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**Return of Private Foundation**

**2014**

Department of the Treasury  
Internal Revenue Service

or Section 4947(a)(1) Trust Treated as Private Foundation  
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Open to Public Inspection

For calendar year 2014 or tax year beginning , and ending

Name of foundation  
**JAMES AVERY CHARITABLE FOUNDATION**  
**ATTN: CHRIS AVERY**

Number and street (or P O box number if mail is not delivered to street address) Room/suite  
**PO BOX 291367**

City or town, state or province, country, and ZIP or foreign postal code  
**KERRVILLE, TX 78029-1367**

A Employer identification number  
**74-2627241**

B Telephone number  
**(830) 895-1122**

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  Initial return of a former public charity  
 Final return  Amended return  
 Address change  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) **\$ 0.**  
J Accounting method  Cash  Accrual  
 Other (specify) \_\_\_\_\_  
**0.** (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))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received	0.		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	6,779.	6,779.		STATEMENT 1
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	115,597.			
	b Gross sales price for all assets on line 6a	858,373.			
	7 Capital gain net income (from Part IV, line 2)		115,597.		
	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	122,376.	122,376.			
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	0.	0.		0.
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees STMT 2	5,000.	0.		0.
	b Accounting fees STMT 3	6,850.	0.		0.
	c Other professional fees				
	17 Interest				
	18 Taxes STMT 4	1,896.	0.		0.
	19 Depreciation and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses STMT 5	2,652.	0.		0.
	24 Total operating and administrative expenses. Add lines 13 through 23	16,398.	0.		0.
	25 Contributions, gifts, grants paid	1,359,354.			1,359,354.
26 Total expenses and disbursements. Add lines 24 and 25	1,375,752.	0.		1,359,354.	
27 Subtract line 26 from line 12	<1,253,376.>				
a Excess of revenue over expenses and disbursements					
b Net investment income (if negative, enter -0-)		122,376.			
c Adjusted net income (if negative, enter -0-)			N/A		

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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	320,584.				
	2 Savings and temporary cash investments	932,092.				
	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	700.				
	10a Investments - U S and state government obligations					
	b Investments - corporate stock					
	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 i)	1,253,376.	0.	0.			
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	871,249.	0.			
28 Paid-in or capital surplus, or land, bldg, and equipment fund	0.	0.				
29 Retained earnings, accumulated income, endowment, or other funds	382,127.	0.				
30 Total net assets or fund balances	1,253,376.	0.				
31 Total liabilities and net assets/fund balances	1,253,376.	0.				

Part III Analysis of Changes in Net Assets or Fund Balances

1 Total net assets or fund balances at beginning of year - Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	1,253,376.
2 Enter amount from Part I, line 27a	2	<1,253,376.>
3 Other increases not included in line 2 (itemize) ▶	3	0.
4 Add lines 1, 2, and 3	4	0.
5 Decreases not included in line 2 (itemize) ▶	5	0.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	0.

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**Part IV Capital Gains and Losses for Tax on Investment Income**

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)	(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a			
b	SEE ATTACHED STATEMENTS		
c			
d			
e			

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a			
b			
c			
d			
e	858,373.	742,776.	115,597.

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
(l) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (l) over col (j), if any	
a			
b			
c			
d			
e			115,597.

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	115,597.
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))
2013	174,000.	1,298,620.	.133988
2012	261,898.	1,304,147.	.200819
2011	162,500.	1,029,079.	.157908
2010	197,400.	1,375,854.	.143475
2009	135,000.	762,481.	.177054

2	Total of line 1, column (d)	2	.813244
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	.162649
4	Enter the net value of noncharitable-use assets for 2014 from Part X, line 5	4	55,521.
5	Multiply line 4 by line 3	5	9,030.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	1,224.
7	Add lines 5 and 6	7	10,254.
8	Enter qualifying distributions from Part XII, line 4	8	1,359,354.

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

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

1a	Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1 Date of ruling or determination letter _____ (attach copy of letter if necessary-see instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b	1	1,224.
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	1,224.
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	1,224.
6	Credits/Payments		
a	2014 estimated tax payments and 2013 overpayment credited to 2014	6a	1,000.
b	Exempt foreign organizations - tax withheld at source	6b	
c	Tax paid with application for extension of time to file (Form 8868)	6c	
d	Backup withholding erroneously withheld	6d	
7	Total credits and payments. Add lines 6a through 6d	7	1,000.
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	224.
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 2015 estimated tax. <span style="float: right;">0. Refunded</span>	11	0.

**Part VII-A Statements Regarding Activities**

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

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**Part VII-A Statements Regarding Activities** (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		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>WWW.GUIDESTAR.ORG</u>	13	X	
14	The books are in care of ► <u>CHRISTOPHER MATTHEW AVERY</u> Telephone no ► <u>830-895-1122</u> Located at ► <u>P.O. BOX 291367, KERRVILLE, TX</u> ZIP+4 ► <u>78029-1367</u>			
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 2014, 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 FinCEN Form 114, (formerly 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
<b>1a</b>	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>b</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	N/A	1b
<b>c</b>	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 2014?		1c X
<b>2</b>	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))		
<b>a</b>	At the end of tax year 2014, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2014? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years ►		
<b>b</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 )	N/A	2b
<b>c</b>	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ►		
<b>3a</b>	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>b</b>	If "Yes," did it have excess business holdings in 2014 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 2014.)	N/A	3b
<b>4a</b>	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		4a X
<b>b</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 2014?		4b X

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

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

(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 4945(d)(4)(A)? (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)?  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. 6b X

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  
 N/A 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.

(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
DR. CHRISTOPHER M. AVERY P.O. BOX 291367 KERRVILLE, TX 78029-1367	TRUSTEE 1.00	0.	0.	0.
HOMER JAMES AVERY P.O. BOX 291367 KERRVILLE, TX 78029-1367	DIST. COMM 0.50	0.	0.	0.
JUANA ESTELLA HOLLIN-AVERY P.O. BOX 291367 KERRVILLE, TX 78029-1367	DIST. COMM 0.50	0.	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

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

**3** Five highest-paid independent contractors for professional services. 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 NONE	0.
2	
3 All other program-related investments See instructions	
<b>Total.</b> Add lines 1 through 3 <span style="float: right;">▶</span>	0.

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**Part X**

**Minimum Investment Return** (All domestic foundations must complete this part. Foreign foundations, see instructions)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes		
a	Average monthly fair market value of securities	1a	43,009.
b	Average of monthly cash balances	1b	13,358.
c	Fair market value of all other assets	1c	
d	<b>Total</b> (add lines 1a, b, and c)	1d	56,367.
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	56,367.
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	846.
5	<b>Net value of noncharitable-use assets</b> Subtract line 4 from line 3 Enter here and on Part V, line 4	5	55,521.
6	<b>Minimum investment return</b> Enter 5% of line 5	6	2,776.

**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	2,776.
2a	Tax on investment income for 2014 from Part VI, line 5	2a	1,224.
b	Income tax for 2014 (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	1,224.
3	Distributable amount before adjustments Subtract line 2c from line 1	3	1,552.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	1,552.
6	Deduction from distributable amount (see instructions)	6	0.
7	<b>Distributable amount as adjusted</b> Subtract line 6 from line 5 Enter here and on Part XIII, line 1	7	1,552.

**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	1,359,354.
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	<b>Qualifying distributions</b> Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	1,359,354.
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	1,224.
6	<b>Adjusted qualifying distributions.</b> Subtract line 5 from line 4	6	1,358,130.

**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

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**Part XIII** Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2013	(c) 2013	(d) 2014
1 Distributable amount for 2014 from Part XI, line 7				1,552.
2 Undistributed income, if any, as of the end of 2014				
a Enter amount for 2013 only			0.	
b Total for prior years		0.		
3 Excess distributions carryover, if any, to 2014				
a From 2009	97,272.			
b From 2010	129,286.			
c From 2011	111,682.			
d From 2012	197,895.			
e From 2013	110,052.			
f Total of lines 3a through e	646,187.			
4 Qualifying distributions for 2014 from Part XII, line 4 ▶ \$ 1,359,354.				
a Applied to 2013, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2014 distributable amount				1,552.
e Remaining amount distributed out of corpus	1,357,802.			
5 Excess distributions carryover applied to 2014 (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:	2,003,989.			
a Corpus Add lines 3f, 4c, and 4e Subtract line 5				
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 2013 Subtract line 4a from line 2a Taxable amount - see instr			0.	
f Undistributed income for 2014 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2015				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (Election may be required - see instructions)	0.			
8 Excess distributions carryover from 2009 not applied on line 5 or line 7	97,272.			
9 Excess distributions carryover to 2015. Subtract lines 7 and 8 from line 6a	1,906,717.			
10 Analysis of line 9				
a Excess from 2010	129,286.			
b Excess from 2011	111,682.			
c Excess from 2012	197,895.			
d Excess from 2013	110,052.			
e Excess from 2014	1,357,802.			

**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 2014, 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) 2014	(b) 2013	(c) 2012	(d) 2011	
<b>2 a</b> Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
<b>b</b> 85% of line 2a					
<b>c</b> Qualifying distributions from Part XII, line 4 for each year listed					
<b>d</b> Amounts included in line 2c not used directly for active conduct of exempt activities					
<b>e</b> Qualifying distributions made directly for active conduct of exempt activities					
Subtract line 2d from line 2c					
<b>3</b> Complete 3a, b, or c for the alternative test relied upon					
<b>a</b> "Assets" alternative test - enter					
<b>(1)</b> Value of all assets					
<b>(2)</b> Value of assets qualifying under section 4942(j)(3)(B)(i)					
<b>b</b> "Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
<b>c</b> "Support" alternative test - enter					
<b>(1)</b> Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
<b>(2)</b> Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
<b>(3)</b> Largest amount of support from an exempt organization					
<b>(4)</b> 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

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

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- c** Any submission deadlines

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

JAMES AVERY CHARITABLE FOUNDATION

Form 990-PF (2014)

ATTN: CHRIS AVERY

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**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
<b>a Paid during the year</b>				
UNIVERSITY OF THE INCARNATE WORD 4301 BROADWAY, STE.303 SAN ANTONIO, TX 78209	N/A	PUBLIC CHARITY	EDUCATION	5,000.
BCFS HEALTH & HUMAN SERVICES 550 EARL GARRETT, STE.114 KERRVILLE, TX 78028	N/A	PUBLIC CHARITY	HEALTH CARE	10,000.
HILL COUNTRY ALLIANCE 15315 HWY 71 WEST BEE CAVE, TX 78738	N/A	PUBLIC CHARITY	PRESERVATION WATER SUPPLY & WATER QUALITY	10,000.
HILL COUNTRY COUNCIL ON ALCOHOL & DRUG ABUSE, INC. 102 BUSINESS DR. W KERRVILLE, TX 78028	N/A	PUBLIC CHARITY	COMMUNITY ASSISTANCE	6,420.
BUCKNER CHILDREN & FAMILY SERVICES 700 NORTH PEARL ST., STE. 1200 DALLAS, TX 75201	N/A	PUBLIC CHARITY	COMMUNITY ASSISTANCE	10,000.
<b>Total</b> SEE CONTINUATION SHEET(S) <span style="float: right;">▶ 3a</span>				1,359,354.
<b>b Approved for future payment</b>				
NONE				
<b>Total</b> <span style="float: right;">▶ 3b</span>				0.







**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 178.401 RUSSELL GBL EQTY CL S	P	12/24/13	05/02/14
b 1736.106 RUSSELL EMERGING MKTS CL S	P	VARIOUS	05/02/14
c 95.294 RUSSELL INVT CO. GLOBAL REAL EST	P	VARIOUS	05/02/14
d 1715.506 RUSSELL INVT CO GLOBAL OPP	P	VARIOUS	05/02/14
e 1271.530 RUSSELL INVT CO GLOBAL	P	VARIOUS	05/02/14
f 306.139 RUSSELL STRATEGIC BOND	P	VARIOUS	05/02/14
g 68.921 RUSSELL INTL DEVELPD MKTS	P	12/24/13	05/02/14
h 788.725 RUSSELL US SMALL CAP EQUITY	P	VARIOUS	05/02/14
i 1014571 RUSSELL INVT CO US STRATEGIC	P	VARIOUS	05/02/14
j 344.62 RUSSELL INVT CO MULTI STRATEGY	P	VARIOUS	05/02/14
k 78.15 RUSSELL GBL EQTY	P	12/26/12	05/02/14
l 200.317 RUSSELL EMERGING MKTS	P	VARIOUS	05/02/14
m 31.397 RUSSELL INVT CO GLOBAL REAL EST	P	VARIOUS	05/02/14
n 139.829 RUSSELL INVT CO GLOBAL OPPORT	P	VARIOUS	05/02/14
o 83.507 RUSSELL INVT CO GLOBAL INFRA	P	VARIOUS	05/02/14

(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 2,052.		2,007.	45.
b 31,562.		30,513.	1,049.
c 3,694.		3,483.	211.
d 17,378.		17,033.	345.
e 16,212.		14,830.	1,382.
f 3,404.		3,360.	44.
g 2,589.		2,495.	94.
h 23,875.		24,176.	<301.>
i 12,773.		12,449.	324.
j 3,488.		3,557.	<69.>
k 899.		713.	186.
l 3,642.		3,475.	167.
m 1,217.		1,216.	1.
n 1,416.		1,459.	<43.>
o 1,065.		910.	155.

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) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
a			45.
b			1,049.
c			211.
d			345.
e			1,382.
f			44.
g			94.
h			<301.>
i			324.
j			<69.>
k			186.
l			167.
m			1.
n			<43.>
o			155.

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

**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 235.479 RUSSELL INVT CO COMMODITY	P	VARIOUS	05/02/14
b 721.385 RUSSELL STRATEGIC BOND	P	VARIOUS	05/02/14
c 236.68 RUSSELL INTL DEVELPD MKTS FD	P	VARIOUS	05/02/14
d 9.183 RUSSELL US SMALL CAP EQUITY	P	12/06/12	05/02/14
e 1221.730 RUSSELL INVT CO US STRATEGIC	P	08/07/12	01/03/14
f 94.383 RUSSELL INVT CO US STRATEGIC	P	08/07/12	01/10/14
g 9908.366 RUSSELL INVT CO US STRATEGIC	P	VARIOUS	05/02/14
h 1038.248 RUSSELL GLBL EQTY	P	06/24/10	01/03/14
i 6317.018 RUSSELL GLBL EQTY	P	VARIOUS	05/02/14
j 1130.012 RUSSELL EMERGING MKTS	P	VARIOUS	05/02/14
k 436.779 RUSSELL INVT CO GLOBAL REAL	P	VARIOUS	05/02/14
l 1586.745 RUSSELL INVT CO GLOBAL OPPORT	P	VARIOUS	05/02/14
m 588.802 RUSSELL INVT CO GLOBAL INFRASTRUCT	P	10/27/10	04/11/14
n 1444.147 RUSSELL INVT CO GLOBAL INFRASTRUCT	P	VARIOUS	05/02/14
o 558.943 RUSSELL INVT CO COMMODITY STRAT	P	07/02/14	01/03/14

(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 2,098.		2,258.	<160.>
b 8,022.		8,125.	<103.>
c 8,890.		6,887.	2,003.
d 278.		226.	52.
e 15,052.		12,217.	2,835.
f 1,174.		944.	230.
g 124,746.		99,161.	25,585.
h 11,743.		7,631.	4,112.
i 72,645.		48,265.	24,380.
j 20,544.		20,114.	430.
k 16,930.		13,900.	3,030.
l 16,074.		15,929.	145.
m 1,292.		1,062.	230.
n 18,413.		14,859.	3,554.
o 4,667.		5,533.	<866.>

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) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
a			<160.>
b			<103.>
c			2,003.
d			52.
e			2,835.
f			230.
g			25,585.
h			4,112.
i			24,380.
j			430.
k			3,030.
l			145.
m			230.
n			3,554.
o			<866.>

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	

**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 2182.146 RUSSELL INVT CO COMMODITY STRAT	P	VARIOUS	05/02/14
b 13300.207 RUSSELL STRATEGIC BOND CLASS S	P	VARIOUS	05/02/14
c 1417.922 RUSSELL INTL DEVELPD MKTS	P	06/24/14	01/10/14
d 4382.753 RUSSELL INTL DEVELPD MKTS	P	VARIOUS	05/02/14
e 10000 FEDERAL HOME LN MTG CORP	P	06/04/08	01/14/14
f 15000 GOLDMAN SACHS GRP INC	P	VARIOUS	04/15/14
g 10000 JP MORGAN CHASE & CO	P	06/03/10	04/15/14
h 10000 PEPSICO INC SENIOR NOTES	P	VARIOUS	02/25/14
i 30000 US TREASURY NOTE	P	VARIOUS	01/09/14
j 2272.55 RUSSELL INVT CO MULTI STRATEGY	P	08/07/12	05/02/14
k 3.284 RUSSELL US SMALL CAP EQUITY	P	06/24/10	01/10/14
l 968.832 RUSSELL US SMALL CAP EQUITY	P	VARIOUS	05/02/14
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 19,443.		21,919.	<2,476.>
b 147,898.		144,153.	3,745.
c 51,783.		37,915.	13,868.
d 58,101.		41,607.	16,494.
e 10,433.		10,154.	279.
f 17,405.		16,318.	1,087.
g 11,234.		10,027.	1,207.
h 11,332.		10,454.	878.
i 30,484.		31,061.	<577.>
j 22,998.		22,725.	273.
k 101.		60.	41.
l 29,327.		17,596.	11,731.
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) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
a			<2,476.>
b			3,745.
c			13,868.
d			16,494.
e			279.
f			1,087.
g			1,207.
h			878.
i			<577.>
j			273.
k			41.
l			11,731.
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	115,597.
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
WELLS FARGO - 5386 DIVIDENDS	2,073.	0.	2,073.	2,073.	
WELLS FARGO - 7619 ACCRUED INTEREST PURCHASED	<495.>	0.	<495.>	<495.>	
WELLS FARGO - 7619 INTEREST	5,193.	0.	5,193.	5,193.	
WELLS FARGO - 7677 INTEREST	8.	0.	8.	8.	
TO PART I, LINE 4	6,779.	0.	6,779.	6,779.	

FORM 990-PF LEGAL FEES STATEMENT 2

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
	5,000.	0.		0.
TO FM 990-PF, PG 1, LN 16A	5,000.	0.		0.

FORM 990-PF ACCOUNTING FEES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
	6,850.	0.		0.
TO FORM 990-PF, PG 1, LN 16B	6,850.	0.		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	10.	0.		0.	
INCOME TAX	1,886.	0.		0.	
TO FORM 990-PF, PG 1, LN 18	1,896.	0.		0.	

FORM 990-PF	OTHER EXPENSES			STATEMENT	5
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
BROKERAGE ADVISORY FEES	2,607.	0.		0.	
POSTAGE	45.	0.		0.	
TO FORM 990-PF, PG 1, LN 23	2,652.	0.		0.	

FORM 990-PF	STATEMENT CONCERNING LIQUIDATION, TERMINATION, ETC. - PART VII-A, LINE 5	STATEMENT	6
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EXPLANATION

DURING THE YEAR THE FOUNDATION MADE THE FOLLOWING DISTRIBUTION IN COMPLETE LIQUIDATION. THIS DISTRIBUTION DOES CONSTITUTE A FINAL DISTRIBUTION OF THE FOUNDATION'S ASSETS.

COMMUNITY FOUNDATION OF THE TEXAS HILL COUNTRY

ASSETS DISTRIBUTED	\$1,092,934
FAIR MARKET VALUE OF ASSETS DISTRIBUTED	\$1,096,542

JAMES AVERY CHARITABLE FOUNDATION

MINUTES OF THE MEETING  
OF THE DISTRIBUTION COMMITTEE

April 17, 2014

**THIS IS TO CERTIFY** that a meeting of the Distribution Committee of the James Avery Charitable Foundation ("Foundation"), a Texas charitable trust, was duly held on the \_\_\_ day of April, 2014, in Kerrville, Texas. All three members of the Distribution Committee being present, the following resolutions were put to a vote and unanimously adopted, to-wit:

**WHEREAS**, Paragraph 6 of the Foundation's trust instrument ("Trust Instrument") establishes a Distribution Committee to originally consist of Homer James Avery, Juana Estela Hollin-Avery, and Christopher Matthew Avery, which persons are still serving as the members of the Distribution Committee:

**WHEREAS**, Paragraph 4 of the Trust Instrument empowers the Distribution Committee to make distributions to one or more Qualified Organizations in order to accomplish the exempt purposes of the Foundation, as specified in Paragraph 2 of the Trust Instrument:

**WHEREAS**, Paragraph 2 of the Trust Instrument provides that the Foundation is created and shall be operated exclusively for charitable, educational, scientific, and religious purposes, within the meaning of Section 501(c)(3) of the Internal Revenue Code ("Code");

**WHEREAS**, pursuant to Paragraph 4(a) of the Trust Instrument, the Distribution Committee must distribute the net income of the Foundation at least annually to such Qualified Organization(s):

**WHEREAS**, pursuant to Paragraph 4(b) of the Trust Instrument, the Distribution Committee shall distribute portions of the principal of the Foundation to such Qualified Organization(s) as the Distribution Committee may from time to time direct:

**WHEREAS**, the Distribution Committee has determined that the Community Foundation of the Texas Hill Country is a Qualified Organization as such term is defined in Paragraph 11 of the Trust Instrument, and furthermore that it has existed and has been described in Section 170(b)(1)(A) (other than clauses (vii) and (viii)) of the Code for a continuous period of more than 60 calendar months;

**WHEREAS**, the Distribution Committee now desires to distribute to the Community Foundation of the Texas Hill Country all of the Foundation's net assets net that remain after having paid or set aside amounts sufficient to satisfy all debts, liabilities and obligations of the Foundation that are currently outstanding or that will be incurred in connection with its winding-up; and

WHEREAS, the Community Foundation of the Texas Hill Country shall use the amounts so distributed to it (together with any earnings thereon) solely for charitable, educational, scientific and religious purposes, within the meaning of Section 501(c)(3) of the Code, except for any use that relates to abortion or a pro-choice agenda.

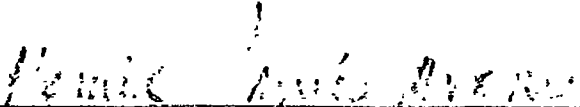
NOW, THEREFORE, the Distribution Committee hereby adopts the following resolutions:

BE IT RESOLVED, that the Foundation shall distribute to the Community Foundation of the Texas Hill Country all of the Foundation's net assets that remain after having paid or set aside amounts sufficient to satisfy all debts, liabilities and obligations of the Foundation that are currently outstanding or that will be incurred in connection with its winding-up:


BE IT FURTHER RESOLVED, that such distribution shall be made subject to the restriction that Community Foundation of the Texas Hill Country shall only use such amounts (together with any earnings thereon) solely for charitable, educational, scientific and religious purposes, within the meaning of Section 501(c)(3) of the Code, except for any use that relates to abortion or a pro-choice agenda; and

BE IT FURTHER RESOLVED, that the Trustee of the Foundation, Christopher Matthew Avery, be, and hereby is, authorized and directed to execute such instruments and take such actions as may be necessary to effect the above resolutions, including without limitation: (1) making arrangements for the satisfaction of all debts, liabilities and obligations of the Foundation that are currently outstanding or that will be incurred in connection with its winding-up, (2) distributing the Foundation's remaining net assets to the Community Foundation of the Texas Hill Country, subject to the use restriction described above, and (3) coordinating the filing of the Foundation's final Forms 990-PF and notice of termination of private foundation status with the Internal Revenue Service.

There being no further business to come before the Distribution Committee, the meeting was adjourned by unanimous consent.

  
\_\_\_\_\_  
HOMER JAMES AVERY

  
\_\_\_\_\_  
JUANA ESTELA HOLLIN-AVERY

  
\_\_\_\_\_  
CHRISTOPHER MATTHEW AVERY

James Avery Charitable Foundation

EIN: 74-2627241

2014 Form 990-PF

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During 2014, the foundation closed all bank accounts, and therefore is sending a check made payable to the Internal Revenue Service in the amount of \$224.00.