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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

2015

Open to Public Inspection

ENVELOPE POSTMARK DATE JUN 0 _ 2016

MAIL UNIT K.C.S.P.C.

For calendar year 2015 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) ▶ $ 1,565,691

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	4,615	4,615		
	4	Dividends and interest from securities	29,986	29,986		
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10	33,325			
	b	Gross sales price for all assets on line 6a 618,981				
	7	Capital gain net income (from Part IV, line 2)		33,325		
	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	1,450	1,450		
	12	**Total.** Add lines 1 through 11	69,376	69,376	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	82	82		
	18	Taxes (attach schedule) (see instructions) Stmt 3	428	428		
	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	2,510	510	0	0
	25	Contributions, gifts, grants paid	101,000			101,000
	26	**Total expenses and disbursements.** Add lines 24 and 25	103,510	510	0	101,000
	27	Subtract line 26 from line 12:				
	a	**Excess of revenue over expenses and disbursements**	-34,134			
	b	**Net investment income** (if negative, enter -0-)		68,866		
	c	**Adjusted net income** (if negative, enter -0-)			0	

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For Paperwork Reduction Act Notice, see instructions.

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Form **990-PF** (2015)

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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 (a) Book Value	End of year (b) Book Value	(c) Fair Market Value
Assets	1	Cash – non-interest-bearing			
	2	Savings and temporary cash investments	62,492	19,119	19,119
	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	1,500	2,308	2,308
	10a	Investments – U.S. and state government obligations (attach schedule) Stmt 4	113,357	125,263	124,980
	b	Investments – corporate stock (attach schedule) See Stmt 5	1,299,857	1,353,647	1,369,295
	c	Investments – corporate bonds (attach schedule) See Stmt 6	59,565		
	11	Investments – land, buildings, and equipment basis ▶			
		Less accumulated depreciation (attach sch) ▶			
	12	Investments – mortgage loans			
	13	Investments – other (attach schedule) See Statement 7	50,009	50,002	49,989
	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)	1,586,780	1,550,339	1,565,691
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	1,586,780	1,550,339	
	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)	1,586,780	1,550,339	
	31	**Total liabilities and net assets/fund balances** (see instructions)	1,586,780	1,550,339	

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	1,586,780
2	Enter amount from Part I, line 27a	2	-34,134
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	1,552,646
5	Decreases not included in line 2 (itemize) ▶ See Statement 8	5	2,307
6	Total net assets or fund balances at end of year (line 4 minus line 5) – Part II, column (b), line 30	6	1,550,339

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	33,325
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	-4,513

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	59,000	1,668,009	0.035372
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

2	**Total** of line 1, column (d)	2	0.270768
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	0.054154
4	Enter the net value of noncharitable-use assets for 2015 from Part X, line 5	4	1,622,765
5	Multiply line 4 by line 3	5	87,879
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	689
7	Add lines 5 and 6	7	88,568
8	Enter qualifying distributions from Part XII, line 4	8	101,000

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	689
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	689
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	689
6	Credits/Payments				
a	2015 estimated tax payments and 2014 overpayment credited to 2015	6a	2,308		
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	2,308
8	Enter any **penalty** for underpayment of estimated tax Check here ☒ if Form 2220 is attached			8	
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶			9	
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶			10	1,619
11	Enter the amount of line 10 to be **Credited to 2016 estimated tax** ▶ 1,619 **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 2015 or the taxable year beginning in 2015 (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 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?	16		X
	See the instructions for exceptions and filing requirements for FinCEN Form 114 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 2015?	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 2015, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2015?	☐ 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 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	3b		
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		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 ☒ 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	37,682
c	Fair market value of all other assets (see instructions)	1c	1,609,795
d	**Total** (add lines 1a, b, and c)	1d	1,647,477
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	1,647,477
4	Cash deemed held for charitable activities Enter 1½% of line 3 (for greater amount, see instructions)	4	24,712
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4	5	1,622,765
6	**Minimum investment return.** Enter 5% of line 5	6	81,138

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	81,138
2a	Tax on investment income for 2015 from Part VI, line 5 — 2a: 689		
b	Income tax for 2015 (This does not include the tax from Part VI) — 2b:		
c	Add lines 2a and 2b	2c	689
3	Distributable amount before adjustments Subtract line 2c from line 1	3	80,449
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	80,449
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	80,449

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	101,000
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	101,000
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	689
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	100,311

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					80,449
2 Undistributed income, if any, as of the end of 2015:					
a Enter amount for 2014 only					
b Total for prior years 20____ , 20____ , 20____					
3 Excess distributions carryover, if any, to 2015:					
a From 2010	14,181				
b From 2011	19,886				
c From 2012	17,923				
d From 2013	11,553				
e From 2014					
f **Total** of lines 3a through e		63,543			
4 Qualifying distributions for 2015 from Part XII, line 4 ▶ $ 101,000					
a Applied to 2014, 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 2015 distributable amount					80,449
e Remaining amount distributed out of corpus		20,551			
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		84,094			
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					
f Undistributed income for 2015. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2016					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 2010 not applied on line 5 or line 7 (see instructions)		14,181			
9 **Excess distributions carryover to 2016.** Subtract lines 7 and 8 from line 6a		69,913			
10 Analysis of line 9:					
a Excess from 2011	19,886				
b Excess from 2012	17,923				
c Excess from 2013	11,553				
d Excess from 2014					
e Excess from 2015	20,551				

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)

	Tax year	Prior 3 years			
	(a) 2015	(b) 2014	(c) 2013	(d) 2012	(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	10,000
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	5,000
Campbell University P.O. Box 116 Buies Creek NC 27506		University	Medical School	10,000
Salemburg Food Bank 113 N Main St Salemburg NC 28385		501(c)(3)	General Fund	8,000
Town of Salemburg 100 Methodist Dr Salemburg NC 28385		Municipality	General Fund	10,000
Sampson Regional Medical Center 607 Beaman St. Clinton NC 28328		501(c)(3)	General Fund	20,000
Salemburg Elementary School 404 East College St. Salemburg NC 28385		School	General Fund	10,000
Lakewood High School 245 Lakewood School Rd. Saleburg NC 28385		School	General Fund	13,000
Total			▶ 3a	101,000
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 (a) Business code	(b) Amount	Excluded by section 512, 513, or 514 (c) Exclusion code	(d) Amount	(e) Related or exempt function income (See instructions)
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	4,615	
4 Dividends and interest from securities			14	29,986	
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	1,450	
8 Gain or (loss) from sales of assets other than inventory			18	33,325	
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		69,376	0

13 **Total.** Add line 12, columns (b), (d), and (e) 13 69,376

(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 L. Allen | 5/24/16 | 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, PA	05/24/16	
Firm's name ▶ William Temple Allen, CPA, P.A.		PTIN	P01071846
Firm's address ▶ 3620 Cape Center Drive Fayetteville, NC 28304		Firm's EIN ▶	56-1833865
		Phone no	910-323-0191

Form **990-PF**

Capital Gains and Losses for Tax on Investment Income

2015

For calendar year 2015, 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)	3200 Ebay	P	07/14/14	01/13/15
(2)	285 Hollyfrontier Corp	P	04/22/14	01/13/15
(3)	850 ISHS Intl Sel Div	P	07/14/14	01/13/15
(4)	400 Jet Blue	P	01/13/15	10/21/15
(5)	180 Lear Corp	P	10/14/14	07/21/15
(6)	100 Precision Castparts Corp	P	04/23/15	10/21/15
(7)	500 Trinity Industries	P	Various	01/13/15
(8)	100 Abbvie Inc.	P	10/25/11	07/21/15
(9)	30 Aetna	P	07/14/14	07/21/15
(10)	100 Altria Group	P	04/24/08	04/23/15
(11)	400 BCE Inc.	P	07/12/12	04/23/15
(12)	10000 British Tele	P	07/16/12	06/22/15
(13)	585 CSX	P	Various	01/13/15
(14)	200 Caterpillar	P	04/17/13	04/23/15
(15)	20 Celgene	P	07/14/14	07/21/15

	(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)	16,504		15,610	894
(2)	9,241		14,900	-5,659
(3)	28,065		33,935	-5,870
(4)	9,582		6,070	3,512
(5)	17,627		14,735	2,892
(6)	22,829		20,742	2,087
(7)	12,588		14,957	-2,369
(8)	6,907		2,823	4,084
(9)	3,260		2,509	751
(10)	5,070		2,302	2,768
(11)	17,539		16,880	659
(12)	10,000		10,000	
(13)	19,520		15,002	4,518
(14)	17,125		16,516	609
(15)	2,621		1,799	822

	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)				894
(2)				-5,659
(3)				-5,870
(4)				3,512
(5)				2,892
(6)				2,087
(7)				-2,369
(8)				4,084
(9)				751
(10)				2,768
(11)				659
(12)				
(13)				4,518
(14)				609
(15)				822

Form 990-PF Capital Gains and Losses for Tax on Investment Income 2015

For calendar year 2015, 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)	360 Cincinnati Financial Corp	P	01/22/13	01/13/15
(2)	800 Cisco Systems	P	10/18/12	04/23/15
(3)	250 ConocoPhillips	P	01/22/13	10/21/15
(4)	15000 FICO Ser 10	P	07/16/12	06/01/15
(5)	50 Gilead Sciences	P	04/22/14	07/21/15
(6)	300 Hasbro	P	07/12/12	04/23/15
(7)	10000 Hewlett Packard	P	07/16/12	03/16/15
(8)	185 Home Depot	P	04/22/14	04/23/15
(9)	25000 IBRD Bond	P	07/16/12	02/17/15
(10)	100 IBM	P	10/10/13	01/13/15
(11)	4825.90 Loomis Syls Str	P	10/14/14	10/21/15
(12)	435 Omega Healthcare	P	Various	07/21/15
(13)	15000 Refco Strip	P	11/15/12	06/03/15
(14)	285 Targa Resources	P	07/22/13	04/23/15
(15)	25000 TVA Strips	P	04/19/13	06/15/15

	(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)	18,374		15,354	3,020
(2)	22,410		15,153	7,257
(3)	13,155		15,122	-1,967
(4)	15,000		15,000	
(5)	5,754		3,717	2,037
(6)	23,745		10,006	13,739
(7)	10,000		10,000	
(8)	20,608		14,994	5,614
(9)	25,000		24,539	461
(10)	15,641		18,601	-2,960
(11)	73,432		80,006	-6,574
(12)	15,479		14,666	813
(13)	14,918		14,993	-75
(14)	12,705		13,844	-1,139
(15)	25,000		25,000	

	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)				3,020
(2)				7,257
(3)				-1,967
(4)				
(5)				2,037
(6)				13,739
(7)				
(8)				5,614
(9)				461
(10)				-2,960
(11)				-6,574
(12)				813
(13)				-75
(14)				-1,139
(15)				

Form 990-PF Capital Gains and Losses for Tax on Investment Income 2015

For calendar year 2015, 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)	15277.906 Virtus Mult	P	Various	04/23/15
(2)	4700 Western Mngd High Income	P	Various	01/13/15
(3)	100 Hasbro	P	07/12/12	04/23/15
(4)	Ameriprise #9408			
(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)	73,328		74,303	-975
(2)	23,775		28,243	-4,468
(3)	7,039		3,335	3,704
(4)	5,140			5,140
(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)				-975
(2)				-4,468
(3)				3,704
(4)				5,140
(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
	$ 1,450	$ 1,450	$
Total	$ 1,450	$ 1,450	$ 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 I, Line 18 - Taxes

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Foreign Taxes Paid	$ 428	$ 428	$	$
Total	$ 428	$ 428	$ 0	$ 0

Statement 4 - 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 - 15,000 Sh	$ 14,668	$	Cost	$
Tenn Vally Auth - 10,000	9,865	9,965	Cost	9,982
Federal Home Loan Mtg Corp	24,778	25,997	Cost	25,809
Financing Corp FICO Strips	24,332		Cost	
Financing Corp FICO Strips	14,750	14,954	Cost	14,962
Tenn Valley Auth - FICO	24,964		Cost	
Fedl Home Loan Mgt Corp		24,932	Cost	24,948
Financing Corp CPN FICO		49,415	Cost	49,279
Total	$ 113,357	$ 125,263		$ 124,980

Statement 5 - 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	$ 62,709
Principal High Yield - 6518.973 sh	53,213	53,213	Cost	44,133
Virtus Multi - 3518.124 sh	74,532	33,006	Cost	29,834
Aflac Inc - 300 sh	15,305	15,305	Cost	17,970
BCE Inc New - 400 sh	16,880		Cost	
Chevron - 165 Sh	8,819	8,819	Cost	14,843
Cisco Systems Inc - 800 sh	15,153		Cost	
Coca Cola Co - 400 Sh	9,000	9,000	Cost	17,184
Hasbro - 400 sh	13,342		Cost	
Johnson & Johnson - 200 Sh	12,850	12,850	Cost	20,544
McDonalds - 150 shs	6,795	6,795	Cost	17,721
Philip Morris - 200 Sh	8,963	8,963	Cost	17,582
Proctor & Gamble - 200 Sh	9,785	9,785	Cost	15,882
Western Mgd High Income - 4700 Sh	28,243		Cost	
Diamond Hill Small Cap 1,4751.532 sh	42,793	43,388	Cost	40,530
MFS Intl Value 2605.069 shs	76,402	77,955	Cost	81,226
Abbvie - 250 shs	10,739	7,916	Cost	14,810
CSX Corp - 585 shs	15,002		Cost	
Caterpillar - 200 shs	16,516		Cost	
Cincinnati Financial - 360	15,354		Cost	

Federal Statements

Statement 5 - Form 990-PF, Part II, Line 10b - Corporate Stock Investments (continued)

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
Conoco Phillips - 250 shs	$ 15,122	$	Cost	$
IBM - 100 shs	18,601		Cost	
Omega Healthcare - 435 shs	14,971		Cost	
Realty Income - 325 shs	14,972	14,796	Cost	16,780
Southern Co - 325 Sh.	14,075		Cost	
Janus Balanced CL C - 2316.364	66,106	69,040	Cost	66,549
Loomis Sales Inv - 3007.519 Shs	36,006		Cost	
Loomis Sales Inv - 5889.291 Shs	80,006	69,874	Cost	63,251
Oppenheimer Intl Growth - 1792.808 S	65,012	65,012	Cost	61,529
Templeton Global Bond C - 2721..088	36,006	36,006	Cost	31,565
Everest Reinsurance Grp LTD	14,959	14,959	Cost	18,309
Invesco LTD	15,096	15,096	Cost	13,057
Fidelity Advisor Strategic Income	80,006	80,052	Cost	73,955
Aetna Inc - 150 Sh.	15,054	12,545	Cost	16,218
Altria Group - 400Sh.	11,508	9,206	Cost	23,284
Celgene Corp - 150 Sh.	15,291	13,492	Cost	17,964
EMC Corp - 550 Sh.	15,029	15,029	Cost	14,124
Eastman Chemical - 200 Sh.	15,349	15,349	Cost	13,502
Ebay - 300 Sh.	15,610		Cost	
General Electric - 550 Sh.	14,893	14,893	Cost	17,133
Gilead Science - 150 Sh	14,869	11,152	Cost	15,179
Hollyfrontier Corp - 285 Sh.	14,890		Cost	
Home Depot - 185 Sh.	14,994		Cost	
Ishares Intl Select - 850 Sh.	33,935		Cost	
Johnson Controls -300 Sh.	14,658	14,658	Cost	11,847
Kinder Morgan Inc- 435 Sh.	14,918		Cost	
Lear Corp - 180 Sh.	14,735		Cost	
Morgan Stanley - 450 Sh.	15,147	15,147	Cost	14,315
National Grid PLC - 210 Sh.	14,861	14,861	Cost	14,603
Toyota Motor - 125 Sh.	15,096	15,096	Cost	15,380
Trinity Industries - 500 Sh.	14,957		Cost	
Wells Fargo - 300 Sh.	15,029	15,029	Cost	16,308
Western Union - 900 Sh.	14,319	14,319	Cost	16,119
AT&T - 500		17,155	Cost	17,205
Alphabet Inc - 30		15,445	Cost	23,340
Apple, Inc. - 130		15,155	Cost	13,684
Walt Disney Co - 135		15,233	Cost	14,186

Federal Statements

Statement 5 - Form 990-PF, Part II, Line 10b - Corporate Stock Investments (continued)

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
Discover Financial - 235	$	$ 15,087	Cost	$ 12,601
Dominion Resources - 259		18,379	Cost	16,910
GlaxoSmithKline PLC - 400		18,702	Cost	16,140
Ishares IBOXX - 300		36,741	Cost	34,203
Ishares MSCI - 500		33,588	Cost	29,360
Jet Blue - 600		9,105	Cost	13,590
KKR& Co. - 625		14,857	Cost	9,744
Kimberly Clark - 135		15,414	Cost	17,186
Kinder Morgan - 435		14,918	Cost	6,490
Koninkluke Philips - 535		15,007	Cost	13,616
Merck & Co. - 235		15,000	Cost	12,413
Nucor Corp - 400		19,070	Cost	16,120
United Bancshares - 350		15,135	Cost	12,947
V F Corp - 250		18,764	Cost	15,563
Visa Inc - 200		15,397	Cost	15,510
Wisdomtree - 500		43,727	Cost	40,255
Pimco Income - 6,163.074		75,071	Cost	72,293
Total	$ 1,299,857	$ 1,353,647		$ 1,369,295

Statement 6 - 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	$ 10,041	$	Cost	$
Hewlett Packard Co	10,020		Cost	
Resolution FDG Corp	14,965		Cost	
Intl Bank for Recon & Dev Bond CPN	24,539		Cost	
Total	$ 59,565	$ 0		$ 0

Federal Statements

Statement 7 - Form 990-PF, Part II, Line 13 - Other Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
Goldman Sachs CD	$ 10,005	$ 10,001	Cost	$ 9,997
Goldman Sachs CD	40,004	40,001	Cost	39,992
Total	$ 50,009	$ 50,002		$ 49,989

Statement 8 - Form 990-PF, Part III, Line 5 - Other Decreases

Description	Amount
IRS	$ 2,307
Total	$ 2,307

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