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Form **990-PF**

Department of the Treasury
Internal Revenue Service

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

▶ 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.

OMB No 1545-0052
2014
Open to Public Inspection

For calendar year 2014 or tax year beginning , and ending

Name of foundation: Donnie Royal Foundation

A Employer identification number: 91-2052930

Number and street (or P O box number if mail is not delivered to street address): 3620 Cape Center Dr.
Room/suite:

B Telephone number (see instructions): 910-323-0191

City or town, state or province, country, and ZIP or foreign postal code: Fayetteville NC 28304

C If exemption application is pending, check here ▶ ☐

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

D 1 Foreign organizations, check here ▶ ☐
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 ▶ ☐

I Fair market value of all assets at end of year (from Part II, col (c), line 16) ▶ $ 1,693,613

J Accounting method ☒ Cash ☐ Accrual ☐ Other (specify) (Part I, column (d) must be on cash basis)

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

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

			(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1	Contributions, gifts, grants, etc , received (attach schedule)				
	2	Check ▶ ☒ if the foundation is **not** required to attach Sch B				
	3	Interest on savings and temporary cash investments	7,474	7,474		
	4	Dividends and interest from securities	38,627	38,627		
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10	66,925			
	b	Gross sales price for all assets on line 6a 978,318				
	7	Capital gain net income (from Part IV, line 2)		66,895		
	8	Net short-term capital gain			0	
	9	Income modifications				
	10a	Gross sales less returns and allowances				
	b	Less Cost of goods sold				
	c	Gross profit or (loss) (attach schedule)				
	11	Other income (attach schedule) Stmt 1	2,345	2,345		
	12	**Total.** Add lines 1 through 11	115,371	115,341	0	
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc	0			
	14	Other employee salaries and wages				
	15	Pension plans, employee benefits				
	16a	Legal fees (attach schedule)				
	b	Accounting fees (attach schedule) Stmt 2	2,000			
	c	Other professional fees (attach schedule)				
	17	Interest	40			
	18	Taxes (attach schedule) (see instructions)				
	19	Depreciation (attach schedule) and depletion				
	20	Occupancy				
	21	Travel, conferences, and meetings				
	22	Printing and publications				
	23	Other expenses (att sch)				
	24	**Total operating and administrative expenses.** Add lines 13 through 23	2,040	0	0	0
	25	Contributions, gifts, grants paid	59,000			59,000
	26	**Total expenses and disbursements.** Add lines 24 and 25	61,040	0	0	59,000
	27	Subtract line 26 from line 12				
	a	**Excess of revenue over expenses and disbursements**	54,331			
	b	**Net investment income** (if negative, enter -0-)		115,341		
	c	**Adjusted net income** (if negative, enter -0-)			0	

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DAA

Form **990-PF** (2014)

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Part II Balance Sheets

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

			Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1	Cash – non-interest-bearing			
	2	Savings and temporary cash investments	21,954	62,492	62,492
	3	Accounts receivable ▶			
		Less allowance for doubtful accounts ▶			
	4	Pledges receivable ▶			
		Less allowance for doubtful accounts ▶			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)			
	7	Other notes and loans receivable (att schedule) ▶			
		Less allowance for doubtful accounts ▶ 0			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges	1,827	1,500	1,500
	10a	Investments – U S and state government obligations (attach schedule) Stmt 3	72,873	113,357	113,758
	b	Investments – corporate stock (attach schedule) See Stmt 4	1,272,164	1,299,857	1,405,989
	c	Investments – corporate bonds (attach schedule) See Stmt 5	85,804	59,565	60,054
	11	Investments – land, buildings, and equipment basis ▶			
		Less accumulated depreciation (attach sch) ▶			
	12	Investments – mortgage loans			
	13	Investments – other (attach schedule) See Statement 6	78,139	50,009	49,820
	14	Land, buildings, and equipment basis ▶			
		Less accumulated depreciation (attach sch) ▶			
	15	Other assets (describe ▶)			
	16	Total assets (to be completed by all filers – see the instructions Also, see page 1, item I)	1,532,761	1,586,780	1,693,613
Liabilities	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, and other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe ▶)			
	23	Total liabilities (add lines 17 through 22)	0	0	
Net Assets or Fund Balances		Foundations that follow SFAS 117, check here ▶ [X] and complete lines 24 through 26 and lines 30 and 31.			
	24	Unrestricted	1,532,761	1,586,780	
	25	Temporarily restricted			
	26	Permanently restricted			
		Foundations that do not follow SFAS 117, check here ▶ [ ] and complete lines 27 through 31.			
	27	Capital stock, trust principal, or current funds			
	28	Paid-in or capital surplus, or land, bldg , and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds			
	30	Total net assets or fund balances (see instructions)	1,532,761	1,586,780	
	31	Total liabilities and net assets/fund balances (see instructions)	1,532,761	1,586,780	

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	1,532,761
2	Enter amount from Part I, line 27a	2	54,331
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	1,587,092
5	Decreases not included in line 2 (itemize) ▶ See Statement 7	5	312
6	Total net assets or fund balances at end of year (line 4 minus line 5) – Part II, column (b), line 30	6	1,586,780

Part IV Capital Gains and Losses for Tax on Investment Income

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

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a				
b				
c				
d				
e				

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

	(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
a				
b				
c				
d				
e				

2	Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 / If (loss), enter -0- in Part I, line 7 }	2	66,895
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	11,110

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	90,000	1,611,729	0.055841
2012	95,291	1,575,725	0.060474
2011	96,746	1,587,365	0.060948
2010	90,000	1,548,178	0.058133
2009	104,356	1,419,942	0.073493

2	Total of line 1, column (d)	2	0.308889
3	Average distribution ratio for the 5-year base period – divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	0.061778
4	Enter the net value of noncharitable-use assets for 2014 from Part X, line 5	4	1,668,009
5	Multiply line 4 by line 3	5	103,046
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	1,153
7	Add lines 5 and 6	7	104,199
8	Enter qualifying distributions from Part XII, line 4	8	59,000

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)

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1				
	Date of ruling or determination letter (attach copy of letter if necessary—see instructions)				
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☐ and enter 1% of Part I, line 27b			1	2,307
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	2,307
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	2,307
6	Credits/Payments				
a	2014 estimated tax payments and 2013 overpayment credited to 2014	6a	2,250		
b	Exempt foreign organizations – tax withheld at source	6b			
c	Tax paid with application for extension of time to file (Form 8868)	6c	750		
d	Backup withholding erroneously withheld	6d			
7	Total credits and payments Add lines 6a through 6d			7	3,000
8	Enter any **penalty** for underpayment of estimated tax Check here ☒ if Form 2220 is attached			8	4
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶			9	
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶			10	689
11	Enter the amount of line 10 to be **Credited to 2015 estimated tax** ▶ 689 Refunded ▶			11	

Part VII-A **Statements Regarding Activities**

			Yes	No
1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see Instructions for the definition)?	1b		X
	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			
c	Did the foundation file **Form 1120-POL** for this year?	1c		X
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation ▶ $ ________ (2) On foundation managers ▶ $ ________			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ $ ________			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities	2		X
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes	3		X
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
b	If "Yes," has it filed a tax return on **Form 990-T** for this year? N/A	4b		
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T	5		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?	6	X	
7	Did the foundation have at least $5,000 in assets at any time during the year? If "Yes," complete Part II, col (c), and Part XV	7	X	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ NC			
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	8b	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 2014 or the taxable year beginning in 2014 (see instructions for Part XIV)? If "Yes," complete Part XIV	9		X
10	Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	10		X

Part VII-A Statements Regarding Activities (continued)

			Yes	No
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?	13	X	

Website address ▶ N/A

14 The books are in care of ▶ William T. Allen Telephone no ▶ 910-323-0191
3620 Cape Center Dr.
Located at ▶ Fayetteville NC ZIP+4 ▶ 28304

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

			Yes	No
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?	16		X
	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 ▶			

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

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies. | Yes | No

1a During the year did the foundation (either directly or indirectly)

(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☒ No

(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☒ No

(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☒ No

(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☐ Yes ☒ No

(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes ☒ No

(6) Agree to pay money or property to a government official? (**Exception.** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days) ☐ Yes ☒ No

b If any answer is "Yes" to 1a(1)–(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53 4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? N/A | 1b

Organizations relying on a current notice regarding disaster assistance check here ▶ ☐

c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2014? N/A | 1c

2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)).

a At the end of tax year 2014, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2014? ☐ Yes ☒ No

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

b Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement – see instructions) N/A | 2b

c If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here
▶ 20 , 20 , 20 , 20

3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☐ Yes ☒ No

b If "Yes," did it have excess business holdings in 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

			Yes	No
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		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 2014?	4b		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 [X] 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 [X] No

(3) Provide a grant to an individual for travel, study, or other similar purposes? [ ] Yes [X] No

(4) Provide a grant to an organization other than a charitable, etc , organization described in section 4945(d)(4)(A)? (see instructions) [ ] Yes [X] 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 [X] 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)? N/A — 5b

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 [X] No

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? — 6b No: X

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 [X] No

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? 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 (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
William T. Allen 3620 Cape Center	Fayetteville NC 28304	President 0.00	0	0	0
Henry Turlington 1600 Quaker Ridge	Raleigh NC 27615	Treasurer 0.00	0	0	0
Charles Royal 1425 Keith Hills Road	Lillington NC 27546	V-President 0.00	0	0	0
Dr. Douglas Kelly 500 East Cleveland St.	Dillon SC 29536	Secretary 0.00	0	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 VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)

3 Five highest-paid independent contractors for professional services (see instructions). If none, enter "NONE."

(a) Name and address of each person paid more than $50,000	(b) Type of service	(c) Compensation
NONE		
Total number of others receiving over $50,000 for professional services ▶		

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc	Expenses
1 N/A	
2	
3	
4	

Part IX-B Summary of Program-Related Investments (see instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 N/A	
2	
All other program-related investments See instructions 3	
Total. Add lines 1 through 3 ▶	

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	0
b	Average of monthly cash balances		1b	40,044
c	Fair market value of all other assets (see instructions)		1c	1,653,366
d	**Total** (add lines 1a, b, and c)		1d	1,693,410
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	1,693,410
4	Cash deemed held for charitable activities Enter 1½% of line 3 (for greater amount, see instructions)		4	25,401
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4		5	1,668,009
6	**Minimum investment return.** Enter 5% of line 5		6	83,400

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	83,400
2a	Tax on investment income for 2014 from Part VI, line 5	2a 2,307		
b	Income tax for 2014 (This does not include the tax from Part VI)	2b		
c	Add lines 2a and 2b		2c	2,307
3	Distributable amount before adjustments Subtract line 2c from line 1		3	81,093
4	Recoveries of amounts treated as qualifying distributions		4	
5	Add lines 3 and 4		5	81,093
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	81,093

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	59,000
b	Program-related investments – total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc , purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	**Qualifying distributions.** Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	59,000
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	0
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	59,000

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 2013	(c) 2013	(d) 2014
1 Distributable amount for 2014 from Part XI, line 7					81,093
2 Undistributed income, if any, as of the end of 2014					
a Enter amount for 2013 only					
b Total for prior years 20____ , 20____ , 20____					
3 Excess distributions carryover, if any, to 2014					
a From 2009	34,647				
b From 2010	14,181				
c From 2011	19,886				
d From 2012	17,923				
e From 2013	11,553				
f **Total** of lines 3a through e		98,190			
4 Qualifying distributions for 2014 from Part XII, line 4 ▶ $ 59,000					
a Applied to 2013, but not more than line 2a					
b Applied to undistributed income of prior years (Election required – see instructions)					
c Treated as distributions out of corpus (Election required – see instructions)					
d Applied to 2014 distributable amount					59,000
e Remaining amount distributed out of corpus					
5 Excess distributions carryover applied to 2014 (If an amount appears in column (d), the same amount must be shown in column (a))		22,093			22,093
6 **Enter the net total of each column as indicated below:**					
a Corpus Add lines 3f, 4c, and 4e Subtract line 5		76,097			
b Prior years' undistributed income Subtract line 4b from line 2b					
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed					
d Subtract line 6c from line 6b Taxable amount – see instructions					
e Undistributed income for 2013 Subtract line 4a from line 2a Taxable amount – see instructions					
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)					
8 Excess distributions carryover from 2009 not applied on line 5 or line 7 (see instructions)		12,554			
9 **Excess distributions carryover to 2015.** Subtract lines 7 and 8 from line 6a		63,543			
10 Analysis of line 9					
a Excess from 2010	14,181				
b Excess from 2011	19,886				
c Excess from 2012	17,923				
d Excess from 2013	11,553				
e Excess from 2014					

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

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 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			
	(a) 2014	(b) 2013	(c) 2012	(d) 2011	(e) Total
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c					
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))

Donnie M. Royal, MD (Deceased 2001)

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

N/A

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

William T. Allen 910-323-0191
3620 Cape Center Dr. Fayetteville NC 28304

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

Contact Individual in 2A for details

c Any submission deadlines.

None

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

None

Part XV Supplementary Information (continued)

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year				
Reformed Theological Semi 2101 Carmel Rd. Charlotte NC 28226		501(c)(3)	Royal Scholarship	5,000
Sampson Community College P.O. Box 318 Clinton NC 28329		501(c)(3)	Nursing Scholarship	10,000
Salemburg Baptist Church P.O. Box 537 Salemburg NC 28385		Church	General Fund	5,000
Baptist Children's Home P.O. Box 338 Thomasville NC 27361		501(c)(3)	General Fund	3,000
Campbell University P.O. Box 116 Buies Creek NC 27506		University	Concert Series	10,000
Campbell University P.O. Box 116 Buies Creek NC 27506		University	School of Medicine	10,000
Salemburg Food Bank 113 N Main St Salemburg NC 28385		501(c)(3)	General Fund	6,000
Town of Salemburg 100 Methodist Dr Salemburg NC 28385		Municipality	General Fund	10,000
Total			▶ 3a	59,000
b Approved for future payment N/A				
Total			▶ 3b	

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue.					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments			14	7,474	
4 Dividends and interest from securities			14	38,627	
5 Net rental income or (loss) from real estate					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income			1	2,345	
8 Gain or (loss) from sales of assets other than inventory			18	66,925	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue a					
b					
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e)		0		115,371	0

13 **Total.** Add line 12, columns (b), (d), and (e) 13 115,371

(See worksheet in line 13 instructions to verify calculations)

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

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes) (See instructions)
N/A	

Part XVII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations

			Yes	No
1	Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?			
a	Transfers from the reporting foundation to a noncharitable exempt organization of			
	(1) Cash	1a(1)		X
	(2) Other assets	1a(2)		X
b	Other transactions			
	(1) Sales of assets to a noncharitable exempt organization	1b(1)		X
	(2) Purchases of assets from a noncharitable exempt organization	1b(2)		X
	(3) Rental of facilities, equipment, or other assets	1b(3)		X
	(4) Reimbursement arrangements	1b(4)		X
	(5) Loans or loan guarantees	1b(5)		X
	(6) Performance of services or membership or fundraising solicitations	1b(6)		X
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c		X

d If the answer to any of the above is "Yes," complete the following schedule Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received

(a) Line no	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements
N/A			

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ☐ Yes ☒ No

b If "Yes," complete the following schedule

(a) Name of organization	(b) Type of organization	(c) Description of relationship
N/A		

Sign Here

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

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

William J. Allen | 5/27/15 | PRESIDENT

Signature of officer or trustee | Date | Title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed
William Temple Allen, CPA, P.A.	William Temple Allen, CPA, P.A. (William Temple Allen, CPA, PA)	05/26/15	
Firm's name ▶ William Temple Allen, CPA, P.A.		PTIN	P01071846
Firm's address ▶ 3620 Cape Center Drive		Firm's EIN ▶	56-1833865
Fayetteville, NC 28304		Phone no	910-323-0191

1255 05/26/2015 12 12 PM

Form 990-PF	Capital Gains and Losses for Tax on Investment Income	2014
	For calendar year 2014, or tax year beginning , and ending	

Name	Employer Identification Number
Donnie Royal Foundation	91-2052930

	(a) List and describe the kind(s) of property sold, e g , real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co	(b) How acquired P-Purchase D-Donation	(c) Date acquired (mo , day, yr)	(d) Date sold (mo , day, yr)
(1)	300 Astrazeneca PLC	P	07/22/13	05/22/14
(2)	20000 Beal Bank	P	03/11/14	06/18/14
(3)	130 ISHS JPM	P	04/17/13	01/23/14
(4)	250 Kraft Foods	P	07/22/13	01/23/14
(5)	160 Occidental Petro	P	07/22/13	07/14/14
(6)	3275.047 Pimco	P	01/23/14	10/14/14
(7)	3422.372 Pimco Inv Grd	P	01/24/14	10/14/14
(8)	89.213 Pimco All Asset	P	06/21/13	01/24/14
(9)	637.104 Pimco Incm A	P	Various	10/14/14
(10)	185 Prudential Financial	P	07/22/13	04/22/14
(11)	250 Qualcomm	P	07/22/13	07/14/14
(12)	325 Southern Co.	P	07/22/13	07/14/14
(13)	10000 Ally Bank	P	03/09/11	03/11/14
(14)	300 American Electric Power	P	09/16/08	04/22/14
(15)	1000 Ares	P	07/12/12	10/14/14

	(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)
(1)	21,364		15,342	6,022
(2)	20,000		20,006	-6
(3)	13,903		15,829	-1,926
(4)	13,170		14,750	-1,580
(5)	15,971		14,879	1,092
(6)	36,609		34,656	1,953
(7)	36,853		35,251	1,602
(8)	881		999	-118
(9)	8,085		7,613	472
(10)	15,035		14,811	224
(11)	19,627		15,727	3,900
(12)	14,154		14,984	-830
(13)	10,000		10,006	-6
(14)	15,306		11,377	3,929
(15)	14,993		16,305	-1,312

	Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			
	(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
(1)				6,022
(2)				-6
(3)				-1,926
(4)				-1,580
(5)				1,092
(6)				1,953
(7)				1,602
(8)				-118
(9)				472
(10)				224
(11)				3,900
(12)				-830
(13)				-6
(14)				3,929
(15)				-1,312

Form 990-PF Capital Gains and Losses for Tax on Investment Income 2014

For calendar year 2014, or tax year beginning , and ending

Name: Donnie Royal Foundation

Employer Identification Number: 91-2052930

	(a) List and describe the kind(s) of property sold, e g , real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co	(b) How acquired P-Purchase D-Donation	(c) Date acquired (mo , day, yr)	(d) Date sold (mo , day, yr)
(1)	500 BB&T	P	04/17/13	07/14/14
(2)	10000 BAC Note	P	02/18/10	05/15/14
(3)	20000 CIT Bank	P	10/14/10	06/05/14
(4)	20000 CIT Bank	P	10/25/11	07/01/14
(5)	15000 Discover Bank	P	10/14/10	05/05/14
(6)	325 Enterprise Fund	P	05/01/12	04/22/14
(7)	10000 FICO	P	07/22/10	04/07/14
(8)	1000 Ford Motor Co.	P	10/25/11	04/22/14
(9)	300 Harris Corp	P	01/22/13	01/23/14
(10)	700 Intel	P	10/25/11	07/14/14
(11)	120 ISHS	P	10/18/12	01/23/14
(12)	10000 Jeffries	P	03/08/11	06/07/09
(13)	500 Microsoft	P	10/18/12	07/14/14
(14)	450 Microchip Technology	P	01/22/13	01/23/14
(15)	3500 PIMCO All Asset	P	Various	01/23/14

	(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)
(1)	19,560		15,255	4,305
(2)	10,000		11,305	-1,305
(3)	20,000		21,149	-1,149
(4)	20,000		21,074	-1,074
(5)	15,000		15,480	-480
(6)	23,588		16,991	6,597
(7)	10,000		9,392	608
(8)	15,892		13,059	2,833
(9)	20,635		15,115	5,520
(10)	21,670		16,608	5,062
(11)	12,834		14,982	-2,148
(12)	10,000		10,877	-877
(13)	20,918		15,010	5,908
(14)	20,058		15,205	4,853
(15)	34,650		38,159	-3,509

	Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			
	(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
(1)				4,305
(2)				-1,305
(3)				-1,149
(4)				-1,074
(5)				-480
(6)				6,597
(7)				608
(8)				2,833
(9)				5,520
(10)				5,062
(11)				-2,148
(12)				-877
(13)				5,908
(14)				4,853
(15)				-3,509

1255 05/26/2015 12 12 PM

Capital Gains and Losses for Tax on Investment Income

Form **990-PF** **2014**

For calendar year 2014, or tax year beginning , and ending

Name	Employer Identification Number
Donnie Royal Foundation	91-2052930

	(a) List and describe the kind(s) of property sold, e g , real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co	(b) How acquired P-Purchase D-Donation	(c) Date acquired (mo , day, yr)	(d) Date sold (mo , day, yr)
(1)	3503.064 Pimco	P	Various	01/24/14
(2)	12154.793 Pimco	P	Various	10/14/14
(3)	10000 Prudential	P	02/24/10	04/01/14
(4)	1350 Qlogic Corp	P	07/22/13	10/14/14
(5)	325 Rio Tinto	P	Various	01/23/14
(6)	850 SDR Wells Fargo	P	Various	01/23/14
(7)	150 Siemens	P	07/12/12	01/23/14
(8)	5000 Simon PPTY	P	10/14/10	01/30/14
(9)	15000 TVA Strip	P	07/22/10	06/16/14
(10)	350 Toronto Dominion Bank	P	07/22/13	10/14/14
(11)	225 United Healthcare Group	P	01/01/12	04/22/14
(12)	750 VNGRD	P	Various	04/22/14
(13)	400 Waste Management	P	01/23/12	04/22/14
(14)	550 Westpac Banking Corp	P	Various	01/23/14
(15)	900 Dean Foods Co.	P	04/22/14	07/14/14

	(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)
(1)	34,575		39,214	-4,639
(2)	154,239		145,249	8,990
(3)	10,000		10,588	-588
(4)	12,426		14,888	-2,462
(5)	17,128		20,977	-3,849
(6)	34,579		39,402	-4,823
(7)	19,794		12,363	7,431
(8)	5,000		5,444	-444
(9)	15,000		14,165	835
(10)	16,183		15,061	1,122
(11)	16,829		12,830	3,999
(12)	53,775		45,375	8,400
(13)	16,551		13,786	2,765
(14)	14,933		15,575	-642
(15)	15,492		14,310	1,182

	Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			
	(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
(1)				-4,639
(2)				8,990
(3)				-588
(4)				-2,462
(5)				-3,849
(6)				-4,823
(7)				7,431
(8)				-444
(9)				835
(10)				1,122
(11)				3,999
(12)				8,400
(13)				2,765
(14)				-642
(15)				1,182

Form 990-PF — Capital Gains and Losses for Tax on Investment Income — 2014

For calendar year 2014, or tax year beginning , and ending

Name	Employer Identification Number
Donnie Royal Foundation	91-2052930

	(a) List and describe the kind(s) of property sold, e g , real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co	(b) How acquired P-Purchase D-Donation	(c) Date acquired (mo , day, yr)	(d) Date sold (mo , day, yr)
(1)	Ameriprise #9408			
(2)				
(3)				
(4)				
(5)				
(6)				
(7)				
(8)				
(9)				
(10)				
(11)				
(12)				
(13)				
(14)				
(15)				

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
(1)	11,058			11,058
(2)				
(3)				
(4)				
(5)				
(6)				
(7)				
(8)				
(9)				
(10)				
(11)				
(12)				
(13)				
(14)				
(15)				

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

	(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
(1)				11,058
(2)				
(3)				
(4)				
(5)				
(6)				
(7)				
(8)				
(9)				
(10)				
(11)				
(12)				
(13)				
(14)				
(15)				

Federal Statements

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

Description	Revenue per Books	Net Investment Income	Adjusted Net Income
Ameriprise #6133	$ 291	$ 291	$
Ameriprise - Cash	25	25	
Ameriprise - Dist.	582	582	
Ameriprise	1,107	1,107	
Ameriprise -Misc	340	340	
Total	$ 2,345	$ 2,345	$ 0

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

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Indirect Accounting Fees	$ 2,000	$	$	$
Total	$ 2,000	$ 0	$ 0	$ 0

Statement 3 - Form 990-PF, Part II, Line 10a - US and State Government Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
FICO Series - 10,000 Sh	$ 9,392	$	Cost	$
FICO Series - 15,000 Sh	14,668	14,668	Cost	14,972
Tenn Valley Auth - 15,000	14,165		Cost	
Tenn Valley Auth - 25000	24,884		Cost	
Tenn Vally Auth - 10,000	9,764	9,865	Cost	9,889
Federal Home Loan Mtg Corp		24,778	Cost	24,758
Financing Corp FICO Strips		24,332	Cost	24,351
Financing Corp FICO Strips		14,750	Cost	14,844
Tenn Valley Auth - FICO		24,964	Cost	24,944
Total	$ 72,873	$ 113,357		$ 113,758

Federal Statements

Statement 4 - Form 990-PF, Part II, Line 10b - Corporate Stock Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
First Eagle Funds - 1221.2 sh	$ 64,091	$ 64,091	Cost	$ 64,040
Pimco Inc Cl A - 12,172.222 sh	144,856		Cost	
Principal High Yield - 6518.973 sh	53,213	53,213	Cost	48,175
Virtus Multi - 15,277.906 sh	74,532	74,532	Cost	72,723
Aflac Inc - 300 sh	15,305	15,305	Cost	18,327
Altria Group - 500 Sh	11,508		Cost	
American Electric - 300 Sh	11,377		Cost	
Ares Capital Corp	16,305		Cost	
BCE Inc New - 400 sh	16,880	16,880	Cost	18,344
Chevron - 165 Sh	8,819	8,819	Cost	18,510
Cisco Systems Inc - 800 sh	15,153	15,153	Cost	22,252
Coca Cola Co - 400 Sh	9,000	9,000	Cost	16,888
Enterprise Prod Part - 325 sh	16,546		Cost	
Ford - 1,000 Sh	13,059		Cost	
Hasbro - 400 sh	13,342	13,342	Cost	21,996
Intel - 700 Sh	16,608		Cost	
Ishares JP Morgan - 250sh	30,810		Cost	
Johnson & Johnson - 200 Sh	12,850	12,850	Cost	20,914
McDonalds - 150 shs	6,795	6,795	Cost	14,055
Microsoft Corp - 500 sh	15,010		Cost	
Philip Morris - 200 Sh	8,963	8,963	Cost	16,290
Proctor & Gamble - 200 Sh	9,785	9,785	Cost	18,218
Rio Tinto - 325 Sh	20,977		Cost	
Spdr Wells Fargo - 850 sh	39,402		Cost	
Siemens A G - 15 sh	12,363		Cost	
Unitedhealth Group - 225 sh	12,830		Cost	
Vanguard Reit Etf - 750 Sh	44,396		Cost	
Waste Management - 400 sh	13,786		Cost	
Western Mgd High Income - 4700 Sh	28,243	28,243	Cost	24,017
Diamond Hill Small Cap 1,451.532 sh	42,793	42,793	Cost	42,428
MFS Intl Value 2554.6 shs	76,402	76,402	Cost	77,430
Pimco All Asset All Authority 7092 s	78,372		Cost	
Abbvie - 350 shs	10,739	10,739	Cost	22,904
Astrozeneca - 300 shs	15,342		Cost	
BB&T - 500 shs	15,255		Cost	
CSX Corp - 585 shs	15,002	15,002	Cost	21,195
Caterpillar - 200 shs	16,516	16,516	Cost	18,306

Statement 4 - Form 990-PF, Part II, Line 10b - Corporate Stock Investments (continued)

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
Cincinnati Financial - 360	$ 15,354	$ 15,354	Cost	$ 18,659
Conoco Phillips - 250 shs	15,122	15,122	Cost	17,265
Harris Corp - 300 shs	15,115		Cost	
IBM - 100 shs	18,601	18,601	Cost	16,044
Kraft Foods - 250 shs	14,750		Cost	
Microchip Technology - 450 shs	15,205		Cost	
Occidental Petroleum - 160 shs	14,879		Cost	
Omega Healthcare - 435 shs	15,043	14,971	Cost	16,995
Prudential Financial - 185 shs	14,811		Cost	
QLogic Corp - 1350 shs	14,888		Cost	
Qualcomm Inc. - 250 shs	15,727		Cost	
Realty Income - 325 shs	15,087	14,972	Cost	15,506
Southern Co - 325 Sh.	14,984	14,075	Cost	13,646
Targa Resources - 285 shs	14,737		Cost	
Toronto Dominion Bank - 175 shs	15,061		Cost	
Westpac Banking Corp - 550 shs	15,575		Cost	
Janus Balanced CL C - 2214.508 Shs		66,106	Cost	67,299
Loomis Sales Inv - 3007.519 Shs		36,006	Cost	35,368
Loomis Sales Inv - 4825.09 Shs		80,006	Cost	79,131
Oppenheimer Intl Growth - 1792.808 S		65,012	Cost	60,185
Templeton Global Bond C - 2721..088		36,006	Cost	33,987
Everest Reinsurance Grp LTD		14,959	Cost	17,030
Invesco LTD		15,096	Cost	15,413
Fidelity Advisor Strategic Income		80,006	Cost	77,840
Aetna Inc - 180 Sh.		15,054	Cost	15,989
Altria Group - 500 Sh.		11,508	Cost	24,635
Celgene Corp - 170 Sh.		15,291	Cost	19,016
EMC Corp - 550 Sh.		15,029	Cost	16,357
Eastman Chemical - 200 Sh.		15,349	Cost	15,172
Ebay - 300 Sh.		15,610	Cost	16,836
General Electric - 550 Sh.		14,893	Cost	13,899
Gilead Science - 200 Sh		14,869	Cost	18,852
Hollyfrontier Corp - 285 Sh.		14,890	Cost	10,682
Home Depot - 185 Sh.		14,994	Cost	19,419
Ishares Intl Select - 850 Sh.		33,935	Cost	28,637
Johnson Controls -300 Sh.		14,658	Cost	14,502
Kinder Morgan Inc- 435 Sh.		14,918	Cost	18,405

Federal Statements

Statement 4 - Form 990-PF, Part II, Line 10b - Corporate Stock Investments (continued)

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
Lear Corp - 180 Sh.	$	$ 14,735	Cost	$ 17,654
Morgan Stanley - 450 Sh.		15,147	Cost	17,460
National Grid PLC - 210 Sh.		14,861	Cost	14,839
Toyota Motor - 125 Sh.		15,096	Cost	15,685
Trinity Industries - 500 Sh.		14,957	Cost	14,005
Wells Fargo - 300 Sh.		15,029	Cost	16,446
Western Union - 900 Sh.		14,319	Cost	16,119
Total	$ 1,272,164	$ 1,299,857		$ 1,405,989

Statement 5 - Form 990-PF, Part II, Line 10c - Corporate Bond Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
British Telecom - 10,000	$ 10,124	$ 10,041	Cost	$ 10,061
Hewlett Packard Co	10,114	10,020	Cost	10,031
Intl Bank for Rec - 25,000	24,539		Cost	
Jeffries Group Inc Bond - 10,000	10,123		Cost	
Prudential Financial Inc - 10,000	10,558		Cost	
Resolution FDG Corp	14,902	14,965	Cost	14,979
Simon Property Group - 5,000	5,444		Cost	
Intl Bank for Recon & Dev Bond CPN		24,539	Cost	24,983
Total	$ 85,804	$ 59,565		$ 60,054

Federal Statements

Statement 6 - Form 990-PF, Part II, Line 13 - Other Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
e	$ 10,000	$	Cost	$
CIT Bank CD - 20,000	21,149		Cost	
CIT Bank CD - 20,000	20,205		Cost	
Discover Bank CD - 15,000	15,480		Cost	
Bank America Corp - 10000.	11,305		Cost	
Goldman Sachs CD		10,005	Cost	9,971
Goldman Sachs CD		40,004	Cost	39,849
Total	$ 78,139	$ 50,009		$ 49,820

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

Description	Amount
IRS	$ 312
Total	$ 312

Form 990-PF, Part XV, Line 1a - Managers Who Contributed Over 2% or $5,000

Name of Manager	Amount
Donnie M. Royal, MD (Deceased 2001)	$
Total	$ 0

Form 990-PF, Part XV, Line 2b - Application Format and Required Contents

Description
Contact Individual in 2A for details

Form 990-PF, Part XV, Line 2c - Submission Deadlines

Description
None

Form 990-PF, Part XV, Line 2d - Award Restrictions or Limitations

Description
None

Form **8868**

(Rev January 2014)

Department of the Treasury
Internal Revenue Service

Application for Extension of Time To File an Exempt Organization Return

▶ File a separate application for each return.

▶ Information about Form 8868 and its instructions is at www.irs.gov/form8868.

FILE COPY

OMB No 1545-1709

- If you are filing for an **Automatic 3-Month Extension, complete only Part I** and check this box ▶ [X]
- If you are filing for an **Additional (Not Automatic) 3-Month Extension, complete only Part II** (on page 2 of this form)

Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868

Electronic filing (e-file). You can electronically file Form 8868 if you need a 3-month automatic extension of time to file (6 months for a corporation required to file Form 990-T), or an additional (not automatic) 3-month extension of time. You can electronically file Form 8868 to request an extension of time to file any of the forms listed in Part I or Part II with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, which must be sent to the IRS in paper format (see instructions) For more details on the electronic filing of this form, visit www irs gov/efile and click on e-file for Charities & Nonprofits

Part I Automatic 3-Month Extension of Time. Only submit original (no copies needed)

A corporation required to file Form 990-T and requesting an automatic 6-month extension – check this box and complete Part I only ▶ [ ]

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns

Enter filer's identifying number, see instructions

Type or print	Name of exempt organization or other filer, see instructions	Employer identification number (EIN) or
	Donnie Royal Foundation	91-2052930
File by the due date for filing your return See instructions	Number, street, and room or suite no If a P O box, see instructions: 3620 Cape Center Dr.	Social security number (SSN)
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. Fayetteville NC 28304	

Enter the Return code for the return that this application is for (file a separate application for each return) 04

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 4720 (individual)	03	Form 4720 (other than individual)	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

- The books are in the care of ▶ William T. Allen 3620 Cape Center Dr., Fayetteville NC 28304

Telephone No ▶ 910-323-0191 FAX No. ▶ 910-323-5969

- If the organization does not have an office or place of business in the United States, check this box ▶ [ ]
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) ______ If this is for the whole group, check this box ▶ [ ] . If it is for part of the group, check this box ▶ [ ] and attach a list with the names and EINs of all members the extension is for

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until 08/15/15 , to file the exempt organization return for the organization named above The extension is for the organization's return for

▶ [X] calendar year 2014 or

▶ [ ] tax year beginning , and ending .

2 If the tax year entered in line 1 is for less than 12 months, check reason: [ ] Initial return [ ] Final return [ ] Change in accounting period

3a	If this application is for Forms 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits See instructions	3a	$ 750
b	If this application is for Forms 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	$
c	**Balance due.** Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System) See instructions	3c	$ 750

Caution. If you are going to make an electronic funds withdrawal (direct debit) with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

For Privacy Act and Paperwork Reduction Act Notice, see instructions.
DAA