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Form **990-PF**

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

OMB No 1545-0052

2015

Department of the Treasury
Internal Revenue Service

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

Open to Public Inspection

For calendar year 2015 or tax year beginning , and ending

Name of foundation THE WILSON L. SMITH FAMILY FOUNDATION		A Employer identification number 56-1658247
Number and street (or P.O. box number if mail is not delivered to street address) 214 BETHEL DRIVE	Room/suite	B Telephone number (see instructions) 704-636-9142
City or town, state or province, country, and ZIP or foreign postal code SALISBURY NC 28144		C If exemption application is pending, check here <input type="checkbox"/> D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/> E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/> F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>
G Check all that apply: <input type="checkbox"/> Initial return <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Address change <input type="checkbox"/> Name change		
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) ▶ \$ 35,055,452	J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____ (Part I, column (d) must be on cash basis)	

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc , received (attach schedule)	1,293,629			
	2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	196,027	169,990		
	4 Dividends and interest from securities	271,920	271,920		
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10 STMT 1	6,659,434			
	b Gross sales price for all assets on line 6a 12,685,555				
	7 Capital gain net income (from Part IV, line 2)		0		
	8 Net short-term capital gain			0	
	9 Income modifications				
	10a Gross sales less returns and allowances				
Operating and Administrative Expenses	b Less Cost of goods sold				
	c Gross profit or (loss) (attach schedule)				
	11 Other income (attach schedule) STMT 2	46,348	46,348		
	12 Total. Add lines 1 through 11	8,467,358	488,258	0	
	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 3	1,205		1,205	
	c Other professional fees (attach schedule)				
	17 Interest				
	18 Taxes (attach schedule) (see instructions) STMT 4	55,889	55,889	55,889	
19 Depreciation (attach schedule) and depletion					
20 Occupancy					
21 Travel, conferences, and meetings					
22 Printing and publications					
23 Other expenses (att sch) STMT 5	28,174	28,174	28,174		
24 Total operating and administrative expenses. Add lines 13 through 23	85,268	84,063	85,268	0	
25 Contributions, gifts, grants paid	426,800			426,800	
26 Total expenses and disbursements. Add lines 24 and 25	512,068	84,063	85,268	426,800	
27 Subtract line 26 from line 12					
a Excess of revenue over expenses and disbursements	7,955,290				
b Net investment income (if negative, enter -0-)		404,195			
c Adjusted net income (if negative, enter -0-)			0		

For Paperwork Reduction Act Notice, see Instructions.

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Part II Balance Sheets		Beginning of year	End of year	
			(a) Book Value	(b) Book Value
Assets	1 Cash – non-interest-bearing			
	2 Savings and temporary cash investments	3,808,957	14,074,451	14,074,451
	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			
	10a Investments – U.S. and state government obligations (attach schedule)			
	b Investments – corporate stock (attach schedule) SEE STMT 6	11,847,638	7,898,266	15,933,979
	c Investments – corporate bonds (attach schedule) SEE STMT 7	3,577,708	3,225,008	2,661,735
	11 Investments – land, buildings, and equipment basis ▶ Less accumulated depreciation (attach sch.) ▶ STMT 8	310,708	310,708	310,708
	12 Investments – mortgage loans			
	13 Investments – other (attach schedule) SEE STATEMENT 9		2,100,000	2,074,579
	14 Land, buildings, and equipment basis ▶ Less accumulated depreciation (attach sch.) ▶			
	15 Other assets (describe ▶ SEE STATEMENT 10)	108,132		
	16 Total assets (to be completed by all filers – see the instructions. Also, see page 1, item I)	19,653,143	27,608,433	35,055,452
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 ▶ SEE STATEMENT 11)	414,929	414,929	
	23 Total liabilities (add lines 17 through 22)	414,929	414,929	
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31. ▶ <input type="checkbox"/>			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. ▶ <input checked="" type="checkbox"/>			
	27 Capital stock, trust principal, or current funds			
	28 Paid-in or capital surplus, or land, bldg., and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds	19,238,214	27,193,504	
	30 Total net assets or fund balances (see instructions)	19,238,214	27,193,504	
	31 Total liabilities and net assets/fund balances (see instructions)	19,653,143	27,608,433	

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	19,238,214
2 Enter amount from Part I, line 27a	2	7,955,290
3 Other increases not included in line 2 (itemize) ▶	3	
4 Add lines 1, 2, and 3	4	27,193,504
5 Decreases not included in line 2 (itemize) ▶	5	
6 Total net assets or fund balances at end of year (line 4 minus line 5) – Part II, column (b), line 30	6	27,193,504

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 N/A				
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) FMV 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)	<div style="border: 1px solid black; padding: 2px;"> If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 </div>	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) (see instructions) If (loss), enter -0- in Part I, line 8		3	

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period?

☐ Yes ☒ No

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

1 Enter the appropriate amount in each column for each year, see the instructions before making any entries

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2014	707,288	22,279,227	0.031747
2013	327,345	19,190,421	0.017058
2012	224,399	5,035,052	0.044567
2011	160,300	5,698,402	0.028131
2010	100,855	5,780,651	0.017447

2 Total of line 1, column (d)	2	0.138950
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	0.027790
4 Enter the net value of noncharitable-use assets for 2015 from Part X, line 5	4	34,393,682
5 Multiply line 4 by line 3	5	955,800
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	4,042
7 Add lines 5 and 6	7	959,842
8 Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions	8	426,800

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

1a	Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1 Date of ruling or determination letter (attach copy of letter if necessary—see instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b	1	8,084
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	8,084
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	8,084
6	Credits/Payments		
a	2015 estimated tax payments and 2014 overpayment credited to 2015	6a	4,254
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	4,254
8	Enter any penalty for underpayment of estimated tax. Check here <input checked="" type="checkbox"/> if Form 2220 is attached	8	21
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	3,851
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 2016 estimated tax <input type="checkbox"/> Refunded <input type="checkbox"/>	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?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see Instructions for the definition)? 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		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation <input type="checkbox"/> \$ _____ (2) On foundation managers <input type="checkbox"/> \$ _____		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers <input type="checkbox"/> \$ _____		
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		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		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col (c), and Part XV	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) <input type="checkbox"/> 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	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 2015 or the taxable year beginning in 2015 (see instructions for Part XIV)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X

N/A

10/15 INT

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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	Yes	No
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 ► N/A	13	X	

14 The books are in care of ► **GARY L DAVIS** Telephone no ► **704-636-1040**
PO BOX 1304
 Located at ► **SALISBURY** NC ZIP+4 ► **28145**

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 – Check here and enter the amount of tax-exempt interest received or accrued during the year
 ► 15

16 At any time during calendar year 2015, 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. 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
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?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
b If any answer is "Yes" to 1a(1)–(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here	N/A ► <input type="checkbox"/>	
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 2015?	N/A	
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 2015, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2015? If "Yes," list the years ► 20 , 20 , 20 , 20	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement – see instructions.)	N/A	
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ► 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?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
b If "Yes," did it have excess business holdings in 2015 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 2015.)	N/A	
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 2015?	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 ☒ 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)? **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 ☒ No

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? **6b** ☒

If "Yes" to 6b, file Form 8870

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☒ No

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? **N/A** **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
FELICIA EAGLE 113 CANTEBERRY DRIVE SALISBURY NC 28144	DIRECTOR 5.00	0	0	0
JANIS L. SMITH 113 CANTEBERRY DRIVE SALISBURY NC 28144	PRES 5.00	0	0	0
ANDREW J DAVIS 120 STONEWALL DR SALISBURY NC 28144	DIRECTOR 1.00	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		
3	All other program-related investments See instructions	

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	24,098,522
b	Average of monthly cash balances	1b	10,765,076
c	Fair market value of all other assets (see instructions)	1c	53,846
d	Total (add lines 1a, b, and c)	1d	34,917,444
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	34,917,444
4	Cash deemed held for charitable activities. Enter 1½% of line 3 (for greater amount, see instructions)	4	523,762
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	34,393,682
6	Minimum investment return. Enter 5% of line 5	6	1,719,684

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	1,719,684
2a	Tax on investment income for 2015 from Part VI, line 5	2a	8,084
b	Income tax for 2015 (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	8,084
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	1,711,600
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	1,711,600
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	1,711,600

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	426,800
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	426,800
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	426,800

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 2014	(c) 2014	(d) 2015
1 Distributable amount for 2015 from Part XI, line 7				1,711,600
2 Undistributed income, if any, as of the end of 2015				
a Enter amount for 2014 only			1,072,480	
b Total for prior years 20____, 20____, 20____				
3 Excess distributions carryover, if any, to 2015				
a From 2010				
b From 2011				
c From 2012				
d From 2013				
e From 2014				
f Total of lines 3a through e				
4 Qualifying distributions for 2015 from Part XII, line 4 ▶ \$ 426,800				
a Applied to 2014, but not more than line 2a			426,800	
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 2015 distributable amount				
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2015 (If an amount appears in column (d), the same amount must be shown in column (a))				
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5				
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 2014 Subtract line 4a from line 2a Taxable amount – see instructions			645,680	
f Undistributed income for 2015 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2016				1,711,600
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 2010 not applied on line 5 or line 7 (see instructions)				
9 Excess distributions carryover to 2016. Subtract lines 7 and 8 from line 6a				
10 Analysis of line 9				
a Excess from 2011				
b Excess from 2012				
c Excess from 2013				
d Excess from 2014				
e Excess from 2015				

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 2015, 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)

2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed

Tax year	Prior 3 years			(e) Total
(a) 2015	(b) 2014	(c) 2013	(d) 2012	

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))

N/A

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

N/A

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

N/A

c Any submission deadlines

N/A

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

N/A

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 SEE STATEMENT 12				426,800
Total			▶ 3a	426,800
b Approved for future payment N/A				
Total			▶ 3b	

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated

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

4 Dividends and interest from securities

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

8 Gain or (loss) from sales of assets other than inventory

9 Net income or (loss) from special events

10 Gross profit or (loss) from sales of inventory

11 Other revenue a

b

d

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

(See worksheet in line 13 instructions to verify calculations)

Part XVI-B

Relationship of Activities to the Accomplishment of Exempt Purposes

Line No.

▼

N/A

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)

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.		

[illegible]

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527?

☐ Yes ☒ No

b If "Yes," complete the following schedule

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

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

**Sign
Here**

Signature of officer or trustee

Date _____

Title

Paid
Preparer
Use Only

Print/Type preparer's name

Preparer's signature

Date _____

Check ☐ if self-employed

GARY L. DAVIS

GARY L. DAVIS

11/02/16

Firm's name ▶	DAVIS GROUP, P.A., CPAS
Firm's address ▶	640 STATESVILLE BLVD., SUITE 1 SALISBURY, NC 28144

PTIN P00013178

Firm's EIN ▶ 20-0210772

Phone no **704-637-3081**

Form **990-PF** (2015)

Federal Statements

Statement 1 - Form 990-PF, Part I, Line 6a - Sale of Assets

Description			How Received		Cost	Expense	Depreciation	Net Gain / Loss
Whom Sold	Date Acquired	Date Sold	Sale Price					
DELHAIZE 8100 S	VARIOUS	5/18/15	\$ 188,582	PURCHASE	83,418	\$	\$	105,164
DELHAIZE 17900 S	VARIOUS	5/19/15	417,546	PURCHASE	184,343			233,203
DELHAIZE 474000 S	VARIOUS	5/20/15	11,206,048	PURCHASE	4,881,493			6,324,555
COG STEPS ISSUER BARC	4/10/14	4/24/15	500,000	PURCHASE	500,000			
GE CAPITAL FINANCIAL	11/05/08	11/13/15	97,000	PURCHASE	97,000			
CD GE CAPITAL BANK	11/05/08	11/13/15	25,000	PURCHASE	26,022			-1,022
CD SYNCHRONY BANK	12/29/14	11/13/15	97,000	PURCHASE	97,000			
WINSTON SALEM NC LTD	10/19/12	3/02/15	75,000	PURCHASE	76,488			-1,488
WINSTON SALEM NC WTR	12/05/12	6/01/15	50,000	PURCHASE	51,094			-1,094
ROWAN CNTY NC SCH	5/24/05	5/13/15	5,000	PURCHASE	5,096			-96
AIA LIMITED SPONSORED ADR	10/07/15	10/27/15	868	PURCHASE	825			43
ANGLO AMERN PLC ADR	10/07/15	10/27/15	155	PURCHASE	192			-37
ANGLOGOLD ASHANTI LTD ADR	10/07/15	10/27/15	306	PURCHASE	310			-4
BASF SE SPON ADR	10/07/15	10/27/15	724	PURCHASE	726			-2
BT GROUP PLC ADR	10/07/15	10/27/15	416	PURCHASE	398			18
BAYER A SPON ADR	10/07/15	10/27/15	1,790	PURCHASE	1,812			-22
CSL LIMITED SPON ADR	10/07/15	10/27/15	432	PURCHASE	429			3

Federal Statements

Statement 1 - Form 990-PF, Part I, Line 6a - Sale of Assets (continued)

Whom Sold	Description		Date Acquired	Date Sold	How Received		Cost	Expense	Depreciation	Net Gain / Loss
					Sale Price	PURCHASE				
FRESENIUS MED CARE AG & CO			10/07/15	10/27/15	\$	PURCHASE	806 \$	\$		53
GRUPO AEROPORTUARIO CTR NORTE			10/07/15	10/27/15		PURCHASE	954			20
GRUPO AEROPORTUARION DEL SUREST			10/07/15	10/27/15		PURCHASE	159			-1
HUANENG PWR INTL			10/07/15	10/27/15		PURCHASE	514			-28
ISHARES TR IBOXX INV CP			10/07/15	10/27/15		PURCHASE	7,198			51
ISHARES TR 1-3 YR			10/07/15	10/27/15		PURCHASE	5,574			8
KAO CORPORATION			10/07/15	10/27/15		PURCHASE	555			39
KOREA ELECTRIC PWR			10/07/15	10/27/15		PURCHASE	403			40
PRUDENTIAL PLC ADR			10/07/15	10/27/15		PURCHASE	559			-3
ROYAL DUTCH SHELL PLC			10/07/15	10/27/15		PURCHASE	224			-13
SCHNEIDER ELECTRIC			10/07/15	10/27/15		PURCHASE	357			-4
SMITH & NEPHEW PLC			10/07/15	10/27/15		PURCHASE	1,521			13
UNICHARM CORPORATION			10/07/15	10/27/15		PURCHASE	215			19
VALEO SPONSORED ADR			10/07/15	10/27/15		PURCHASE	436			19
TOTAL					\$ 12,685,555	\$ 6,026,121	\$	0	\$	6,659,434

Federal Statements

56-1658247

FYE: 12/31/2015

Statement 2 - Form 990-PF, Part I, Line 11 - Other Income

Description	Revenue per Books	Net Investment Income	Adjusted Net Income
FROM MERRILL LYNCH	\$ 46,348	\$ 46,348	\$
TOTAL	\$ 46,348	\$ 46,348	\$ 0

Statement 3 - Form 990-PF, Part I, Line 16b - Accounting Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
TAX PREPARATION	\$ 1,205	\$	\$ 1,205	\$
TOTAL	\$ 1,205	\$ 0	\$ 1,205	\$ 0

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

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
FOREIGN TAXES	\$ 45,825	\$ 45,825	\$ 45,825	\$
FOREIGN TAXES - RJ	14	14	14	
FEDERAL INCOME TAXES	10,050	10,050	10,050	
TOTAL	\$ 55,889	\$ 55,889	\$ 55,889	\$ 0

Federal Statements

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

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
EXPENSES	\$	\$	\$	\$
ACCOUNT & BANK FEES	65	65	65	
MANAGEMENT FEE	15,000	15,000	15,000	
ADR FEE	12,037	12,037	12,037	
ACCOUNT FEES - RJ	1,072	1,072	1,072	
TOTAL	\$ 28,174	\$ 28,174	\$ 28,174	\$ 0

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

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
DELHAIZE AMERICA STOCK	\$ 11,347,638	\$ 6,198,384	COST	\$ 14,619,471
COG STEPS ISSUER BARC	500,000	500,000	COST	141,500
RAYMOND JAMES BROKERAGE		488,428	COST	486,410
METLIFE SECURITIES		448,152	COST	438,816
HENION & WALSE BROKERAGE		263,302	COST	247,782
TOTAL	\$ 11,847,638	\$ 7,898,266		\$ 15,933,979

Statement 7 - Form 990-PF, Part II, Line 10c - Corporate Bond Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
AIR LEASE CORP	\$ 249,150	\$ 249,150	COST	\$ 245,625
ARCELORMITTAL	488,165	488,165	COST	399,375
AVON PRODUCTS	260,853	260,853	COST	192,500
CAPE FEAR PUA NC 4.250% 8/1/25	5,391	5,391	COST	5,256
CHARLOTTE MECKLENBURG HSP 4.75 1/15/	5,473	5,473	COST	5,185
CHARLOTTE MECKLENBURG HSP 5.0% 1/15/	5,396	5,396	COST	5,242
CLIFFS NATURAL RESOURCES	487,969	487,969	COST	90,000
GE CAPITAL BANK	26,022		COST	
GE CAPITAL FINANCIAL	97,000		COST	

Federal Statements

Statement 7 - Form 990-PF, Part II, Line 10c - Corporate Bond Investments (continued)

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
GENWORTH FINANCIAL, INC	\$ 569,185	\$ 569,185	COST	\$ 555,750
JOHNSTON NC FIN 4.0% 10/1/18	5,317	5,317	COST	5,122
LLOYDS TSB BANK PLC	500,000	500,000	COST	499,375
NC MPA NO 1 CATAWBA 4.4% 1/1/24	5,606	5,606	COST	5,383
NORTH CAROLINA EASTN MUN PWER 4.5% 1	5,609	5,609	COST	5,356
NORTH CAROLINA MCC 5.0% 11/1/39	5,210	5,210	COST	5,170
ROWAN CNTY NC SCH 4.125% 4/1/20	5,096		COST	
SYNCHRONY BANK	97,000		COST	
UNIVERSITY NC SYS POOL 4.125% 10/1/2	5,565	5,565	COST	5,468
WINSTON SALEM INC 4.125 6/1/24	5,377	5,377	COST	5,212
WINSTON-SALEM NC LTD OBLIG 4.0% 3/1/	76,488		COST	
WINSTON-SALEM NC WTR 4.50 6/1/29	51,094		COST	
SCOTT & STRINFELLOW BONDS	620,742	620,742	MARKET	631,716
TOTAL	\$ 3,577,708	\$ 3,225,008		\$ 2,661,735

Statement 8 - Form 990-PF, Part II, Line 11 - Land, Building, and Equipment Investments

Description	Beginning Net Book	End Cost / Basis	End Accumulated Depreciation	Net FMV
214 BETHEL DRIVE	\$ 310,708	\$ 310,708	\$	\$ 310,708
TOTAL	\$ 310,708	\$ 310,708	0	\$ 310,708

Statement 9 - Form 990-PF, Part II, Line 13 - Other Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
ALLIANZ VISION	\$	\$ 2,000,000	COST	\$ 1,974,579
YADKIN MONTESRRI LOAN		100,000	COST	100,000
TOTAL	\$ 0	\$ 2,100,000		\$ 2,074,579

Federal Statements**Statement 10 - Form 990-PF, Part II, Line 15 - Other Assets**

<u>Description</u>	<u>Beginning of Year</u>	<u>End of Year</u>	<u>Fair Market Value</u>
DUE FROM STOCK SALE	\$ 108,132	\$	\$
TOTAL	\$ 108,132	\$ 0	\$ 0

Statement 11 - Form 990-PF, Part II, Line 22 - Other Liabilities

<u>Description</u>	<u>Beginning of Year</u>	<u>End of Year</u>
PRESENT VALUE GIFT ANNUITIES	\$ 414,929	\$ 414,929
TOTAL	\$ 414,929	\$ 414,929

Federal Statements

Statement 12 - Form 990-PF, Part XV, Line 3a - Grants and Contributions Paid During the
Year

Name		Address		Relationship	Status	Purpose	Amount
CATAWBA COLLEGE		2300 WEST	INNEN STREET				
SALISBURY NC 28144	NONE		PUBLIC CHAR			GENERAL FUND	50,000
FAITHFUL FRIENDS ANIMAL		220 GRACE	CHURCH RD				
SALISBURY NC 28144	NONE		PUBLIC CHARI			GENERAL FUND	1,000
HISTORIC SALISBURY FOUNDATION		215 DEPOT ST					
SALISBURY NC 28144	NONE		PUBLIC CHAR			GENERAL FUND	1,000
HOOD THEOLOGICAL SEMINARY		1810 LUTHERAN	SYNOD DRIVE				
SALISBURY NC 28144	NONE		PUBLIC CHAR			GENERAL FUND	10,000
LIONS PRIDE FOUNDATION		PO BOX 1330					
SALISBURY NC 28144	NONE		PUBLIC CHAR			GENERAL FUND	10,000
LIVINGSTONE COLLEGE		701 WEST MONROE ST					
SALISBURY NC 28144	NONE		PUBLIC CHAR			GENERAL FUND	5,000
LUTHERAN HOME AT TRINITY OAKS		820 KLUMAC ROAD					
SALISBURY NC 28144	NONE		PUBLIC CHAR			GENERAL FUND	300
NORTH AMERICAN LUTHERAN SEMINARY		2299 PALMER DR., SUITE 22					
NEWBRIGHTON MN 55112	NONE		CHURCH			GENERAL FUND	100,000
NORTH HILLS CHRISTIAN SCHOOL		2970 WEST INNEN ST					
SALISBURY NC 28144	NONE		SCHOOL			GENERAL FUND	10,000
ROWAN COUNTY VETERANS HONOR GUARD		PO BOX 923					
SALISBURY NC 28145	NONE		PUBLIC CHARI			GENERAL FUND	500
ROWAN COUNTY MUSEUM		202 NORTH MAIN STREET					
SALISBURY NC 28144	NONE		PUBLIC CHAR			GENERAL FUND	1,000
ROWAN HELPING MINISTRIES		226 NORTH LONG STREET					
SALISBURY NC 28144	NONE		PUBLIC CHAR			GENERAL FUND	10,000
ROWAN PUBLIC LIBRARY		201 WEST FISHER ST					
SALISBURY NC 28144	NONE		PUBLIC CHAR			GENERAL FUND	1,000
RUFTY-HOLMES SR CENTER		1120 S MARTIN LUTHER KING					
SALISBURY NC 28144	NONE		PUBLIC CHARI			GENERAL FUND	10,000
SALISBURY H.S. SCHOOL ALUMNI		500 LINCOLNTON RD					
SALISBURY NC 28144	NONE		PUBLIC CHAR			GENERAL FUND	10,000
SOLA PUBLISHING		PO BOX 521					
MAPLE LAKE MN 55358	NONE		PUBLIC CHART			GENERAL FUND	5,000
ST STEPHENS EPISCOPAL CHURCH		801 11TH AVENUE					
N MYRTLE BEACH SC 29582	NONE		CHURCH			GENERAL FUND	1,000

Federal Statements

Statement 12 - Form 990-PF, Part XV, Line 3a - Grants and Contributions Paid During the
Year (continued)

Name		Address		Relationship	Status	Purpose	Amount
UNC EDUCATIONAL FOUNDATION		CHAPEL HILL NC 27515		NONE		PUBLIC CHAR GENERAL FUND	200,000
WATERWORKS VISUAL ARTS CENTER		SALISBURY NC 28144		NONE		PUBLIC CHAR GENERAL FUND	1,000
TOTAL							426,800