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

2013

Department of the Treasury
Internal Revenue Service

▶ Do not enter Social Security numbers on this form as it may be made public.
▶ Information about Form 990-PF and its separate instructions is at www.irs.gov/form990pf.

For calendar year 2013, or tax year beginning **10/01**, 2013, and ending **9/30**, 2014

WALTER PAYNE FOUNDATION
11405 HARCOURT TERRACE
RICHMOND, VA 23233

A Employer identification number
01-0626611

B Telephone number (see the instructions)
804-780-2038

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

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

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

E If private foundation status was terminated under section 507(b)(1)(A), check here

F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here

I Fair market value of all assets at end of year (from Part II, column (c), line 16)
▶ \$ **3,327,524.**

J Accounting method: Cash Accrual
 Other (specify) _____
(Part I, column (d) must be on cash basis.)

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions).)

	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions, gifts, grants, etc. received (att sch)				
2 <input checked="" type="checkbox"/> If the foundn is not req to att Sch B				
3 Interest on savings and temporary cash investments	12.	12.		
4 Dividends and interest from securities	55,148.	55,148.		
5a Gross rents				
b Net rental income or (loss)				
6a Net gain/(loss) from sale of assets not on line 10	303,502.			
b Gross sales price for all assets on line 6a	1,050,827.			
7 Capital gain net income (from Part IV, line 2)		303,502.		
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/(loss) (att sch)				
11 Other income (attach schedule)				
12 Total. Add lines 1 through 11.	358,662.	358,662.	0.	
13 Compensation of officers, directors, trustees, etc.	32,485.	16,243.		16,242.
14 Other employee salaries and wages				
15 Pension plans, employee benefits				
16a Legal fees (attach schedule) See St. 1	85.			
b Accounting fees (attach sch) See St. 2	3,075.			
c Other prof fees (attach sch) See St. 3	33,501.	33,501.		
17 Interest				
18 Taxes (attach schedule)(see instrs) See Stm. 4	6,394.	5,152.		1,242.
19 Depreciation (attach sch) and depletion				
20 Occupancy				
21 Travel, conferences, and meetings				
22 Printing and publications				
23 Other expenses (attach schedule) See Statement 5	27.			
24 Total operating and administrative expenses. Add lines 13 through 23	75,567.	54,896.		17,484.
25 Contributions, gifts, grants paid Part. XV	125,500.			125,500.
26 Total expenses and disbursements. Add lines 24 and 25	201,067.	54,896.	0.	142,984.
27 Subtract line 26 from line 12:				
a Excess of revenue over expenses and disbursements	157,595.			
b Net investment income (if negative, enter -0-)		303,766.		
c Adjusted net income (if negative, enter -0-)			0.	

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ADMINISTRATIVE AND OPERATING EXPENSES

90.14 3

Part III Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only. (See instructions.)			
		Beginning of year (a) Book Value	End of year (b) Book Value (c) Fair Market Value		
ASSETS	1	Cash – non-interest-bearing			
	2	Savings and temporary cash investments	32,007.	64,192.	64,192.
	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 sch)			
		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) Statement 6	2,322,708.	2,438,199.	3,263,332.
		c Investments – corporate bonds (attach schedule)			
	11	Investments – land, buildings, and equipment: basis			
	Less: accumulated depreciation (attach schedule)				
12	Investments – mortgage loans				
13	Investments – other (attach schedule)				
14	Land, buildings, and equipment: basis				
	Less: accumulated depreciation (attach schedule)				
15	Other assets (describe)				
16	Total assets (to be completed by all filers – see the instructions. Also, see page 1, item l)	2,354,715.	2,502,391.	3,327,524.	
LIABILITIES	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, & other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe)	7,500.		
	23	Total liabilities (add lines 17 through 22)	7,500.	0.	
NET ASSETS OR FUND BALANCES	Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31.				
	24	Unrestricted			
	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, building, and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds	2,347,215.	2,502,391.	
	30	Total net assets or fund balances (see instructions)	2,347,215.	2,502,391.	
31	Total liabilities and net assets/fund balances (see instructions)	2,354,715.	2,502,391.		

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	2,347,215.
2	Enter amount from Part I, line 27a	2	157,595.
3	Other increases not included in line 2 (itemize)	3	
4	Add lines 1, 2, and 3	4	2,504,810.
5	Decreases not included in line 2 (itemize) See Statement 7	5	2,419.
6	Total net assets or fund balances at end of year (line 4 minus line 5) – Part II, column (b), line 30	6	2,502,391.

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 shares MLC Company)	(b) How acquired P -- Purchase D -- Donation	(c) Date acquired (month, day, year)	(d) Date sold (month, day, year)
1 a SEE ATTACHED SCHEDULE A	P	Various	Various
b SEE ATTACHED SCHEDULE B	P	Various	Various
c Capital gain dividends			
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 778,948.		534,973.	243,975.
b 238,239.		212,352.	25,887.
c			
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Column (h) gain minus column (k), but not less than -0-) or Losses (from column (h))
(i) Fair Market Value as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of column (i) over column (j), if any	
a			243,975.
b			25,887.
c			33,640.
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	303,502.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c) (see instructions). If (loss), enter -0- in Part I, line 8 	3	0.

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? Yes No

If 'Yes,' the foundation does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year; see the instructions before making any entries.			
(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (column (b) divided by column (c))
2012	125,550.	2,930,881.	0.042837
2011	122,115.	2,566,303.	0.047584
2010	124,300.	2,462,848.	0.050470
2009	129,216.	2,513,000.	0.051419
2008	154,485.	2,610,244.	0.059184
2 Total of line 1, column (d)			0.251494
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			0.050299
4 Enter the net value of noncharitable-use assets for 2013 from Part X, line 5			3,291,024.
5 Multiply line 4 by line 3			165,535.
6 Enter 1% of net investment income (1% of Part I, line 27b)			3,038.
7 Add lines 5 and 6			168,573.
8 Enter qualifying distributions from Part XII, line 4.			142,984.

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions.

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 – see instructions)

1 a 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 instrs)			
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	6,075.
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, column (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	6,075.
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	6,075.
6 Credits/Payments:			
a 2013 estimated tax prmts and 2012 overpayment credited to 2013.	6 a	3,200.	
b Exempt foreign organizations – tax withheld at source	6 b		
c Tax paid with application for extension of time to file (Form 8868)	6 c		
d Backup withholding erroneously withheld.	6 d		
7 Total credits and payments. Add lines 6a through 6d.	7	3,200.	
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	2,875.	
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. Refunded	11		

Part VII A Statements Regarding Activities

	Yes	No
1 a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see the instructions for 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>		X
c 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 ▶ \$ 0. (2) On foundation managers ▶ \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ \$ 0.		
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>		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? <i>If 'Yes,' attach a conformed copy of the changes.</i>		X
4 a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If 'Yes,' has it filed a tax return on Form 990-T for this year?		N/A
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>		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? <i>If 'Yes,' complete Part II, column (c), and Part XV.</i>	X	
8 a Enter the states to which the foundation reports or with which it is registered (see instructions). ▶ VA		
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>	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2013 or the taxable year beginning in 2013 (see instructions for Part XIV)? <i>If 'Yes,' complete Part XIV</i>		X
10 Did any persons become substantial contributors during the tax year? <i>If 'Yes,' attach a schedule listing their names and addresses.</i>		X

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If 'Yes,' attach schedule (see instructions)	11		X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If 'Yes,' attach statement (see instructions)	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address <u>N/A</u>	13	X	
14	The books are in care of <u>JAMES E. CRAWLEY</u> Telephone no. <u>804-780-2038</u> Located at <u>11405 HARCOURT TERRACE RICHMOND VA</u> ZIP + 4 <u>23233</u>			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here <u>N/A</u> and enter the amount of tax-exempt interest received or accrued during the year <u>15</u>			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	16	Yes	No
				X

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required

File Form 4720 if any item is checked in the 'Yes' column, unless an exception applies.

	Yes	No
1 a During the year did the foundation (either directly or indirectly):		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6) Agree to pay money or property to a government official? (Exception. Check 'No' if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b If any answer is 'Yes' to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here <input type="checkbox"/>	1 b	N/A
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?	1 c	X
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 <u>20</u> , <u>20</u> , <u>20</u> , <u>20</u> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
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.)	2 b	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. <u>20</u> , <u>20</u> , <u>20</u> , <u>20</u>		
3 a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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.)	3 b	N/A
4 a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4 a	X
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2013?	4 b	X

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required (continued)

5a During the year did the foundation pay or incur any amount to:

- (1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?. Yes No
- (2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? Yes No
- (3) Provide a grant to an individual for travel, study, or other similar purposes? Yes No
- (4) Provide a grant to an organization other than a charitable, etc, organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions) Yes No
- (5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? Yes No

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

Organizations relying on a current notice regarding disaster assistance check here

c If the answer is 'Yes' to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? N/A Yes No
 If 'Yes,' attach the statement required by Regulations section 53.4945-5(d).

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

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? 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? N/A

5b	N/A	
6b		X
7b		

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

1 List all officers, directors, trustees, foundation managers and their compensation (see instructions).

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
JAMES E. CRAWLEY 11405 HARCOURT TERRACE RICHMOND, VA 23233	President 5.00	32,485.	0.	0.

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

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

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

Part 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	1 a	3,295,322.
b	Average of monthly cash balances	1 b	45,819.
c	Fair market value of all other assets (see instructions)	1 c	
d	Total (add lines 1a, b, and c)	1 d	3,341,141.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1 e	0.
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	3,341,141.
4	Cash deemed held for charitable activities. Enter 1-1/2% of line 3 (for greater amount, see instructions)	4	50,117.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4.	5	3,291,024.
6	Minimum investment return. Enter 5% of line 5	6	164,551.

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	164,551.
2a	Tax on investment income for 2013 from Part VI, line 5	2 a	6,075.
b	Income tax for 2013. (This does not include the tax from Part VI.)	2 b	
c	Add lines 2a and 2b	2 c	6,075.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	158,476.
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	158,476.
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	158,476.

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	1 a	142,984.
b	Program-related investments – total from Part IX-B	1 b	
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)	3 a	
b	Cash distribution test (attach the required schedule)	3 b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	142,984.
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	
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	142,984.

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				158,476.
2 Undistributed income, if any, as of the end of 2013:				
a Enter amount for 2012 only			125,359.	
b Total for prior years: 20__, 20__, 20__		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: \$ 142,984.				
a Applied to 2012, but not more than line 2a			125,359.	
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				17,625.
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:				
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.				140,851.
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				
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)

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

	Tax year				(e) Total
	(a) 2013	(b) 2012	(c) 2011	(d) 2010	
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 of the person to whom applications should be addressed:

See Statement 8

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

See Statement for Line 2a

c Any submission deadlines:

See Statement for Line 2a

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

See Statement for Line 2a

Part VII Supplementary Information (continued)

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year See Statement 9				
Total ▶ 3a				125,500.
b Approved for future payment				
Total ▶ 3b				

REALIZED GAINS AND LOSSES
WALTER PAYNE FOUNDATION
8617-3133-RS38-DAM-II-Y
From 10-01-13 Through 09-30-14

Open Date	Close Date	Quantity	Security	Cost Basis	Amort. or Accretion	Proceeds	Gain Or Loss	
							Short Term	Long Term
02-01-12	10-02-13	995 000	Twenty First Century Foxinc Cl A	16,901 16		33,596 19		16,695 03
06-15-11	10-16-13	340 000	Stanley Black & Decker Inc	23,183 31		26,118 42		2,935 11
10-17-12	10-18-13	87.000	Ishares Nasdaq Biotechnology Etf	12,690.18		17,951 32		5,261 14
10-17-12	11-13-13	63 000	Ishares Nasdaq Biotechnology Etf	9,189 44		12,977 81		3,788 37
11-07-12	11-13-13	60.000	Ishares Nasdaq Biotechnology Etf	7,866.41		12,359 81		4,493 40
02-13-13	11-14-13	95.000	Aon Plc Cl A	5,432 22		7,674 91	2,242.69	
08-08-12	11-14-13	114.000	Aon Plc Cl A	5,851 46		9,209.89		3,358 43
08-08-12	01-08-14	321 000	Aon Plc Cl A	16,476 48		26,248 32		9,771 84
05-16-13	01-10-14	30 000	Valero Energy Corp	1,197 38		1,592 97	395 59	
12-05-11	01-10-14	75 000	Wellpoint Inc	5,271 55		6,892 65		1,621 10
07-03-13	01-10-14	30.000	American Tower Corp New*	2,158 28		2,482 16	323.88	
03-27-13	01-10-14	20 000	Amerisourcebergen Corp	1,014 62		1,427 58	412 96	
08-31-11	01-10-14	20.000	Berkshire Hathaway Inc De Cl B New	1,460 18		2,291 16		830 98
02-27-13	01-10-14	15 000	Capital One Financial Corp	770 87		1,168 18	397 31	
06-04-08	01-10-14	20 000	Walt Disney Co	677 54		1,503.57		826 03
09-26-07	01-10-14	145 000	Jpmorgan Chase & Company	6,693 11		8,470 75		1,777 64
03-03-04	01-15-14	45 000	Lowe's Companies Inc	1,249 82		2,172 74		922.92
04-02-08	01-15-14	305 000	Lowe's Companies Inc	7,556 56		14,726 36		7,169 80
12-14-11	01-15-14	180 000	Lowe's Companies Inc	4,382 69		8,690 97		4,308 28
09-22-10	01-15-14	250 000	Lowe's Companies Inc	5,430 98		12,070 79		6,639.81
05-16-13	01-15-14	215.000	Valero Energy Corp	8,581 26		11,051 09	2,469 83	
11-14-12	01-15-14	170 000	Valero Energy Corp	4,607 16		8,738 07		4,130 91
08-21-13	01-23-14	190.000	Facebook Inc Cl A	7,350 45		10,644 22	3,293 77	
11-14-12	02-12-14	215 000	Walgreen Company	7,001 00		13,814.35		6,813 35
06-25-08	02-20-14	115 000	Albemarle Corp	5,031 79		7,419 87		2,388 08
08-25-09	02-20-14	100 000	Albemarle Corp	3,254 00		6,452 06		3,198 06
10-08-08	02-20-14	185.000	Albemarle Corp	4,672 21		11,936 30		7,264 09
06-04-08	02-26-14	185 000	Walt Disney Co	6,267 28		14,822 29		8,555 01
11-14-12	03-19-14	410 000	Walgreen Company	13,350 75		27,432 16		14,081 41
10-17-12	03-26-14	45 000	Occidental Petroleum Corp	3,781 76		4,234 40		452 64
01-14-09	03-26-14	265 000	Occidental Petroleum Corp	14,517 71		24,935.93		10,418 22
08-21-13	04-09-14	440 000	Facebook Inc Cl A	17,022 11		26,168 33	9,146.22	
12-12-12	04-09-14	115 000	Johnson & Johnson	8,199 63		11,272 65		3,073 02
06-27-12	04-09-14	65.000	Johnson & Johnson	4,351 18		6,371 49		2,020 31
08-25-09	04-09-14	50 000	Johnson & Johnson	3,066 00		4,901 15		1,835 15
09-16-03	04-09-14	5.000	Johnson & Johnson	253 20		490 12		236 92
01-08-14	05-07-14	500 000	Ebay Inc	26,593 55		25,091 75	(1,501.80)	
08-22-12	05-07-14	210 000	Goldman Sachs Group Inc	22,138 85		32,471 29		10,332 44
01-18-12	06-11-14	70 000	Now Inc	2,122 16		2,282 32		160 16
12-05-12	06-11-14	32 000	Now Inc	897 86		1,043.34		145 48
03-27-13	06-12-14	100 000	Amerisourcebergen Corp	5,073 08		7,136 84		2,063 76
08-31-11	06-12-14	40 000	Berkshire Hathaway Inc De Cl B New	2,920 36		5,083 49		2,163 13
02-27-13	06-12-14	65 000	Capital One Financial Corp	3,340 44		5,254 49		1,914.05
01-12-11	06-12-14	40 000	Capital One Financial Corp	1,883 19		3,233 53		1,350 34
12-05-12	06-12-14	0.500	Now Inc	14 03		15 77		1 74
04-25-12	07-02-14	100 000	Wells Fargo & Co New	3,328 80		5,267 45		1,938 65
12-16-09	07-02-14	205 000	Wells Fargo & Co New	5,335 78		10,798 28		5,462 50
01-15-14	07-02-14	275 000	American Airlines Group Inc	8,006.57		11,564 59	3,558.02	

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REALIZED GAINS AND LOSSES
WALTER PAYNE FOUNDATION
8617-3133-RS38-DAM-II-Y
From 10-01-13 Through 09-30-14

Open Date	Close Date	Quantity	Security	Cost Basis	Amort. or Accretion	Proceeds	Gain Or Loss	
							Short Term	Long Term
11-14-12	07-23-14	55 000	Mcdonalds Corp	4,689.37		5,233.06		543.69
06-03-09	07-23-14	265 000	Mcdonalds Corp	16,102.35		25,213.85		9,111.50
09-18-13	08-06-14	390.000	Chicago Bridge & Iron Company N V N Y	25,512.83		22,709.75	(2,803.08)	
06-25-08	08-13-14	285 000	Wal-mart Stores Inc	16,610.46		21,000.88		4,390.42
10-22-08	08-13-14	135.000	Wal-mart Stores Inc	7,118.16		9,947.78		2,829.62
12-05-11	08-13-14	15 000	Wellpoint Inc	1,054.31		1,647.42		593.11
01-05-11	08-13-14	100 000	Wellpoint Inc	5,832.96		10,982.81		5,149.85
01-18-12	09-17-14	280 000	National Oilwell Varco Inc	18,872.21		22,753.72		3,881.51
12-05-12	09-17-14	130 000	National Oilwell Varco Inc	8,109.34		10,564.23		2,454.89
06-26-13	09-23-14	15 000	Nestle S A Spnsd Adr Repstng Reg Shs	972.28		1,113.13		140.85
06-27-12	09-23-14	20 000	Amazon com Inc	4,534.93		6,488.66		1,953.73
02-28-13	09-23-14	50 000	Amgen Inc	4,621.43		7,061.35		2,439.92
09-14-06	09-23-14	35 000	Apple Inc	372.00		3,586.37		3,214.37
04-02-14	09-23-14	100.000	Celgene Corp	7,442.51		9,333.80	1,891.29	
05-21-14	09-23-14	120 000	Express Scripts Hldg Company	8,376.65		8,637.41	260.76	
08-14-09	09-23-14	20.000	Qualcomm Inc	917.59		1,518.17		600.58
05-21-14	09-23-14	75.000	Accenture Plc Ireland Class A New	5,943.64		5,954.88	11.24	
04-23-14	09-23-14	65 000	American Tower Corp New*	5,442.51		6,129.37	686.85	
09-09-10	09-23-14	10.000	Anheuser Busch Inbev Sa/nv	556.53		1,139.27		582.74
04-09-14	09-23-14	100.000	Baxter International Inc	7,296.84		7,185.84	(111.00)	
01-23-14	09-23-14	200 000	Brookfield Asset Management Inc	7,595.96		9,439.79	1,843.83	
05-16-12	09-23-14	120 000	Carmax Inc	3,462.30		5,721.48		2,259.18
05-25-11	09-23-14	15.000	Carmax Inc	430.26		715.18		284.92
03-16-06	09-23-14	15.000	Chevron Corp	858.07		1,844.81		986.74
03-27-13	09-23-14	70.000	Danaher Corp	4,309.73		5,436.08		1,126.35
08-29-12	09-23-14	125 000	General Motors Company	2,671.61		4,168.66		1,497.05
01-03-13	09-23-14	15 000	Markel Corp	6,606.16		9,538.28		2,932.12
05-11-05	09-23-14	15.000	Pepsico Inc	849.75		1,395.57		545.82
03-26-14	09-23-14	110 000	Range Resources Corp	9,459.42		7,710.84	(1,748.58)	
04-25-12	09-23-14	15.000	Smucker Jm Company New	1,179.88		1,482.57		302.69
05-12-04	09-23-14	15 000	United Technologies Corp	622.18		1,583.22		961.03
12-16-09	09-23-14	150.000	Wells Fargo & Co New	3,904.23		7,850.85		3,946.62
11-14-12	09-24-14	525 000	Valero Energy Corp	14,227.99		24,304.49		10,076.50
TOTAL GAINS							26,934.26	223,205.10
TOTAL LOSSES							(6,164.46)	0.00
TOTAL REALIZED GAIN/LOSS							20,769.80	223,205.10

Portfolio Fees Incurred: 19,000.37

243,975

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Part IV - Schedule B
 Form 990 PF

REALIZED GAINS AND LOSSES
 WALTER PAYNE FOUNDATION JAMES E CRAWLEY PRESIDENT
 6645-3478-RS38-DFA-BP-Y
 From 10-01-13 Through 09-30-14

Open Date	Close Date	Quantity	Security	Cost Basis	Amort. or Accretion	Proceeds	Gain Or Loss	
							Short Term	Long Term
12-24-13	04-24-14	380.171	Amcap - CI F2	10,268.42		10,736.03	467.61	
03-02-11	04-24-14	336.112	Amcap - CI F2	6,584.43		9,491.80		2,907.37
12-24-13	04-24-14	56.691	Fmi Large Cap -	1,157.06		1,210.35	53.29	
12-24-13	04-24-14	69.594	Fmi Large Cap -	1,420.41		1,485.83	65.42	
12-24-13	04-24-14	256.808	Fmi Large Cap -	5,241.46		5,482.86	241.40	
12-12-13	04-24-14	26.348	Mfs Intl - New Discovery CI I	747.75		776.74	28.99	
06-27-13	04-24-14	65.478	Mfs Intl - New Discovery CI I	1,690.64		1,930.28	239.64	
12-30-13	04-24-14	1.780	Munder Xxamid Cap Core Growt	76.16		77.06	0.90	
12-30-13	04-24-14	30.981	Munder Xxamid Cap Core Growt	1,325.36		1,341.17	15.81	
02-27-12	04-24-14	90.757	Munder Xxamid Cap Core Growt	2,871.55		3,928.86		1,057.31
12-19-13	04-24-14	9.903	T Rowe Price - Emerging Markets S	316.02		323.33	7.31	
01-07-10	04-24-14	551.291	T Rowe Price - Emerging Markets S	17,029.38		17,999.65		970.27
06-27-13	04-24-14	225.214	T Rowe Price - Emerging Markets S	6,860.03		7,353.24	493.21	
06-03-10	04-24-14	534.996	T Rowe Price - Emerging Markets S	15,226.00		17,467.62		2,241.62
12-20-11	04-24-14	5.243	T Rowe Price - Emerging Markets S	147.48		171.18		23.70
03-04-11	04-24-14	3,491.087	Royce - Value	48,002.44		47,339.14		(663.30)
12-09-13	04-24-14	10.363	Royce - Value	135.14		140.52	5.38	
12-09-13	04-24-14	146.985	Royce - Value	1,916.68		1,993.12	76.44	
12-09-13	04-24-14	175.850	Royce - Value	2,293.08		2,384.53	91.45	
06-27-13	04-24-14	216.838	Royce - Value	2,671.45		2,940.32	268.87	
12-10-12	04-24-14	2.621	Royce - Value	29.15		35.54		6.39
12-10-12	04-24-14	53.780	Royce - Value	598.03		729.26		131.23
12-10-12	04-24-14	194.220	Royce - Value	2,159.73		2,633.62		473.89
12-12-11	04-24-14	31.610	Royce - Value	345.50		428.63		83.13
12-12-11	04-24-14	341.319	Royce - Value	3,730.62		4,628.29		897.67
12-27-13	04-24-14	1.999	Thornburg Value - Intl	62.94		61.21	(1.73)	
09-26-13	04-24-14	8.384	Thornburg Value - Intl	259.73		256.72	(3.01)	
01-07-10	04-24-14	1,958.273	Thornburg Value - Intl	50,405.94		59,962.32		9,556.38
03-30-10	04-24-14	14.001	Thornburg Value - Intl	358.70		428.71		70.01
12-28-11	04-24-14	7.347	Thornburg Value - Intl	180.08		224.97		44.89
06-27-12	04-24-14	30.539	Thornburg Value - Intl	745.16		935.10		189.94
06-29-10	04-24-14	33.853	Thornburg Value - Intl	814.84		1,036.58		221.74

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Part IV - Schedule B
 Form 990 PF

REALIZED GAINS AND LOSSES
 WALTER PAYNE FOUNDATION JAMES E CRAWLEY PRESIDENT
 6645-3478-RS38-DFA-BP-Y
 From 10-01-13 Through 09-30-14

Open Date	Close Date	Quantity	Security	Cost Basis	Amort. or Accretion	Proceeds	Gain Or Loss		
							Short Term	Long Term	
06-03-10	04-24-14	356 268	Thornburg Value	~ Intl	8,482.74	10,908.92		2,426.18	
09-28-11	04-24-14	18 598	Thornburg Value	~ Intl	439.11	569.47		130.36	
01-03-14	04-24-14	3.944	Keeley Cap Value	~ Small	152.60	149.32	(3.28)		
04-27-05	04-24-14	38.767	Keeley Cap Value	~ Small	707.58	1,467.73		760.15	
12-31-13	04-24-14	77 601	Diamond Hill Cap	~ Large	1,669.98	1,709.55	39.57		
12-18-13	04-24-14	36 343	Diamond Hill Cap	~ Large	761.75	800.64	38.89		
12-18-13	04-24-14	266 784	Diamond Hill Cap	~ Large	5,591.79	5,877.24	285.45		
02-27-12	04-24-14	110.754	Diamond Hill Cap	~ Large	1,795.32	2,439.91		644.59	
12-23-13	04-24-14	24.470	Dodge & Cox Stock	~ Intl	1,023.60	1,091.85	68.25		
03-04-11	04-24-14	163 369	Dodge & Cox Stock	~ Intl	6,056.09	7,289.54		1,233.45	
TOTAL GAINS							2,487.88	24,070.26	
TOTAL LOSSES							(8.02)	(663.30)	
TOTAL REALIZED GAIN/LOSS							2,479.86	23,406.95	25,887
Portfolio Fees Incurred:		14,500.20							

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Client PAYNE

WALTER PAYNE FOUNDATION

01-0626611

11/21/14

09:34AM

Statement 1
Form 990-PF, Part I, Line 16a
Legal Fees

	(a) Expenses Per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
LEGAL FEES	\$ 85.			
Total	<u>\$ 85.</u>	<u>\$ 0.</u>	<u>\$ 0.</u>	<u>\$ 0.</u>

Statement 2
Form 990-PF, Part I, Line 16b
Accounting Fees

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
.....	\$ 3,075.			
Total	<u>\$ 3,075.</u>	<u>\$ 0.</u>	<u>\$ 0.</u>	<u>\$ 0.</u>

Statement 3
Form 990-PF, Part I, Line 16c
Other Professional Fees

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
INVESTMENT ADVISORY FEES	\$ 33,501.	\$ 33,501.		
Total	<u>\$ 33,501.</u>	<u>\$ 33,501.</u>	<u>\$ 0.</u>	<u>\$ 0.</u>

Statement 4
Form 990-PF, Part I, Line 18
Taxes

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
EXCISE TAXES	\$ 3,078.	\$ 3,078.		
FOREIGN TAXES	831.	831.		
PAYROLL TAXES	2,485.	1,243.		\$ 1,242.
Total	<u>\$ 6,394.</u>	<u>\$ 5,152.</u>	<u>\$ 0.</u>	<u>\$ 1,242.</u>

Client PAYNE

WALTER PAYNE FOUNDATION

01-0626611

11/21/14

09:34AM

Statement 5
Form 990-PF, Part I, Line 23
Other Expenses

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
POSTAGE.....	\$ 2.			
SCC REGISTRATION FEE.....	25.			
Total	\$ 27.	\$ 0.	\$ 0.	\$ 0.

Statement 6
Form 990-PF, Part II, Line 10b
Investments - Corporate Stocks

Corporate Stocks	Valuation Method	Book Value	Fair Market Value
770.795 SHRS KEELEY SMALL CAP VALUE	Cost	\$ 14,068.	\$ 28,219.
95 SHRS AMAZON	Cost	18,150.	30,632.
5888.74 SHRS AMCAP	Cost	117,069.	169,301.
7300.309 SHRS DIAMOND HILL LARGE CAP	Cost	118,338.	165,133.
8205.684 SHRS FMI FDS LARGE CAP	Cost	133,763.	182,248.
1688.73 SHRS MUNDER MID CAP	Cost	53,431.	75,689.
1316.744 T ROWE PRICE EMERG MKTS	Cost	0.	0.
4331.475 SHRS ROYCE VALUE	Cost	0.	0.
2427.263 THORNBURG INTL VAL	Cost	0.	0.
26043.595 SHRS VANGUARD SHORT TERM	Cost	278,368.	278,927.
1015 SHRS CARMAX	Cost	23,030.	47,147.
340 SHRS WALT DISNEY	Cost	11,518.	30,270.
920 GENERAL MOTORS	Cost	19,663.	29,385.
780 SHRS LOWES	Cost	0.	0.
320 SHRS MCDONALDS	Cost	0.	0.
260 SHRS ANHEUSER BUSCH	Cost	14,470.	28,821.
470 SHRS NESTLE S A SPNSD ADR	Cost	27,697.	34,606.
350 SHRS PEPSICO	Cost	19,828.	32,582.
365 SHRS JM SMUCKER	Cost	27,717.	36,131.
420 SHRS WALMART	Cost	0.	0.
265 SHRS CHEVRON	Cost	15,159.	31,620.
400 SHRS EXXON MOBILE	Cost	7,371.	37,620.
410 SHRS NATIONAL OILWELL	Cost	0.	0.
310 SHRS OCCIDENTAL PETROLEUM	Cost	0.	0.
530 SHRS AON	Cost	0.	0.
345 SHRS BERKSHIRE HATHAWAY	Cost	13,426.	47,658.
1240 SHRS BROOKFIELD ASSET MGMT	Cost	32,729.	55,750.
600 SHRS CAPITAL ONE	Cost	27,288.	48,972.
210 SHRS GOLDMAN SACHS	Cost	0.	0.
510 SHRS JP MORGAN	Cost	22,021.	30,722.
75 SHRS MARKEL	Cost	21,959.	47,711.
575 SHRS WELLS FARGO & CO	Cost	14,617.	29,825.
360 SHRS JOHNSON & JOHNSON	Cost	12,823.	38,372.
255 SHRS WELLPOINT	Cost	14,874.	30,503.
575 SHRS DANAHER	Cost	16,325.	43,689.
340 SHRS STANLEY BLACK & DECKER	Cost	0.	0.
310 SHRS UNITED TECHNOLOGIES	Cost	12,858.	32,736.
455 SHRS ACCENTURE PLC	Cost	18,554.	37,001.
357 SHRS APPLE	Cost	3,794.	35,968.
380 SHRS AUTOMATIC DATA PRCESSING	Cost	17,312.	31,570.
45 SHRS GOOGLE CL C	Cost	10,578.	25,981.

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Statement 6 (continued)
Form 990-PF, Part II, Line 10b
Investments - Corporate Stocks

Corporate Stocks	Valuation Method	Book Value	Fair Market Value
380 SHRS QUALCOMM	Cost	\$ 15,140.	\$ 28,413.
136 SHRS VISA	Cost	0.	0.
400 SHRS ALBERMARLE	Cost	0.	0.
270 SHRS PRAXAIR	Cost	14,367.	34,830.
545 SHRS AMERICAN TOWER	Cost	24,428.	51,028.
1309.437 SHRS DODGE&COX INTL STOCK FUND	Cost	48,006.	59,160.
14363.908 SHRS EATON VANCE GLOBAL	Cost	138,536.	134,590.
14841.975 SHRS HARTFORD FLOATING RATE CL	Cost	133,956.	131,945.
1980.906 SHRS MFS INTL NEW DISCOVERY	Cost	51,147.	56,357.
210 SHRS ISHARES NASDAQ BIOTECH EFT	Cost	0.	0.
405 SHRS DIRECT TV	Cost	24,540.	35,041.
995 SHRS TWENTY FIRST CENTURY FOX	Cost	0.	0.
360 SHRS STARBUCKS CORP	Cost	24,184.	27,166.
625 SHRS WALGREEN COMPANY	Cost	0.	0.
940 SHRS VALERO ENERGY CORP	Cost	0.	0.
485 SHRS AMERISOURCEBERGEN CORP	Cost	22,415.	37,490.
200 SHRS AMGEN	Cost	18,486.	28,092.
422 SHRS CELGENE CORP	Cost	26,964.	39,997.
390 SHRS CHICAGO BRIDGE & IRON	Cost	0.	0.
995 SHRS GENERAL ELECTRIC	Cost	22,412.	25,492.
265 SHRS PARKER-HANNIFIN CORP	Cost	23,146.	30,250.
630 SHRS FACEBOOK	Cost	0.	0.
240 SHRS MONSANTO	Cost	24,668.	27,003.
2599.587 shrs FMI INTL	Cost	72,996.	74,452.
739.329 SHRS NEW WORLD CL F2	Cost	43,798.	43,450.
920.509 SHRS VANGUARD EXT MARKET INDEX	Cost	58,397.	58,360.
445 SHRS DISH NETWORK	Cost	28,457.	28,738.
275 SHRS LIBERTY MEDIA CORP CL A	Cost	12,175.	12,975.
550 SHRS LIBERTY MEDIA CORP	Cost	23,474.	25,845.
245 SHRS PVH CORP	Cost	28,839.	29,682.
1610 SHRS FLOWERS FOODS	Cost	35,199.	29,560.
315 SHRS HERSHEY COMPANY	Cost	28,261.	30,060.
345 SHRS RANGE RESOURCES	Cost	28,389.	23,394.
275 SHRS SCHLUMBERGER	Cost	28,886.	27,965.
520 SHRS CME GROUP	Cost	38,981.	41,577.
575 SHRS CITIGROUP INC	Cost	28,688.	29,797.
385 SHRS BAXTER INTERNATIONAL	Cost	28,094.	27,631.
415 SHRS EXPRESS SCRIPTS	Cost	27,029.	29,311.
231 SHRS VALEANT PHARM	Cost	26,268.	30,307.
665 SHRS AMERICAN AIRLINES	Cost	19,361.	23,594.
189 SHRS CUMMINS	Cost	25,289.	24,944.
1370 SHRS ACTIVION BLIZZARD	Cost	27,149.	28,482.
1145 SHRS CISCO SYSTEMS	Cost	28,737.	28,820.
45 SHRS GOOGLE CL A	Cost	10,612.	26,479.
136 SHRS VISA INC	Cost	10,364.	29,018.
2315 SHRS ALCOA	Cost	27,563.	37,248.
	Total	\$ 2,438,199.	\$ 3,263,332.

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Statement 7
Form 990-PF, Part III, Line 5
Other Decreases

DIFFERENCE IN BASIS OF ASSETS \$ 2,419.
 Total \$ 2,419.

Statement 8
Form 990-PF, Part XV, Line 2a-d
Application Submission Information

Name of Grant Program: WALTER PAYNE FOUNDATION
 Name:
 Care Of: JAMES E. CRAWLEY DAVENPORT & COMPANY
 Street Address: P.O. BOX 85678
 City, State, Zip Code: RICHMOND, VA 23285-5678
 Telephone: 804-780-2038
 E-Mail Address:
 Form and Content:

APPLICATIONS SHOULD INCLUDE A DETAILED DESCRIPTION OF THE PROJECT, THE GEOGRAPHIC LOCATION AND GENERAL DESCRIPTION OF INTENDED BENEFICIARIES OF THE PROJECT, AND THE FINANCIAL NEEDS OF APPLICANT FOR THE PROJECT. REQUESTS SHOULD BE SUBMITTED BY JUNE 1. CONTRIBUTIONS WILL ONLY BE CONSIDERED FOR CHARITABLE ORGANIZATIONS LOCATED IN THE VIRGINIA COUNTIES OF APPOMATTOX AND PRINCE EDWARD, OR TO CHARITABLE ORGANIZATIONS BENEFITING PERSONS RESIDING, WORKING AND/OR ATTENDING SCHOOL IN THE VIRGINIA COUNTIES OF APPOMATTOX AND PRINCE EDWARD. PREFERENCE WILL BE GIVEN TO THOSE ORGANIZATIONS THAT DO NOT RECEIVE GOVERNMENT FUNDING.

Submission Deadlines:
 Restrictions on Awards:

Statement 9
Form 990-PF, Part XV, Line 3a
Recipient Paid During the Year

Name and Address	Donee Relationship	Found- ation Status	Purpose of Grant	Amount
ANIMAL WELFARE ACTION GROUP P.O. BOX 37 APPOMATTOX, VA 24522	NONE	PUBLIC	CHARITABLE	\$ 4,000.
HOLIDAY LAKE 4-H EDUCATIONAL CENTER INC 1267 4-H CAMP ROAD APPOMATTOX, VA 24522	NONE	PUBLIC	CHARITABLE	9,000.
FORK UNION MILITARY ACADEMY P.O. BOX 278 FORK UNION, VA 23055	NONE	PUBLIC	CHARITABLE	3,000.

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Statement 9 (continued)
Form 990-PF, Part XV, Line 3a
Recipient Paid During the Year

Name and Address	Donee Relationship	Found- ation Status	Purpose of Grant	Amount
PROSPECT VOL. FIRE DEPARTMENT P.O. BOX 145 FARMVILLE, VA 23960	NONE	PUBLIC	CHARITABLE	\$ 5,000.
APPOMATTOX COUNTY HISTORICAL SOCIETY P.O. BOX 253 APPOMATTOX, VA 24522	NONE	PUBLIC	CHARITABLE	8,000.
UNITED WAY OF PRINCE EDWARD P.O. BOX 122 FARMVILLE, VA 23901	NONE	PUBLIC	CHARITABLE	9,000.
SCOPE MEALS ON WHEELS P.O. BOX 758 FARMVILLE, VA 23901	NONE	PUBLIC	CHARITABLE	5,000.
PAMPLIN VOL FIRE DEPARTMENT P.O. BOX 1099 PAMPLIN, VA 23958	NONE	PUBLIC	CHARITABLE	6,000.
J. ROBERT JAMERSON MEMORIAL P.O. BOX 789 APPOMATTOX, VA 24522		PUBLIC	CHARITABLE	2,800.
UNITED DAUGHTERS OF THE CONFED 855 PRICE RD PAMPLIN, VA 23958	NONE	PUBLIC	CHARITABLE	1,000.
LONGWOOD CENTER FOR THE VISUAL ARTS 129 NORTH MAIN STREET FARMVILLE, VA 23901	NONE	PUBLIC	CHARITABLE	7,500.
APPOMATTOX RETIRED TEACHERS AS 7570 FRANCISCO RD DILLWYN, VA 23936	NONE	PUBLIC	CHARITABLE	1,000.
APPOMATTOX INTERSTATE 4-H EXCH 216 TURKEY RD APPOMATTOX, VA 24522	NONE	PUBLIC	CHARITABLE	1,000.
DARLINGTON HEIGHTS VOL FIRE DE 3348 MORRIS CREEK RD PAMPLIN, VA 23958	NONE	PUBLIC	CHARITABLE	5,000.

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Statement 9 (continued)
Form 990-PF, Part XV, Line 3a
Recipient Paid During the Year

Name and Address	Donee Relationship	Found- ation Status	Purpose of Grant	Amount
FARMVILLE AREA HABITAT FOR HUM P.O. BOX 816 FARMVILLE, VA 23901	NONE	PUBLIC	CHARITABLE	\$ 9,000.
FACES FOOD PANTRY P.O. BOX 644 FARMVILLE, VA 23901	NONE	PUBLIC	CHARITABLE	9,000.
FARMVILLE LIONS CLUB 300 W. 22ND ST OAK BROOK, IL 60523	NONE	PUBLIC	CHARITABLE	5,000.
APPOMATTOX COUNTY COMMUNITY PARK PO BOX 863 APPOMATTOX, VA 24522	NONE	PUBLIC	CHARITABLE	6,000.
GOOD SAMARITAN CLOTHING EXCHANGE PO BOX 2790 APPOMATTOX, VA 24522	NONE	PUBLIC	CHARITABLE	1,000.
VIRGINIA LEGAL AID SOCIETY PO BOX 6200 LYNCHBURG, VA 24505	NONE	PUBLIC	CHARITABLE	7,500.
PRESBYTERIAN HOMES & FAMILY SERVICES 150 LINDEN AVE LYNCHBURG, VA 24503	NONE	PUBLIC	CHARITABLE	7,000.
QUICKSTART TENNIS OF CENTRAL VIRGINIA IN PO BOX 422 IVY, VA 22945	NONE	PUBLIC	EDUCATIONAL	3,700.
VIRGINIA TECH -VA APPOMATTOX COOP EXT PO BOX 488 APPOMMATTOX, VA 24522	NONE	PUBLIC	EDUCATIONAL	1,000.
MISSIONARY FOOD BANK 394 GUM BRANCH DRIVE APPOMATTOX, VA 24522	NONE	PUBLIC	CHARITABLE	1,000.
PIEDMONT SENIOR RESOURCES AREA AGENCY PO BOX 49 FARMVILLE, VA 23901	NONE	PUBLIC	CHARITABLE	8,000.

Total \$ 125,500.