Johnson & Johnson	P	Various	01/17/14
i 350 Shrs JPMorgan Chase	P	Various	01/17/14
j 200 Shrs Kinder Morgan Inc	P	06/01/11	01/17/14
k 250 Shrs McDonald's Corp	P	Various	01/17/14
l 50 Shrs McGraw-Hill Financial, Inc	P	09/28/99	01/17/14
m 150 Shrs Merck & Co	P	03/30/00	01/17/14
n 250 Shrs Mondelez International Inc	P	10/25/12	01/17/14
o 350 Shrs Nestle SA	P	Various	01/17/14

(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 56,521.		2,564.	53,957.
b 8,776.		6,437.	2,339.
c 5,428.		7,654.	<2,226.>
d 11,961.		15,329.	<3,368.>
e 5,565.		4,240.	1,325.
f 8,789.		23,385.	<14,596.>
g 20,910.		17,066.	3,844.
h 21,389.		13,243.	8,146.
i 20,339.		16,363.	3,976.
j 7,114.		5,875.	1,239.
k 23,733.		10,264.	13,469.
l 3,837.		1,197.	2,640.
m 7,793.		9,215.	<1,422.>
n 8,813.		6,670.	2,143.
o 26,019.		11,117.	14,902.

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
(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	
a			53,957.
b			2,339.
c			<2,226.>
d			<3,368.>
e			1,325.
f			<14,596.>
g			3,844.
h			8,146.
i			3,976.
j			1,239.
k			13,469.
l			2,640.
m			<1,422.>
n			2,143.
o			14,902.

2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 If (loss), enter "-0-" in Part I, line 7 }	2
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). If (loss), enter "-0-" in Part I, line 8	3

Eugene R. Matthews Memorial Fund

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 87 Shrs News Corp	P	Various	01/17/14
b 100 Shrs Novartis AG	P	06/12/13	01/17/14
c 300 Shrs Novo Nordisk A/S	P	05/14/08	01/17/14
d 185 Shrs Occidental Petroleum Corp	P	Various	01/17/14
e 150 Shrs Pepsico Inc	P	03/25/04	01/17/14
f 625 Shrs Philip Morris Intl	P	Various	01/17/14
g 100 Shrs Phillips 66	P	12/05/05	01/17/14
h 150 Shrs Praxair Inc	P	Various	01/17/14
i 275 Shrs Proctor & Gamble Co	P	Various	01/17/14
j 75 Shrs Qualcomm Inc	P	08/25/08	01/17/14
k 175 Roche Holding AG	P	01/28/10	01/17/14
l 225 Shrs Royal Dutch Shell PLC	P	Various	01/17/14
m 100 Shrs Sabmiller PLC	P	05/15/12	01/17/14
n 50 Shrs State Street Corp	P	11/29/13	01/17/14
o 200 Shrs Target Corp	P	07/11/00	01/17/14

(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 1,486.		660.	826.
b 8,118.		7,336.	782.
c 11,430.		3,979.	7,451.
d 16,755.		16,566.	189.
e 12,330.		7,681.	4,649.
f 52,081.		13,640.	38,441.
g 7,602.		2,897.	4,705.
h 19,866.		8,276.	11,590.
i 21,967.		7,977.	13,990.
j 5,605.		4,099.	1,506.
k 12,023.		7,578.	4,445.
l 15,878.		12,043.	3,835.
m 5,024.		4,057.	967.
n 3,675.		3,621.	54.
o 12,048.		6,306.	5,742.

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
(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	
a			826.
b			782.
c			7,451.
d			189.
e			4,649.
f			38,441.
g			4,705.
h			11,590.
i			13,990.
j			1,506.
k			4,445.
l			3,835.
m			967.
n			54.
o			5,742.

2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 If (loss), enter "-0-" in Part I, line 7 }	2
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). If (loss), enter "-0-" in Part I, line 8	3

Eugene R. Matthews Memorial Fund

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		(c) Date acquired	(d) Date sold
		P - Purchase	D - Donation	(mo., day, yr.)	(mo., day, yr.)
1a	250 Shrs Texas Instruments Inc	P		11/09/07	01/17/14
b	40 Shrs Time Warner Cable Inc	P		09/21/11	01/17/14
c	160 Shrs Total SA	P		Various	01/17/14
d	350 Shrs Twenty-First Century Fox	P		Various	01/17/14
e	100 Shrs United Technologies Corp	P		Various	01/17/14
f	200 Shrs Wal-Mart Stores, Inc	P		Various	01/17/14
g	200 Shrs Walgreen Co	P		Various	01/17/14
h					
i					
j					
k					
l					
m					
n					
o					

	(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	10,863.		8,064.	2,799.
b	5,428.		2,653.	2,775.
c	9,499.		8,529.	970.
d	11,214.		5,135.	6,079.
e	11,421.		6,856.	4,565.
f	15,238.		9,362.	5,876.
g	11,832.		7,945.	3,887.
h				
i				
j				
k				
l				
m				
n				
o				

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
(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	
a			2,799.
b			2,775.
c			970.
d			6,079.
e			4,565.
f			5,876.
g			3,887.
h			
i			
j			
k			
l			
m			
n			
o			

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	334,594.
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). If (loss), enter "-0-" in Part I, line 8	3	N/A

Form 990-PF	Dividends and Interest from Securities			Statement	1
Source	Gross Amount	Capital Gains Dividends	(a) Revenue Per Books	(b) Net Investment Income	(c) Adjusted Net Income
Abbott Laboratories	150.	0.	150.	150.	
Abbvie, Inc.	300.	0.	300.	300.	
Ace Limited	44.	0.	44.	44.	
Altria Group	840.	0.	840.	840.	
American Express Company	86.	0.	86.	86.	
Apple, Inc.	366.	0.	366.	366.	
Automatic Data Processing	203.	0.	203.	203.	
Blackrock, Inc.	126.	0.	126.	126.	
Canadian Pacific Railway, LTD	35.	0.	35.	35.	
Caterpillar, Inc.	270.	0.	270.	270.	
Chevron Corp	420.	0.	420.	420.	
Coca Cola Company	1,008.	0.	1,008.	1,008.	
Comcast Corp New CL A	88.	0.	88.	88.	
Conoco Phillips	408.	0.	408.	408.	
Diageo PLC	133.	0.	133.	133.	
Exxon Mobil	1,229.	0.	1,229.	1,229.	
Franklin Resources	94.	0.	94.	94.	
Frppt-Mcmrn CPPR & GLD	243.	0.	243.	243.	
General Electric	280.	0.	280.	280.	
HSBC Holdings	150.	0.	150.	150.	
Intel Corporation International Business Machines	482.	0.	482.	482.	
Johnson & Johnson	313.	0.	313.	313.	
JP Morgan Chase & Co.	462.	0.	462.	462.	
Kinder Morgan Inc.	399.	0.	399.	399.	
Lauder Estee Cos, Inc	244.	0.	244.	244.	
McDonalds Corporation	38.	0.	38.	38.	
McGraw Hill Companies, Inc.	587.	0.	587.	587.	
Merck & Company, Inc.	56.	0.	56.	56.	
Mondelez International, Inc.	195.	0.	195.	195.	
Occidental Pete Corp.	102.	0.	102.	102.	
	307.	0.	307.	307.	

Pepsico Incorporated	284.	0.	284.	284.
Philip Morris International	1,706.	0.	1,706.	1,706.
Phillips 66	101.	0.	101.	101.
Praxair, Inc.	300.	0.	300.	300.
Procter & Gamble	496.	0.	496.	496.
Qualcomm Inc	79.	0.	79.	79.
Royal Dutch Shell	608.	0.	608.	608.
SabMiller PLC ADR	99.	0.	99.	99.
Sarofim Equity Fund	3,736.	0.	3,736.	3,736.
State STR Corp	13.	0.	13.	13.
Target Corporation	244.	0.	244.	244.
Texas Instruments, Inc.	220.	0.	220.	220.
Time Warner Cable	78.	0.	78.	78.
Total S.A. Spons Adr	379.	0.	379.	379.
Twenty First Century United Technologies, Inc.	166.	0.	166.	166.
Wal-Mart Stores	282.	0.	282.	282.
Walgreen Company	181.	0.	181.	181.
To Part I, line 4	18,674.	0.	18,674.	18,674.

Form 990-PF	Accounting Fees			Statement 2
Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Belk Stores Services	2,625.	0.		0.
To Form 990-PF, Pg 1, ln 16b	2,625.	0.		0.

Form 990-PF	Other Professional Fees			Statement	3
Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes	
Investment Manager Fees	4,069.	4,069.			0.
To Form 990-PF, Pg 1, ln 16c	4,069.	4,069.			0.

Form 990-PF	Taxes			Statement	4
Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes	
Foreign Taxes on Dividends	211.	211.			0.
Excise Taxes	617.	0.			0.
To Form 990-PF, Pg 1, ln 18	828.	211.			0.

Form 990-PF	Corporate Stock		Statement	5
Description	Book Value	Fair Market Value		
Abbott Laboratories	0.	0.		
Abbvie, Inc.	0.	0.		
Altria Group	0.	0.		
American Express Company	0.	0.		
Apple, Inc.	0.	0.		
Automatic Data Processing	0.	0.		
Blackrock, Inc.	0.	0.		
Canadian Pacific Railway LTD	0.	0.		
Caterpillar, Inc.	0.	0.		
Chevron Corp.	0.	0.		
Coca Cola Company	0.	0.		
Comcast Corp New CL A	0.	0.		
Conoco Phillips	0.	0.		
Diageo	0.	0.		
Exxon Mobil Corporation	0.	0.		
Franklin Resources, Inc.	0.	0.		
Freeport-McMoran Copper	0.	0.		
General Electric Company	0.	0.		
HSBC Holdings	0.	0.		
Intel Corporation	0.	0.		

Eugene R. Matthews Memorial Fund

58-1580753

International Business Machines	0.	0.
Johnson & Johnson	0.	0.
JP Morgan Chase & Company	0.	0.
Kinder Morgan, Inc.	0.	0.
McDonalds Corporation	0.	0.
McGraw Hill Companies, inc.	0.	0.
Merck & Company, Inc.	0.	0.
Mondelez International, Inc.	0.	0.
Nestle S A	0.	0.
News Corporation	0.	0.
Novo Nordisk ADR	0.	0.
Occidental Pete Corp.	0.	0.
Pepsico, Inc.	0.	0.
Philip Morris International, Inc.	0.	0.
Phillips 66	0.	0.
Praxair, Inc.	0.	0.
Proctor & Gamble	0.	0.
Qualcomm, Inc.	0.	0.
Roche Holdings Ltd. Adr	0.	0.
Royal Dutch Shell PLC Adr Cl A	0.	0.
Sabmiller PLC ADR	0.	0.
Target Corporation	0.	0.
Texas Instruments, Inc.	0.	0.
Time Warner Cable	0.	0.
Total S.A. Spons Adr	0.	0.
United Technologies Corporation	0.	0.
Wal-Mart Stores	0.	0.
Walgreen Company	0.	0.
Sarofim Equity Fund	727,237.	767,943.
	<hr/>	<hr/>
Total to Form 990-PF, Part II, line 10b	727,237.	767,943.
	<hr/> <hr/>	<hr/> <hr/>