

Form **990-PF**

Return of Private Foundation

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

OMB No 1545-0052

2017

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Do not enter social security numbers on this form as it may be made public.
Go to www.irs.gov/Form990PF for instructions and the latest information.

For calendar year 2017 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"/>
G Check all that apply <input type="checkbox"/> Initial return <input type="checkbox"/> Final return <input type="checkbox"/> Address change <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Amended return <input type="checkbox"/> Name change		D 1 Foreign organizations, check here <input type="checkbox"/> 2 Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
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		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col (c), line 16) \$ 34,257,038	J Accounting method <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify)	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

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)	75,000			
	2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	412,297	410,978		
	4 Dividends and interest from securities	449,711	449,711		
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10 STMT 1	812,002			
	b Gross sales price for all assets on line 6a 11,890,953				
	7 Capital gain net income (from Part IV, line 2)		567		
	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 2	13,293		13,293		
12 Total. Add lines 1 through 11	1,762,303	861,256	13,293		
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 3	2,325		2,325	
	c Other professional fees (attach schedule) STMT 4	10,000		10,000	
	17 Interest				
	18 Taxes (attach schedule) (see instructions) STMT 5	69,767	65,539	65,539	
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (all sch) STMT 6	25,238	25,238	25,238	
	24 Total operating and administrative expenses. Add lines 13 through 23	107,330	90,777	103,102	0
	25 Contributions, gifts, grants paid	542,300			542,300
26 Total expenses and disbursements. Add lines 24 and 25	649,630	90,777	103,102	542,300	
27 Subtract line 26 from line 12					
a Excess of revenue over expenses and disbursements	1,112,673				
b Net investment income (if negative, enter -0-)		770,479			
c Adjusted net income (if negative, enter -0-)			0		

For Paperwork Reduction Act Notice, see instructions.

Form **990-PF** (2017)

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9

Form 990-PF (2017) **THE WILSON L. SMITH FAMILY****56-1658247**Page **2****Part II Balance Sheets** Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)

		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash – non-interest-bearing			
	2 Savings and temporary cash investments	9,725,969	12,300,700	12,300,700
	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 7	6,296,661	2,821,768	3,394,323
	c Investments – corporate bonds (attach schedule) SEE STMT 8	6,606,055	13,555,436	13,561,567
	11 Investments – land, buildings, and equipment basis ▶ Less accumulated depreciation (attach sch.) ▶ STMT 9	310,708	310,708	264,112
	12 Investments – mortgage loans			
	13 Investments – other (attach schedule) SEE STATEMENT 10	2,250,013	4,600,000	4,736,336
	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)	25,189,406	33,588,612	34,257,038
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	24,774,477	33,173,683	
	30 Total net assets or fund balances (see instructions)	24,774,477	33,173,683	
	31 Total liabilities and net assets/fund balances (see instructions)	25,189,406	33,588,612	

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	24,774,477
2 Enter amount from Part I, line 27a	2	1,112,673
3 Other increases not included in line 2 (itemize) ▶ SEE STATEMENT 12	3	7,286,533
4 Add lines 1, 2, and 3	4	33,173,683
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	33,173,683

Form **990-PF** (2017)

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (for example, 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	RAYMOND JAMES			
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 567			567
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			567
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	567
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))
2016	3,009,934	34,334,650	0.087665
2015	426,800	34,393,682	0.012409
2014	707,288	22,279,227	0.031747
2013	327,345	19,190,421	0.017058
2012	224,399	5,035,052	0.044567

2 Total of line 1, column (d)	2	0.193446
3 Average distribution ratio for the 5-year base period – divide the total on line 2 by 5 0, or by the number of years the foundation has been in existence if less than 5 years	3	0.038689
4 Enter the net value of noncharitable-use assets for 2017 from Part X, line 5	4	33,288,961
5 Multiply line 4 by line 3	5	1,287,917
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	7,705
7 Add lines 5 and 6	7	1,295,622
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	542,300

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	15,410
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	15,410
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	15,410
6	Credits/Payments		
a	2017 estimated tax payments and 2016 overpayment credited to 2017	6a	3,946
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	3,946
8	Enter any penalty for underpayment of estimated tax. Check here <input checked="" type="checkbox"/> if Form 2220 is attached	8	3
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	11,467
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 2018 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 the 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 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 <i>General Instruction G</i> ? 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 2017 or the taxable year beginning in 2017? 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

11/15 INT

292

FTP

343 TOT

12,102

Form 990-PF (2017)

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		<input checked="" type="checkbox"/>
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		<input checked="" type="checkbox"/>
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► N/A	<input checked="" type="checkbox"/>	
14 The books are in care of ► GARY L DAVIS PO BOX 1307 Located at ► SALISBURY NC ZIP+4 ► 28145 Telephone no ► 704-636-1040		
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		<input type="checkbox"/>
16 At any time during calendar year 2017, 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 ►		<input checked="" type="checkbox"/>

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	1b
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 2017?	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 2017, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2017? 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	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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
b If "Yes," did it have excess business holdings in 2017 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 2017)	N/A	3b
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		<input checked="" type="checkbox"/>
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 2017?		<input checked="" type="checkbox"/>

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** ☐ Yes ☒ No **X**

If "Yes" to 6b, file Form 8870

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☒ 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, and 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 10.00	0	0	0
ANDREW J DAVIS 120 STONEWALL DR SALISBURY NC 28144	DIRECTOR 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

Form 990-PF (2017) **THE WILSON L. SMITH FAMILY****56-1658247**Page **7****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	

Form **990-PF** (2017)

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	23,402,924
b	Average of monthly cash balances	1b	9,826,878
c	Fair market value of all other assets (see instructions)	1c	566,098
d	Total (add lines 1a, b, and c)	1d	33,795,900
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	33,795,900
4	Cash deemed held for charitable activities. Enter 1½% of line 3 (for greater amount, see instructions)	4	506,939
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	33,288,961
6	Minimum investment return. Enter 5% of line 5	6	1,664,448

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	1,664,448
2a	Tax on investment income for 2017 from Part VI, line 5	2a	15,410
b	Income tax for 2017 (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	15,410
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	1,649,038
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	1,649,038
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	1,649,038

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	542,300
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	542,300
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	542,300

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 2016	(c) 2016	(d) 2017
1 Distributable amount for 2017 from Part XI, line 7				1,649,038
2 Undistributed income, if any, as of the end of 2017				
a Enter amount for 2016 only			410,201	
b Total for prior years 20____, 20____, 20____				
3 Excess distributions carryover, if any, to 2017				
a From 2012				
b From 2013				
c From 2014				
d From 2015				
e From 2016				
f Total of lines 3a through e				
4 Qualifying distributions for 2017 from Part XII, line 4 ▶ \$ 542,300				
a Applied to 2016, but not more than line 2a			410,201	
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 2017 distributable amount				132,099
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2017 (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 2016 Subtract line 4a from line 2a Taxable amount – see instructions				
f Undistributed income for 2017 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2018				1,516,939
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 2012 not applied on line 5 or line 7 (see instructions)				
9 Excess distributions carryover to 2018. Subtract lines 7 and 8 from line 6a				
10 Analysis of line 9				
a Excess from 2013				
b Excess from 2014				
c Excess from 2015				
d Excess from 2016				
e Excess from 2017				

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 2017, 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

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., to individuals or organizations under other conditions, complete items 2a, b, c, and d. See instructions.

a The name, address, and telephone number or email 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	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
Name and address (home or business)				
a Paid during the year SEE STATEMENT 13				542,300
Total			▶ 3a	542,300
b Approved for future payment N/A				
Total			▶ 3b	

Enter gross amounts unless otherwise indicated

(See worksheet in line 13 instructions to verify calculations)

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

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)

- 1** Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) (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
- (2) Other assets
- b** Other transactions
- (1) Sales of assets to a noncharitable exempt organization
- (2) Purchases of assets from a noncharitable exempt organization
- (3) Rental of facilities, equipment, or other assets
- (4) Reimbursement arrangements
- (5) Loans or loan guarantees
- (6) Performance of services or membership or fundraising solicitations
- c** Sharing of facilities, equipment, mailing lists, other assets, or paid employees
- 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.

	Yes	No
1a(1)		X
1a(2)		X
1b(1)		X
1b(2)		X
1b(3)		X
1b(4)		X
1b(5)		X
1b(6)		X
1c		X

[illegible]

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) (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

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

11/03/18

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

PTIN	P00013178
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Firm's EIN ▶ 20-0210772

Phone no **704-636-1040**

Federal Statements

11/3/2018 2:08 PM

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					
KONINKLIJKE AHOLD DELHAIZE	4/20/11	11/09/17	\$ 1,991,554	DONATION	1,819,053	\$	\$	172,501
KONINKLIJKE AHOLD DELHAIZE	4/20/11	11/14/17	3,996	DONATION	3,638			358
KONINKLIJKE AHOLD DELHAIZE	4/20/11	11/14/17	59,939	DONATION	54,572			5,367
KONINKLIJKE AHOLD DELHAIZE	4/20/11	11/14/17	39,969	DONATION	36,381			3,588
KONINKLIJKE AHOLD DELHAIZE	4/20/11	11/14/17	47,975	DONATION	43,657			4,318
KONINKLIJKE AHOLD DELHAIZE	4/20/11	11/14/17	1,998	DONATION	1,819			179
KONINKLIJKE AHOLD DELHAIZE	4/20/11	11/14/17	25,973	DONATION	23,647			2,326
KONINKLIJKE AHOLD DELHAIZE	4/20/11	11/14/17	99,898	DONATION	90,953			8,945
KONINKLIJKE AHOLD DELHAIZE	4/20/11	11/14/17	99,898	DONATION	90,953			8,945
KONINKLIJKE AHOLD DELHAIZE	4/20/11	11/14/17	49,986	DONATION	45,476			4,510
KONINKLIJKE AHOLD DELHAIZE	4/20/11	11/14/17	49,961	DONATION	45,476			4,485
KONINKLIJKE AHOLD DELHAIZE	4/20/11	11/14/17	95,950	DONATION	87,315			8,635
KONINKLIJKE AHOLD DELHAIZE	4/20/11	11/14/17	99,893	DONATION	90,953			8,940
KONINKLIJKE AHOLD DELHAIZE	4/20/11	11/14/17	99,898	DONATION	90,953			8,945
KONINKLIJKE AHOLD DELHAIZE	4/20/11	11/14/17	23,987	DONATION	21,829			2,158
KONINKLIJKE AHOLD DELHAIZE	4/20/11	11/14/17	99,897	DONATION	90,953			8,944
KONINKLIJKE AHOLD DELHAIZE	4/20/11	11/14/17	99,898	DONATION	90,952			8,946

Federal Statements

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

Description			How Received		Cost	Expense	Depreciation	Net Gain / Loss
Whom Sold	Date Acquired	Date Sold	Price	Sal				
KONINKLIJKE AHOLD DELHAIZE	4/20/11	11/20/17	\$	DONATION	90,952	\$	\$	9,221
KONINKLIJKE AHOLD DELHAIZE	4/20/11	11/20/17	100,173	DONATION	90,952			9,391
KONINKLIJKE AHOLD DELHAIZE	4/20/11	11/20/17	100,343	DONATION	90,952			9,346
KONINKLIJKE AHOLD DELHAIZE	4/20/11	11/20/17	100,298	DONATION	90,952			9,321
KONINKLIJKE AHOLD DELHAIZE	4/20/11	11/20/17	100,273	DONATION	90,952			9,321
KONINKLIJKE AHOLD DELHAIZE	4/20/11	11/20/17	100,273	DONATION	90,952			9,344
KONINKLIJKE AHOLD DELHAIZE	4/20/11	11/20/17	100,297	DONATION	90,953			9,270
KONINKLIJKE AHOLD DELHAIZE	4/20/11	11/20/17	100,223	DONATION	90,953			9,344
KONINKLIJKE AHOLD DELHAIZE	4/20/11	11/20/17	100,297	DONATION	90,953			9,294
KONINKLIJKE AHOLD DELHAIZE	4/20/11	11/20/17	100,247	DONATION	90,953			9,540
KONINKLIJKE AHOLD DELHAIZE	4/20/11	11/20/17	100,493	DONATION	90,953			3,418
MARATHON OIL CORP NOTES	1/29/16	8/14/17	PURCHASE	51,268	47,850			
E*TRADE FINANCIAL CO CLD	6/01/16	8/25/17	PURCHASE	104,814	104,814			
KONINKLIJKE AHOLD DELHAIZE	4/20/11	11/20/17	490,699	DONATION	473,827			16,872
KONINKLIJKE AHOLD DELHAIZE	4/20/11	11/20/17	1,943,570	DONATION	1,864,529			79,041
KONINKLIJKE AHOLD DELHAIZE	4/20/11	11/20/17	287,719	DONATION	272,858			14,861
KONINKLIJKE AHOLD DELHAIZE	7/28/16	10/17/17	404,118	DONATION	390,223			13,895
LLOYDS TSB BANK PLC CLD	7/12/12	7/19/17	PURCHASE	500,000	500,000			

Federal Statements

11/3/2018 2:08 PM

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

Description		How		Cost	Expense	Depreciation	Net
		Received	Sale				
Whom Sold	Date Acquired	Date Sold	Price				Gain / Loss
WINSTON SALEM SER BO	0606 4.125%		PURCHASE				
	10/02/09	6/01/17	\$ 5,000	\$ 5,000		\$	
CHARLOTTE-MECKLENBURG	HSP 0807 4.750%		PURCHASE				
	7/20/10	1/17/17	5,000	5,000			
JOHNSTON CO NC FIN AGY	1106 4.0%		PURCHASE				
	12/22/06	5/05/17	5,000	5,000			
SPDR GOLD TRUST			PURCHASE				
	11/07/16		349	360			-11
SPDR GOLD TRUST			PURCHASE				
	11/07/16	12/05/17	32	33			-1
CATERPILLAR FNL SVCS			PURCHASE				
	5/24/16	9/01/17	100,000	100,000			
KONINKLIJKE AHOLD DELHAIZE			DONATION				
	4/20/11	11/06/17	187,843	181,905			5,938
KONINKLIJKE AHOLD DELHAIZE			DONATION				
	4/20/11	11/09/17	196,860	180,086			16,774
KONINKLIJKE AHOLD DELHAIZE			DONATION				
	4/20/11	11/09/17	1,987	1,819			168
KONINKLIJKE AHOLD DELHAIZE			DONATION				
	4/20/11	11/09/17	197,448	181,905			15,543
KONINKLIJKE AHOLD DELHAIZE			DONATION				
	4/20/11	11/14/17	198,347	181,905			16,442
KONINKLIJKE AHOLD DELHAIZE			DONATION				
	4/20/11	11/14/17	196,561	180,086			16,475
KONINKLIJKE AHOLD DELHAIZE			DONATION				
	4/20/11	11/14/17	1,985	1,819			166
KONINKLIJKE AHOLD DELHAIZE			DONATION				
	4/20/11	11/16/17	198,091	181,905			16,186
KONINKLIJKE AHOLD DELHAIZE			DONATION				
	4/20/11	11/20/17	1,989	1,819			170
KONINKLIJKE AHOLD DELHAIZE			DONATION				
	4/20/11	11/20/17	195,010	178,267			16,743
KONINKLIJKE AHOLD DELHAIZE			DONATION				
	4/20/11	11/20/17	1,989	1,819			170

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					
KONINKLIJKE AHOLD DELHAIZE		4/20/11	11/27/17	\$ 201,176	DONATION	181,905	\$	\$	19,271
KONINKLIJKE AHOLD DELHAIZE		4/20/11	12/01/17	2,140	DONATION	1,819			321
KONINKLIJKE AHOLD DELHAIZE		4/20/11	12/01/17	211,931	DONATION	180,086			31,845
KONINKLIJKE AHOLD DELHAIZE		4/20/11	12/01/17	2,133	DONATION	1,819			314
KONINKLIJKE AHOLD DELHAIZE		4/20/11	12/01/17	211,139	DONATION	180,086			31,053
ALLTEL CORP SR NT		12/13/16	12/18/17	34,210	PURCHASE	31,999			2,211
KONINKLIJKE AHOLD DELHAIZE		4/20/11	10/23/17	176,190	PURCHASE	167,353			8,837
KONINKLIJKE AHOLD DELHAIZE		4/20/11	11/08/17	1,780,951	PURCHASE	1,651,700			129,251
ALLTEL CORP SR NT		VARIOUS	12/18/17	1,250	PURCHASE	1,250			
TOTAL				\$ 11,890,386		\$ 11,078,951	\$	0	\$ 811,435

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

Description	Revenue per Books		Net Investment Income		Adjusted Net Income	
JACKSON NATIONAL LIFE INSURAN	\$	13,293	\$		\$	13,293
TOTAL	\$	13,293	\$	0	\$	13,293

Federal Statements

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

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
TAX PREPARATION	\$ 2,325	\$	\$ 2,325	\$
TOTAL	\$ 2,325	\$ 0	\$ 2,325	\$ 0

Statement 4 - Form 990-PF, Part I, Line 16c - Other Professional Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
LEGAL FEES	\$ 10,000	\$	\$ 10,000	\$
TOTAL	\$ 10,000	\$ 0	\$ 10,000	\$ 0

Statement 5 - Form 990-PF, Part I, Line 18 - Taxes

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
FOREIGN TAXES	\$ 65,539	\$ 65,539	\$ 65,539	\$
FEDERAL INCOME TAXES	4,228			
TOTAL	\$ 69,767	\$ 65,539	\$ 65,539	\$ 0

Federal Statements

Statement 6 - Form 990-PF, Part I, Line 23 - Other Expenses

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
EXPENSES	\$	\$	\$	\$
ACCOUNT & BANK FEES	38	38	38	
ML ADVISORY FEES	150	150	150	
MANAGEMENT FEE	25,000	25,000	25,000	
MML FEES	50	50	50	
TOTAL	\$ 25,238	\$ 25,238	\$ 25,238	\$ 0

Statement 7 - 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	\$ 6,198,384	\$ 2,723,527	COST	\$ 3,295,403
SPDR GOLD TRUST	98,277	98,241	COST	98,920
TOTAL	\$ 6,296,661	\$ 2,821,768		\$ 3,394,323

Statement 8 - Form 990-PF, Part II, Line 10c - Corporate Bond Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
CIGNA CORPORATION 7.875%	\$ 19,643	\$	COST	\$
VERIZON GLOBAL 7.75%	26,134		COST	
ARCHER DANIELS MIDLAND 7.0%	25,032		COST	
GENERAL ELCT CORP 6.750	25,611		COST	
HSBC HOLDINGS PLC 7.35%	25,342		COST	
V F CORP NOTE CAL 6.0%	11,793		COST	
AMERICA MOVIL SAB CV NOTE 6.375	11,681		COST	
WACHOVIA CORP NEW 5.5%	22,153		COST	
LOWES COS NOTE 5.5%	22,409		COST	
AT&T INC 6.80%	23,258		COST	
POTASH CORP SASK INC 5.75%	22,887		COST	
BURLINGTON NORTHERN 6.15%	24,457		COST	

Federal Statements

11/3/2018 2:08 PM

Statement 8 - Form 990-PF, Part II, Line 10c - Corporate Bond Investments (continued)

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
ESTEE LAUDER COS INC 6.0%	\$ 24,155		COST	\$
NEXEN INC 6.4%	24,060		COST	
PHILIP MORRIS INTL 6.375%	24,272		COST	
CATERPILLAR INC 8.25%	9,085		COST	
AMERADA HESS CORP 7.875%	49,502		COST	
ASSURED GUARANTY US HLGDS 7.0%	28,426		COST	
FORD MOTOR CO. 8.90%	135,444		COST	
MACY'S RETAIL HLDGS 4.5%	43,898		COST	
CATERPILLAR FINL SVCS 5.85%	103,364		COST	
SELECT NOTES TRUST 5.78%	7,666		COST	
SELECT NOTES TRUST 6.30%	12,294		COST	
MARATHON OIL CORP 5.90%	47,380		COST	
MURPHY OIL CORP 4.0%	44,442		COST	
SUNOCO LOGISTICS PARTNER 4.25%	45,505		COST	
MOTOROLA SOLUTIONS INC 4.0%	22,442		COST	
CONOCOPHILLIPS CO 3.35%	8,605		COST	
DILLARDS INC DEB 7.750%	59,630		COST	
FOOD LION INC NOTES 8.05%	42,880		COST	
PSEG POWER LLC 8.625%	53,769		COST	
CABCO-TEXACO CAPITAL	44,655		COST	
SARA LEE CORP 6.125%	56,005		COST	
KOHL'S CORP 6.0%	50,492		COST	
KINDER MORGAN ENER PART 7.30%	53,650		COST	
MOSAIC CO 5.45%	25,005		COST	
ASSURED GUARANTY US HLDG 7.0%	59,868		COST	
BED BATH & BEYOND 4.915%	23,505		COST	
BELLSOUTH CORP 6.0%	81,997		COST	
MACYS RETAL HLDGS 4.50%	46,205		COST	
VIACOM SR UNSEC 4.85%	49,810		COST	
NEWMONT MINING CORP 5.875%	53,133		COST	
DARDEN RESTAURANTS 6.0%	26,819		COST	
VIACOM SR NOTES 6.875%	84,058		COST	
WESTERN UNION CO 6.20%	50,005		COST	
COLORADO INTERSTATE GAS 6.85%	53,662		COST	
FIRSTENERGY SOLUTIONS 6.80%	73,622		COST	
PROTECTIVE LIFE CORP 8.450%	31,259		COST	
HEWLETT-PACKARD CO 6.0%	32,074		COST	

Federal Statements

11/3/2018 2:08 PM

Statement 8 - Form 990-PF, Part II, Line 10c - Corporate Bond Investments (continued)

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
BARRICK GOLD CORP 5.80%	\$ 53,804		COST	\$
SEAGATE HDD CAYMAN 5.750%	20,755		COST	
MOTOROLA SOLUTIONS 6.50%	78,787		COST	
ROYAL & SUN ALLIANCE ISN 8.95%	13,270		COST	
AIG LIFE HLDGS INC 8.5%	46,449		COST	
DELHAIZE AMERINC 9.0%	35,011		COST	
FORD MTR CO DEL 8.90%	69,375		COST	
DUKE CAP CORP 6.750%	116,274		COST	
SOUTHERN NAT GAS 8.0%	32,154		COST	
TENNESSEE GAS PIPELINE 8.375%	64,165		COST	
ALLTEL CORP SR NT 7.875%	32,305		COST	
MEADWESTVACO CORP 6.8%	28,549		COST	
MOSAIC CO FXD RET 5.45%	51,130		COST	
SBC COMMUNICATIONS 6.15%	27,703		COST	
VIACOM INC NEW SR DEB 4.85%	22,882		COST	
XEROX CORP FSC RET 4.80%	22,895		COST	
SELECTIVE INS GROUP 6.70%	17,799		COST	
JEFFERIES GROUP NEW FXD RT 6.25%	26,345		COST	
TIME WARNER COS 8.3%	65,651		COST	
VIACOM INC SR DEB 6.875%	60,041		COST	
AT&T INC FIXED RT 6.80%	61,088		COST	
ONEOK PARTNERS 6.65%	28,195		COST	
ENERGY TRANSFER PARTNERS 6.625%	27,471		COST	
WESTERN UN CO NT 6.20%	26,361		COST	
VALERO ENERGY CORP 6.625%	29,709		COST	
AIR LEASE CORP	99,450	99,450	COST	100,006
AIR LEASE CORP	149,700	149,700	COST	150,009
ARCELORMITTAL	488,165	488,165	COST	527,500
AVON PRODUCTS	260,853	256,797	COST	232,500
CLIFFS NATURAL RESOURCES	32,136	32,063	COST	30,520
CLIFFS NATURAL RESOURCES	97,338	97,338	COST	95,375
CLIFFS NATURAL RESOURCES	358,495	358,495	COST	350,980
E*TRADE FINANCIAL CORP 5.375%	106,600		COST	
GENWORTH FINANCIAL	569,185	569,184	COST	570,000
LLOYDS TSB BANK	500,000		COST	
MURPHY OIL 6.75% 8/15/24	54,250	53,760	COST	53,375
US WEST 6.875% 09/15/33	50,442	50,421	COST	47,933

Federal Statements

11/3/2018 2:08 PM

Statement 8 - Form 990-PF, Part II, Line 10c - Corporate Bond Investments (continued)

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
XEROX CORP 6.7500	\$ 49,996	\$ 49,996	COST	\$ 52,554
NORTH CAROLINA EASTN MUN PWER 4.5% 1	5,609	5,000	COST	5,000
JOHNSTON NC FIN 4.0% 10/1/18	5,317		COST	
UNIVERSITY NC SYS POOL 4.125% 10/1/2	5,565	5,036	COST	5,211
CHARLOTTE MECKLENBURG HSP 4.75 1/15/	5,473	4,620	COST	5,006
NC MPA NO 1 CATAWBA 4.4% 1/1/24	5,607	5,014	COST	5,144
WINSTON SALEM INC 4.125 6/1/24	5,377		COST	
CAPE FEAR PUA NC 4.250% 8/1/25	5,391	5,022	COST	5,079
CHARLOTTE MECKLENBURG HSP 5.0% 1/15/	5,397		COST	
NC MED CARE COMM RETIRE 6.250%	195,340		COST	
NC MED CARE COMM HC FACS 5.0%	200,000		COST	
NC MED CARE COMM RETIRE REV 5.25%	200,000		COST	
SPRINT CORP NOTE 7.875%	49,948		COST	
US STEEL CORP NEW SR NOTE 7.375%	99,210		COST	
JANNEY & MONTGOMERY		981,852	MARKET	981,852
RAYMOND JAMES		321,599	MARKET	321,599
EDWARD JONES		882,958	MARKET	882,958
FSC		6,952,802	MARKET	6,952,802
HENNION & WALSH		2,186,164	MARKET	2,186,164
TOTAL	\$ 6,606,055	\$ 13,555,436		\$ 13,561,567

Statement 9 - 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	\$	\$ 264,112
TOTAL	\$ 310,708	\$ 310,708	\$ 0	\$ 264,112

Federal Statements

Statement 10 - 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	
YADKIN MONTESRRI LOAN	100,000	100,000	COST	100,000
GUGGENHEIM MLP	50,013		COST	
JACKSON NATL ANNUITY	100,000	2,000,000	COST	2,127,586
AXA EQUITY LIFE INSURANCE		500,000	COST	500,000
ATENE NATIONAL LIFE INSURANCE		1,000,000	COST	998,750
AMERICAN NATIONAL LIFE INSURANCE		1,000,000	COST	1,010,000
TOTAL	\$ 2,250,013	\$ 4,600,000		\$ 4,736,336

Federal Statements**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

Statement 12 - Form 990-PF, Part III, Line 3 - Other Increases

<u>Description</u>	<u>Amount</u>
CHAGE IN FMV	\$ 7,286,533
TOTAL	\$ 7,286,533

Federal Statements

Statement 13 - Form 990-PF, Part XV, Line 3a - Grants and Contributions Paid During the
Year

Name		Address			Relationship	Status	Purpose	Amount
Address								
CATAWBA COLLEGE				2300 WEST INNES STREET		PUBLIC CHAR	GENERAL FUND	50,000
SALISBURY NC 28144		NONE		6190 HIGHWAY 52		CHURCH	CAPITAL CAMPAIGN	26,000
CHRISTIANA LUTHERAN CHURCH				175 ST LUKE'S CHURCH RD		SCHOOL	GENERAL FUND	5,000
SALISBURY NC 28146		NONE		220 GRACE CHURCH RD		PUBLIC CHARI	GENERAL FUND	5,000
EAST ROWAN HIGH SCHOOL		NONE		14542 CHOATE CIRCLE		PUBLIC CHAR	GENERAL FUND	100,000
FAITHFUL FRIENDS ANIMAL				215 DEPOT ST		PUBLIC CHAR	GENERAL FUND	1,000
SALISBURY NC 28144		NONE		1810 LUTHERAN SYNOD DRIVE		PUBLIC CHAR	GENERAL FUND	5,000
GORDON-CONWELL THEOLOGICAL SEMINARY				112 WEST INNES ST		PUBLIC CHAR	GENERAL FUND	5,000
CHARLOTTE NC 28273		NONE		701 WEST MONROE ST		PUBLIC CHAR	GENERAL FUND	5,000
HISTORIC SALISBURY FOUNDATION				1416 S MARTIN LUTHER KING		PUBLIC CHAR	GENERALFUND	5,000
SALISBURY NC 28144		NONE		411 S SALISBURY AVENUE		PUBLIC CHAR	GENEARL FUND	200,000
HOOD THEOLOGICAL SEMINARY				2970 WEST INNES ST		PUBLIC CHAR	GENERAL FUND	5,000
SALISBURY NC 28144		NONE		202 NORTH MAIN STREET		SCHOOL	GENERAL FUND	10,000
HUMANE SOCIETY OF ROWAN COUNTY				201 WEST FISHER ST		PUBLIC CHARI	GENERAL FUND	1,300
SALISBURY NC 28144		NONE		500 LINCOLNTON RD		PUBLIC CHAR	GENERAL FUND	1,000
LIVINGSTONE COLLEGE				PO BOX 3000		SCHOOL	CAPITAL PROJECT	110,000
SALISBURY NC 28144		NONE		12675 PHANIELS CHURCH RD		PUBLIC CHARI	DISASTER RELIEF	1,000
LUTHERAN SERVICES OF THE CAROLINAS						PUBLIC CHAR	GENERAL FUND	1,000
SALISBURY NC 28147		NONE				PUBLIC CHAR	GENERAL FUND	1,000
NC TRANSPORTATION MUSEUM						PUBLIC CHAR	GENERAL FUND	1,000
SPENCER NC 28159						PUBLIC CHAR	GENERAL FUND	1,000
NORTH HILLS CHRISTIAN SCHOOL						PUBLIC CHAR	GENERAL FUND	1,000
SALISBURY NC 28144		NONE				PUBLIC CHAR	GENERAL FUND	1,000
ROWAN MUSEUM						PUBLIC CHAR	GENERAL FUND	1,000
SALISBURY NC 28144		NONE				PUBLIC CHAR	GENERAL FUND	1,000
ROWAN PUBLIC LIBRARY						PUBLIC CHAR	GENERAL FUND	1,000
SALISBURY NC 28144		NONE				PUBLIC CHAR	GENERAL FUND	1,000
SALISBURY HIGH SCHOOL BOOSTER CLUB						PUBLIC CHAR	GENERAL FUND	1,000
SALISBURY NC 28144		NONE				PUBLIC CHAR	GENERAL FUND	1,000
SAMARITAN'S PURSE						PUBLIC CHAR	GENERAL FUND	1,000
BOONE NC 28607						PUBLIC CHAR	GENERAL FUND	1,000
SHIELD A BADGE WITH PRAYER						PUBLIC CHAR	GENERAL FUND	1,000
ROCKWELL NC 28138						PUBLIC CHAR	GENERAL FUND	1,000

Federal Statements

Statement 13 - Form 990-PF, Part XV, Line 3a - Grants and Contributions Paid During the
Year (continued)

Name		Address		Relationship		Status	Purpose	Amount
THE BADDOUR CENTER				PO BOX 97		PUBLIC CHAR	GENERAL FUND	5,000
SENATOBIA MS 38668			NONE	123 E LIBERTY ST		PUBLIC CHAR	GENERAL FUND	1,000
WATERWORKS VISUAL ARTS CENTER			NONE	PO BOX 70		PUBLIC CHAR	GENERAL FUND	5,000
SALISBURY NC 28144			NONE					
WEST ROWAN NEIGHBORHOOD CENTER			NONE					
CLEVELAND NC 27013								
TOTAL								542,300