Golden LEAF FOUNDATION

(LONG-TERM ECONOMIC ADVANCEMENT FOUNDATION)

WILLIAM CLARKE
CHAIRMAN OF THE BOARD

DAN GERLACH
PRESIDENT

TO: Joint Legislative Commission on Governmental Operations
c/o Mr. Timothy Dale
Fiscal Research Division
North Carolina General Assembly
Raleigh, NC

FROM: Dan Gerlach
President

DATE: March 1, 2013

RE: Report to Governmental Operations

In accordance with instructions from the Fiscal Research Division, enclosed are the following:

(1) An overview of Foundation Activities
(2) An unaudited statement of the net assets of the Foundation as of December 31, 2012, a statement of activities for the six months ended December 31, 2013, and a preliminary budget for FY 2012-2013
(3) Official audited financial statements for the year ending June 30, 2012
(4) Tax returns for the Fiscal Year ending June 30, 2012

Enclosures as stated:

cc: The Honorable Pat McCrory, Governor of North Carolina
Senator Phil Berger, President Pro Tem, Senate of North Carolina
Representative Thom Tillis, Speaker of the House, N.C. House of Representatives
William Clarke, Chairman of the Board 2013, Golden LEAF Foundation
David Kyger, Smith Moore Leatherwood, LLP

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The Golden L.E.A.F. (Long-Term Economic Advancement Foundation), Inc.

Report to the Joint Legislative Commission on Governmental Operations

March 1, 2013

Golden LEAF FOUNDATION

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Rocky Mount, North Carolina 27804
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BOARD OF DIRECTORS

As of 12/31/12

Overview of Foundation Activities

For the period of January 1, 2012 – December 31, 2012

CY2012 Overview

- Awarded 87 grants totaling $33,838,024.92.*
- Grants were awarded to support a diverse set of projects in programmatic areas including agriculture, workforce training, job creation and retention, rural healthcare, scholarships, and educational initiatives.
- Awarded grants to assist with creating 2,836 jobs that were at risk without Golden LEAF support.
- Funded an Initiative to assist the state with job creation and address the skills gap that companies are struggling to overcome in hiring qualified workers with the technical expertise required in advanced manufacturing. The initiative is targeting more than 3,500 positions identified by industry for placement over 2-3 years, where they are having difficulty finding qualified individuals.
- Continued the Community Assistance Initiative grantsmaking process in Tier 1 counties.
- Ramped up the Golden LEAF Scholars Program for North Carolina public and private universities and colleges and N.C. community colleges providing over 900 scholarships.
- Continued to support the Golden LEAF Rural Broadband Initiative to provide middle-mile, high-speed broadband across 69 rural counties in the state. The initiative is targeted for completion in Spring 2013.

** Grant amounts reported throughout reflect the current award amounts for calendar year 2012 grants as of January 15, 2013, unless otherwise indicated, and do not include grants that have been rescinded prior to release of funds.*

CY2012 Golden LEAF Grants Awarded

Project Area		Number	Amount
Open Grants:	Agriculture	7	$635,258.00
	Community Asst. & Education	10	$1,339,000.00
	Economic Development	11	$1,320,697.00
	Healthcare	5	$759,000.00
	Workforce Preparedness	4	$625,500.00
Scholarships		3	$4,019,997.00
Economic Catalyst		7	$2,742,145.00
Initiatives:	Community Assistance Initiative	22	$12,911,825.92
	Essential Skills in Advanced Manufacturing	10	$5,728,437.00
	Rural Health Care	6	$756,165.00
	Special Programs Initiative	2	$3,000,000.00
Total		**87***	**$33,838,024.92**

** Numbers do not include grants that have been rescinded with no grant funds released*

CY2012 Open Grants Program

- The Open Grants Program, to which applicants can submit letters of inquiry year-round, provides quick turnaround from Golden LEAF staff and Board, and reduces the administrative burden on the applicants.

- In the Open Grants Program, grantsmaking is focused in the areas of Agriculture, Job Creation and Retention and Workforce Preparedness.

- Golden LEAF awarded 37 grants totaling $4,679,455 to organizations in 28 counties.

Examples

- A $200,000 grant to Blue Ridge Community College to assist with the development of a mechatronics AAS degree program. Local employers have indicated that 300 advanced manufacturing jobs will be added in the region by 2013 and many more will be added thereafter. Additional training capacity is needed to prepare workers for these jobs and develop a career pathway for future workers. Blue Ridge Community College will work with public school systems in Transylvania and Henderson counties to bring the mechatronics training to high school students. Golden LEAF funds will be used primarily to purchase equipment which will be used by college and high school students and to renovate training facilities.

- A $200,000 grant to College of the Albemarle to purchase equipment for the Albemarle Regional Aviation and Technical Training Center to be located in a facility at the Currituck County Airport. Currituck County has agreed to provide funds necessary to construct the building and infrastructure necessary for the site. The equipment will enhance student learning as they pursue an FAA-approved aircraft mechanic's certificate or other technical skills such as welding. The College of the Albemarle has identified over 200 job opportunities in the region for students requiring these skills.

- A $75,000 grant to the North Carolina Coastal Land Trust to secure lands surrounding USMCAS Cherry Point and USMC Base Camp Lejeune and avoid incompatible land development. Golden LEAF funds would help close at least two encroachment projects for which capital funds are appropriated from other sources and help initiate three new projects. NCCLT expects that continuation of the Encroachment Partnership will be a key component in the state's preparation for the next Base Realignment and Closing Commission.

- A $200,000 grant to WNC Regional Economic Development Commission (Advantage West Economic Development Group) to assist Advantage West with continued development and promotion of the western North Carolina natural products industry. The collaborative project includes the following organizations: the Bent Creek Institute, the BioNetwork BioBusiness Center and Laboratory, Blue Ridge Food Ventures, NCSU, the NC Natural Products Association, and WCU. Components of the project include: establishing and implementing a Blue Ridge Naturally branding program; providing direct assistance to natural products businesses including marketing, product development, and laboratory analysis; and launching an online marketplace to connect growers, processors, and buyers.

CY2012 Scholarships

- In CY2012 Golden LEAF, awarded 2 grants totaling $2,644,000 to the NC State Education Assistance Authority and the NC Community College System for approximately 900 scholarships.

- Golden LEAF also awarded a $1,375,997 grant to the Center for Creative Leadership for a leadership development program for up to 120 freshmen, 115 sophomore, and 40 junior Golden LEAF scholars who are enrolled in North Carolina colleges and universities. The leadership program includes a summer internship, providing scholars a work experience in a rural community.

- Since inception, Golden LEAF has awarded a total of 35 grants totaling $26,339,882.80 assisting 10,152 students in North Carolina to attend 2- and 4-year NC colleges and universities (as of Summer 2012).

- Scholarships target students who (1) reside in rural NC counties that are tobacco-dependent and/or deemed economically distressed, and (2) who demonstrate financial need. Recipients may attend the participating college or university of their choice in NC.

CY2012 Economic Catalyst Program

- Golden LEAF awarded 7 grants totaling $2,742,145 to nonprofits and governmental entities in 7 counties for job creation and retention projects assisting with the creation of 1,152 jobs in NC over the next few years. These economic development projects were at risk of not locating or expanding in North Carolina but for Golden LEAF funds.

Examples

- A $447,145 grant to Forsyth Technical Community College to renovate facilities and purchase equipment necessary to create an advanced welding training facility. The facility would be used to train welders, including those at 'Project Dogwood' (Deere-Hitachi). Deere-Hitachi is expanding its manufacturing capacity, which will result in the creation of 280 new jobs, including 94 new welders with advanced skills. The new positions will be created by December 31, 2016 and provide average wages of $40,775/year, plus benefits. The renovations and equipment requested by Forsyth Tech will allow it to provide training in heavy plate and carbon arc gouge welding processes. Forsyth Tech has identified several additional companies in the region that may benefit from the new welding training capacity. Without the new equipment and renovation that the grant would provide, Forsyth Tech will not be able to meet the company's training needs and Deere-Hitachi will likely choose to expand elsewhere. A grant from Golden LEAF would help pay for shop renovations and partial equipment costs.

- Other grants to nonprofits and governmental entities supported these job creation projects in CY2012: Woodgrain Millwork, Inc. in Caldwell County, New Belgium Brewing Company in Buncombe County, Sheetz, Inc. in Alamance County, Nussbaum Group in Gaston County, Marco Company in Martin County, KeraNetics, LLC in Rowan County.

CY2012 Community Assistance Initiative

- Launched in 2007, the Community Assistance Initiative is a grants program that targets NC's Tier 1 counties and provides support for projects identified as priorities by county leaders and citizens. Grant awards have typically supported projects focused on economic development, infrastructure, education and workforce training, and health care. There is a reserve of $2 million per county, but grant award amounts may vary.

- In CY 2012, Golden LEAF awarded 22 grants totaling $12,911,825.92 in 7 counties: Alleghany, Beaufort, Bertie, McDowell, Wayne, Wilson, and Yancey.

- Community forums were also conducted in Clay, Duplin, Wilkes, Alexander, Cherokee, Swain, and Chowan counties.

Examples

- A $1,200,000 grant to the Town of Burnsville to install 13,050 LF of 12-inch and 850 LF of 8-inch public water line and associated appurtenances along US Highway 19E and NC Highway 80 into the Micaville community in East Yancey County. The line will originate in Windom, the end point of the first major infrastructure project completed along the 19E corridor in the mid-1980s and will extend to the Micaville Elementary School. This project will complement a $6.3 million project currently underway to construct a complete sewer system and treatment plant to serve the greater Micaville community as well as the current NCDOT widening project of US Highway 19E. This new infrastructure will serve the elementary schools, businesses and churches along the route and will allow Yancey County to market three vacant acreage parcels as industrial sites.

- A $526,095 grant to Wayne County Public Schools to add a STEM learning center in four middle schools in the Wayne County School System (Eastern Wayne Middle School, Rosewood Middle School, Dillard Middle School and Mount Olive Middle School). The project will provide a STEM technology course for middle school students through Career and Technical Education (CTE) and also an additional math module for the middle school at Wayne School of Engineering. The project will position Wayne County middle schools to serve as a pipeline to high school STEM programs at the Wayne School of Engineering as well as Advanced Manufacturing and other technical training programs at Wayne Community College.

CY 2012 Essential Skills in Advanced Manufacturing Workforce Training Initiative

- In CY2012, Golden LEAF awarded 9 grants totaling $5,431,193 for the Essential Skills in Advanced Manufacturing Initiative serving 25 counties across the state and affecting 14 community colleges in rural, economically distressed and/or tobacco-dependent North Carolina communities and targeting more than 3,580 employment opportunities identified by industry over a 2 to 3 year period.
- Funding included a $297,244 grant to North Carolina State University to evaluate the Essential Skills in Advanced Manufacturing Initiative grants.
- The initiative was formed to assist the state with job creation and address the skills gap that companies are struggling to overcome in hiring qualified workers with the technical expertise required in advanced manufacturing. The Initiative focused on supporting access to training for high wage jobs, connecting the state's industries with the skilled workers they need, and upgrading the capacity of the state's training institutions.
- Organizations funded under the Golden LEAF Essential Skills in Advanced Manufacturing Initiative received up to $500,000 for a single institution and up to $1 million for projects with multiple partners.

Examples
Blue Ridge Community College - $485,000 - Computer Integrated Machining labs
Catawba Valley Community College - $470,000 - Mechatronics and automated manufacturing
Forsyth Technical Community College - $825,000 - Computer Integrated Machining*
Gaston Community College - $500,000 - Machining and welding
Mitchell Community College - $418,742 - Mechanical Engineering, automation and welding
Nash Community College - $845,000 – Advanced training for pharmaceutical & transportation manufacturing companies*
Pitt Community College - $900,000 - Mechanical Engineering, Computer Integrated Machining, Solid Works & AutoCAD*
Rockingham Community College - $496,000 - Welding
Rowan-Cabarrus Community College - $491,451 - Computer Integrated Machining

**The projects starred above have more than one college receiving funding.*

CY2012 Rural Hope Initiative

- Rural Hope is a rural health care program designed to enhance access to health care and provide job creation by assisting with the construction and expansion of rural health care facilities. The health care industry represents an economic engine in rural communities as it often is a top employer and plays a part in the ability to recruit citizens and companies into rural areas of the state.

- In CY2012, Golden LEAF Golden LEAF awarded 6 Rural Hope grants totaling $756,165 targeting the creation of 40 jobs in rural and tobacco-dependent communities across North Carolina.

- In this initiative, Golden LEAF collaborated with the NC Rural Center, USDA Rural Development and the Appalachian Regional Commission to increase resources available for rural health care expansion projects. Other key partners include the Kate B. Reynolds Charitable Trust, the North Carolina Office of Rural Health and Community Care, and the North Carolina Health and Wellness Trust Fund.

- During the first three years of Rural Hope funding, Golden LEAF and partnering agencies awarded $12 million to 87 projects across the state, resulting in 1,007 new jobs and leveraging a total of $278 million in private and public funds.

Examples

- Benson Area Medical Center, Inc. – $69,165 – equipment, renovation, and expansion
- Duplin General Hospital – $200,000 – expansion, construction, and equipment
- First Choice Community Health Centers (Harnett County) – $75,000 – construction, renovation and expansion
- Granville Health System – $112,000 – construction, renovation and expansion
- Johnston Memorial Hospital Foundation – $100,000 – construction, expansion and renovation
- Morehead Memorial Hospital (Eden, NC) – $200,000 – equipment

CY2012 Funding Overview

- 229 proposals received
- 89 funded*
- 140 declined*
- 48 pending*
- Maximum Grant – $2,140,000
- Minimum Grant - $13,450
- Median Grant Amount - $200,000

***** Some proposals were received prior to CY2012

Golden LEAF Grants Awarded 2000-2012

Project Area		Number	Amount
Annual/ Open Grants:	Agriculture	222	$30,421,387.27
	Community Asst & Education	117	$26,526,757.66
	Economic Development	107	$16,030,531.17
	Healthcare	51	$12,131,817.21
	Tourism	82	$8,736,289.40
	Workforce Preparedness	93	$15,470,792.59
Scholarships		38	$29,492,484.36
Economic Catalyst		89	$142,123,401.78
Economic Stimulus		17	$6,709,933.79
Site Certification		20	$438,695.21
Strategic Init.:	Aerospace Alliance	6	$10,231,884.27
	AgBiotech Initiative	5	$2,210,000.00
	Biotechnology	9	$67,493,935.25
	Community Assistance Initiative	172	$76,406,641.05
	Financial Markets Access	1	$5,000,000.00
	GLOW	22	$3,003,239.64
	GLOW-AM (Aerospace)	10	$5,071,771.06
	Local Foods Initiative	12	$1,887,039.31
	Essential Skills in Advanced Manufacturing	10	$5,728,437.00
	Rural Broadband Initiative	2	$24,400,000.00
	Rural Health Care	21	$3,198,930.90
	Special Programs Initiative	5	$5,462,000.00
	STEM Initiative	16	$5,884,914.00
	UNC-CH Initiative	25	$4,109,334.15
	Total	**1,152***	**$508,170,217.07**

**Numbers do not include grants that have been rescinded with no grant funds released*

2000-2012 Funding Overview

- 4,450 proposals received
- 1,234* funded
- 3,164 declined
- 52 pending
- Maximum Grant – $100,000,000
- Minimum Grant - $1,000
- Median Grant Amount - $150,000

301 Active Grants/ 933 Closed Grants

* Included in this number are 82 grants that were awarded but were rescinded prior to release of funds

Funds Received by Golden LEAF

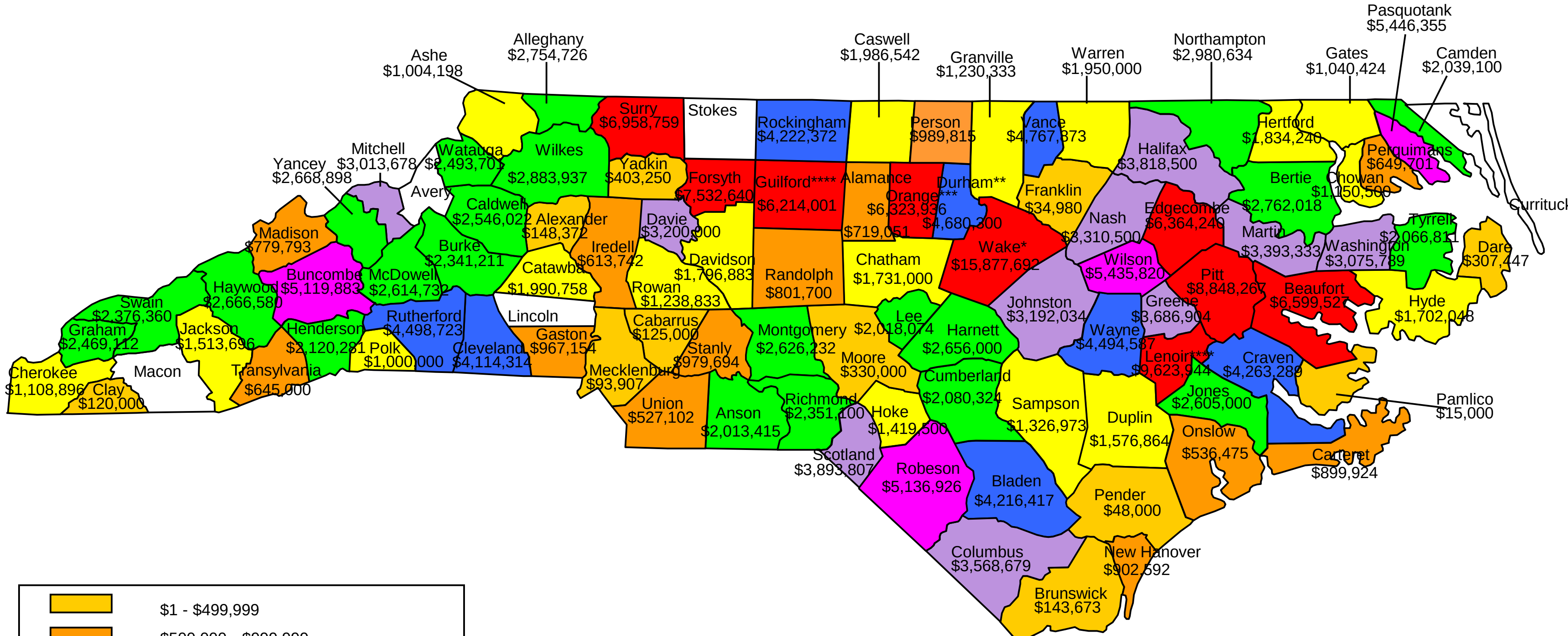
(in millions)	MSA Payments	Investment Income	Total Income
FY 2006	$68	$48	$117
FY 2007	$71	$101	$173
FY 2008	$80	<$17>	$63
FY 2009	$88	<$142>	<$54>
FY 2010	$73	$67	$140
FY 2011	$69	$122	$191
FY 2012	$53**	<$10>	$43**
FY 2013*	$0	$49	$49
Cumulative	$989**	$292	$1,281**

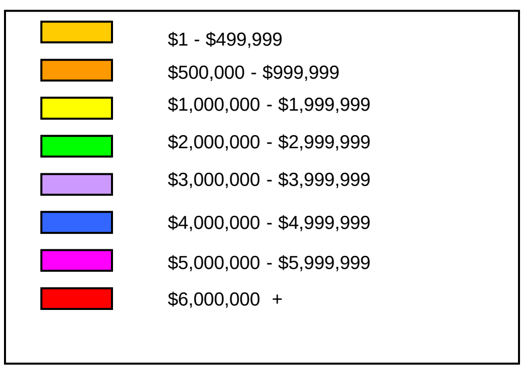
* FY 2013 data reflect activity up to December 31, 2012

** This is the net amount after accounting for the Board's transfer of $17.6 million to the State of North Carolina.

Golden LEAF Grants by County

2000-2012





*Wake County - Does not include $46,294,999 awarded to NCSU and NCCCS for the Biotech Initiative; $10,739,491 awarded to NCCCS and NCICU for scholarships; $3,603,151 awarded to North Carolina state agencies such as the NC Department of Agriculture; $20,770,231 awarded to NCSU for projects throughout the state; or $400,000 awarded to the NC Rural Center (fiscal agent for E-NC Authority) for the GLF Rural Broadband project

**Durham County - Does not include $21,168,441 awarded to NCCU for the Biotech Initiative, $5,000,000 awarded to Self-Help for loan loss prevention, $3,997,246 to NCSEAA for scholarships or $24,000,000 to MCNC for the GLF Rural Broadband project

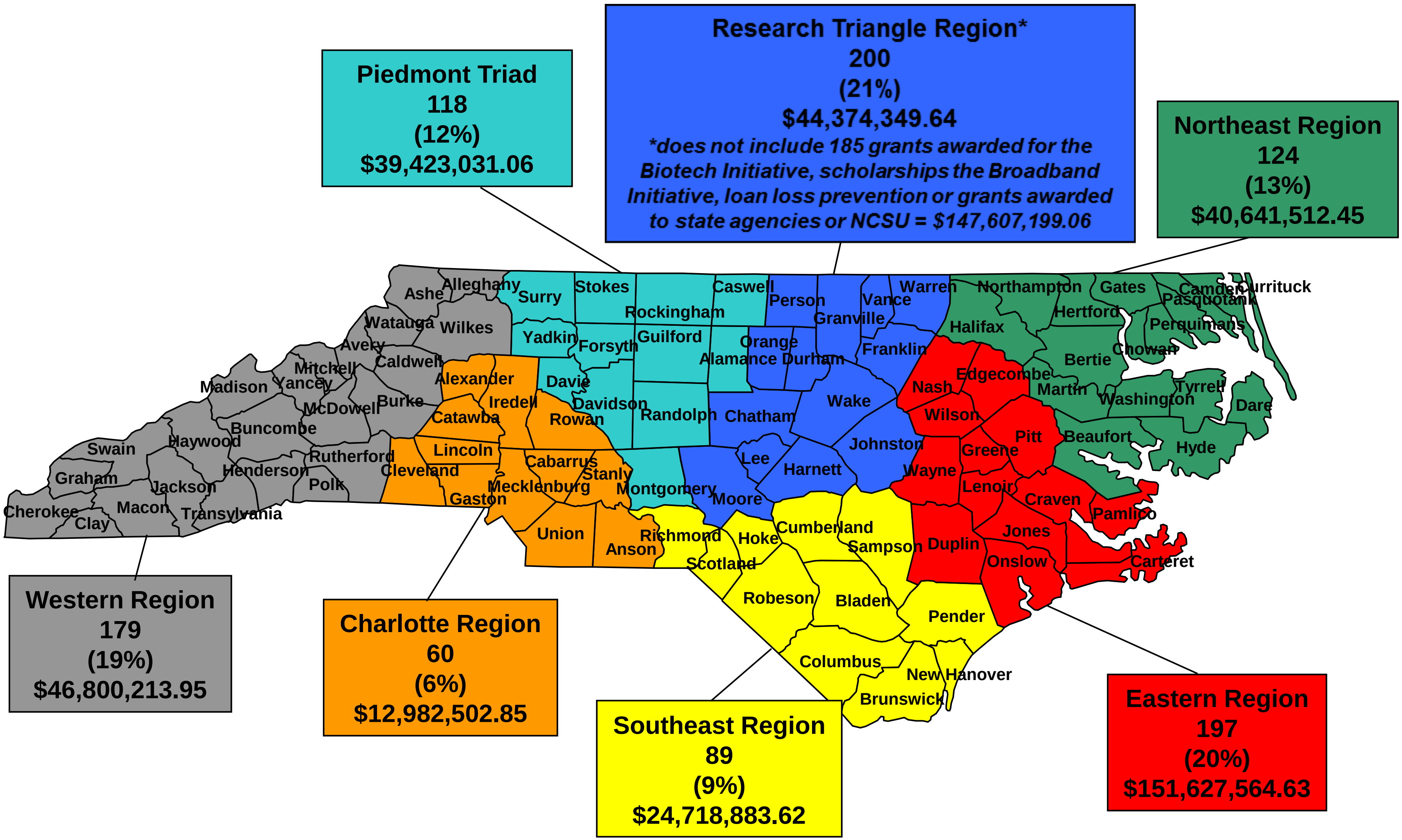
***Orange County - Does not include $11,603,146 awarded to UNC General Administration for scholarships or $30,496 to UNC-GA for the Biotech Initiative

****Lenoir County - Does not include the $100,000,000 grant awarded to the NC Global TransPark Authority for the project “Marco Polo” involving Spirit AeroSystems

*****Guilford County – Does not include $3,152,602 awarded to the Center for Creative Leadership for the GLF Scholars Leadership Program

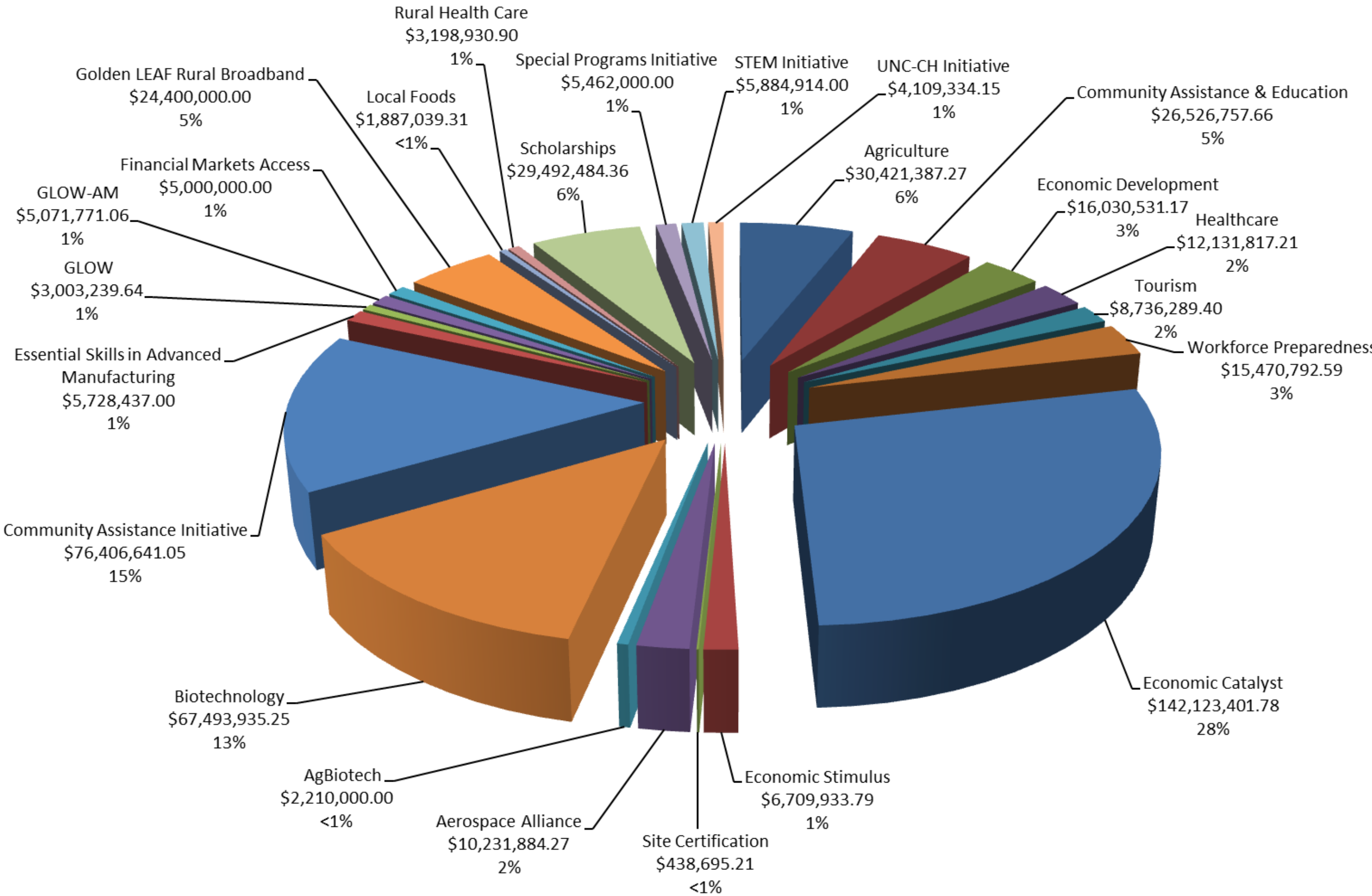
Golden LEAF
Grants Awarded by Region

2000-2012



Golden LEAF Grants by Program Area

2000-2012



Golden LEAF Impact Data

Impact Data as Reported by Grantees	Amount Reported	
	‡CY2012	Cumulative as of 12/31/2012
Jobs Created/Retained	4,357	47,733
People Trained/Worker Skills Upgraded	2,613	51,167
New Payroll	$67,070,416	$292,890,904
New Investments	$153,890,800	$2,899,671,377
Farms Producing New Crops	27	2,769
Farmers Assisted or Trained	1,577	46,138
People served in some way (conferences, meetings, etc.)	27,883	1,126,342

‡Incremental impact for reports reviewed for CY2012

Planned Activities and Goals for 2013

- Promote employment through identifying opportunities to support companies seeking to fill open positions, right now, including support for specialized community college training equipment.

- Provide funding for economic development projects across North Carolina that create jobs or add investment. The demand for these grants is beginning to pick up in early 2013.

- Provide evaluation of community-based grantsmaking to ensure that it’s the highest and best use of this strategy to hit the target of improving human and physical infrastructure.

- Earmark funds to help transform agriculture across the state.

- Continue efforts to address the skills gap through the Essential Skills in Advanced Manufacturing initiative.

- Give support to promising strategies that don’t fit traditional grant categories.

- Remain fully committed to accountability, transparency and building awareness of the Foundation and implement a new grants management system.

Financial Statements

The Golden L.E.A.F., Inc.
Statement of Net Assets
December 31, 2012

Assets		
Cash and cash equivalents	$	697,943
Investments		819,247,191
Prepaid items		51,439
Fixed assets:		
Land		900,256
Land improvements		3,650
Buildings		3,228,319
Construction In Progress		4,225
Equipment		84,467
Furniture and fixtures		147,339
		4,368,256
Accumulated depreciation		(616,040)
		3,752,215
Total assets	$	823,748,787
Liabilities		
Accounts payable and accrued liabilities:		
Accounts payable	$	74,145
Accrued liabilities		28,404
Grants payable		77,615,832
Total liabilities		77,718,381
Net assets		
Invested in capital assets, net of related debt		3,752,215
Unrestricted		742,278,191 *
		746,030,406
Total liabilities and net assets	$	823,748,787

*Note: The Foundation is committed to $64.4 million in future investments via private partnership agreements.

The Golden L.E.A.F., Inc.
Statement of Activities
For the Six Months Ended December 31, 2012

Revenues:	
Proceeds from state settlement	$ -
Investment income	49,303,537
Other income	1,344
Total revenues	49,304,881
Expenses:	
Grant distributions	14,646,567
Administrative costs	1,135,884
Depreciation expense	53,560
Total expenses	15,836,010
Excess of revenues over expenses	33,468,871
Net assets, at beginning of period	712,561,534
Net assets, at end of period	$ 746,030,405

The Golden L.E.A.F., Inc.
Preliminary Administrative Budget
FY2013

Operating Budget

Board of Director Expenses	
Bd of Directors Expenses	$ 14,000
Bd of Directors Per Diem	17,500
Board Meetings	28,000
Total Board of Director Expenses	59,500
Depreciation Expense	105,688
Insurance	
Property	3,844
Directors & Officer's Liability	19,035
Employee Crime	436
Workers Comp Insurance	2,995
Total Insurance	26,310
Miscellaneous and Bank Charges	900
Occupancy Expenses	
Maintenance	19,820
Utilities	34,680
Total Occupancy Expenses	54,500
Office Operations Expenses	
Equipment Rental	844
Office Supplies	17,500
Postage and Freight	6,500
Total Office Operations Expenses	24,844
Personnel Expenses	
Employee Insurance & Benefits	
Dental Insurance	15,600
Disability Insurance	8,772
Life Insurance	4,464
Medical Insurance	169,532
Retirement	128,026
Total Employee Insurance & Benefits	326,394
Salaries	1,280,258
Staff Development	5,000
Taxes-Payroll	91,871
Salary Reserve	
Temporary and Pers. Reserve	34,497
Travel & Meetings	40,000
Total Personnel Expenses	1,778,020

The Golden L.E.A.F., Inc.
Preliminary Administrative Budget
FY2013 (continued)

Professional Fees	
Audit & Tax Return	60,000
Technical Consulting	146,000
Communication Expense	30,000
Dues & Memberships	7,500
Legal Fees	
General Representation	176,008
Special Matters	38,492
Total Legal Fees	214,500
MSA Enforcement Expense	
NC Dept. of Revenue	90,000
NC Dept. of Justice	172,830
Total MSA Enforcement Expense	262,830
Management Consulting	5,000
Payroll Services	1,967
Total Professional Fees	727,797
Program Expenses	
Meetings - Facilities	1,000
Meetings - Meals	500
Total Program Expenses	1,500
Technology	
Installation	1,000
Software	12,000
Maintenance	19,384
Telephone-Long Distance/Local	18,000
Total Technology	50,384
Total Expenditures	**$ 2,829,442**
Capital Budget	
Furniture	$ 2,000
Computers and equipment	4,000
	$ 6,000

Audited Financials

The Golden L.E.A.F.
(Long-term Economic Advancement Foundation), Inc.

Financial Statements and Other Report
Years Ended June 30, 2012 and 2011

BDO

The Golden L.E.A.F.
(Long-term Economic Advancement Foundation), Inc.

Financial Statements and Other Report

Years Ended June 30, 2012 and 2011

The Golden L.E.A.F. (Long-term Economic Advancement Foundation), Inc.

Contents

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Independent Auditors' Report

To the Board of Directors
The Golden L.E.A.F. (Long-term Economic Advancement Foundation), Inc.

We have audited the accompanying financial statements of The Golden L.E.A.F. (Long-term Economic Advancement Foundation), Inc. (the Foundation), a non-profit corporation and component unit of the State of North Carolina as of and for the years ended June 30, 2012 and 2011, which collectively comprise the Foundation's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Foundation, as of June 30, 2012 and 2011, and the changes in financial position for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Governmental Auditing Standards*, we have also issued our report dated September 28, 2012 on our consideration of the Foundation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 9 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

BDO USA, LLP

Certified Public Accountants
September 28, 2012

Our discussion and analysis of The Golden L.E.A.F. (Long-term Economic Advancement Foundation), Inc. (the Foundation) provides an overview of the Foundation's financial activities. Please read it in conjunction with the Foundation's financial statements.

Overview

In 1999, the North Carolina General Assembly created The Golden L.E.A.F. (Long-term Economic Advancement Foundation), Inc. to administer one-half of North Carolina's (the State) share of the Master Settlement Agreement (MSA) with cigarette manufacturers. A nonprofit organization devoted to the economic well-being of North Carolinians, the Foundation endeavors to strengthen the State's economy through diverse grant making.

Financial Highlights

- The total assets of the Foundation remained nearly flat at $797.2 million at June 30, 2012 compared to the prior year.

- The Foundation ended 2012 with investments and cash and cash equivalents totaling $793.3 million, virtually unchanged from 2011 levels.

- The Foundation received $70.5 million in proceeds from the MSA in 2012 compared to $69.1 million in 2011. This was the primary source of revenue for the Foundation during 2012.

- The Foundation's investment portfolio returned a net loss of $9.6 million in 2012 compared to a net gain of $121.9 million in 2011. The Foundation's investment assets returned (0.6%) compared to 19.3% in 2011. The decrease in investment earnings reflects broader market performance and the Foundation's asset allocation. The S&P 500 Index (domestic equities) returned 5.4% in fiscal year 2012 compared with 30.7% in fiscal year 2011. The MSCI EAFE Index (international equities) returned (13.8%) in fiscal year 2012 versus a return of 30.4% in the prior year. Barclays Aggregate Index (fixed income) returned 7.5% in fiscal year 2012 compared with 3.9% in fiscal year 2011 and the HHRI Index (hedge funds) returned (4.4%) in fiscal year 2012 versus 11.5% in fiscal year 2011.

- The Foundation awarded grants of $44.7 million in 2012, a decrease of 9% from 2011 levels due to fewer special initiatives. In addition to $29.7 million in grants awarded through the Foundation's Open Grants Program, Economic Catalyst Cycle, scholarship and other programs, grants were awarded to support the following special initiatives:

  <u>Community Assistance – $13.9 million</u> – Foundation staff and board work directly with the State's most distressed communities to understand community priorities and challenges and assist those communities in establishing a priority list of proposals for funding consideration.

  <u>Rural Healthcare – $1.1 million</u> – The Rural Hope Initiative is designed to enable better health care delivery and job creation by assisting in the construction and expansion of rural health care facilities.

- The Foundation made grant payments of $41.5 million in 2012, putting these dollars to work in tobacco-dependent, economically distressed and/or rural communities in North Carolina. The Foundation made grant payments totaling $35.2 million in fiscal year 2011.

- Administrative costs were $2.3 million in 2012, which were flat to 2011.

Using This Annual Report

This annual report consists of two financial statements. The Statements of Net Assets and Governmental Fund Balance Sheets show the assets, liabilities and fund balance/net assets at June 30, 2012 and 2011. The Statements of Activities and Governmental Fund Revenues, Expenditures, and Changes in Fund Balance show the revenues, expenditures, and changes in fund balance/net assets for the fiscal years ended June 30, 2012 and 2011. The Notes to Financial Statements contain additional information that is essential to a full understanding of the data in the financial statements.

Statements of Net Assets and Governmental Fund Balance Sheets

Condensed Statements of Net Assets and Governmental Fund Balance Sheets:

June 30,	**2012**	2011	2010
Assets			
Current assets	**$ 793,382,903**	$ 793,585,382	$ 639,565,452
Capital assets—nondepreciable	**908,131**	904,481	927,771
Capital assets—depreciable, net	**2,896,429**	2,996,019	3,094,525
Total Assets	**$ 797,187,463**	$ 797,485,882	$ 643,587,748
Total Liabilities	**$ 84,625,928**	$ 92,950,403	$ 84,548,045
Net Assets			
Invested in capital assets, net of debt	**3,804,560**	3,900,500	4,022,296
Unassigned	**708,756,975**	700,634,979	555,017,407
Total Net Assets	**712,561,535**	704,535,479	559,039,703
Total Liabilities and Net Assets	**$ 797,187,463**	$ 797,485,882	$ 643,587,748

2012

Total assets at June 30, 2012 were $797.2 million, a decrease of approximately $300,000 from June 30, 2011. The assets of the Foundation are comprised mainly of investments and cash and cash equivalents. The total of investments, cash and cash equivalents at June 30, 2012 was $793.3 million, compared to $793.5 million at June 30, 2011. This decrease resulted primarily from MSA proceeds net of investment losses, and payments for grants and other expenditures. Net capital assets decreased to $3.8 million at June 30, 2012 from $3.9 million at June 30, 2011, primarily as the result of depreciation (see Note 3 to the financial statements).

The liabilities of the Foundation are comprised primarily of grants payable. Grants payable totaled $84.5 million at June 30, 2012, compared to $92.8 million at June 30, 2011. This decrease resulted primarily from grant awards of $44.7 million in 2012 net of $41.5 million of grant payments. Grant awards totaling $11.9 million were rescinded or returned in 2012.

The Net Assets section of the Statements of Net Assets and Governmental Fund Balance Sheets shows the amount of the assets of the Foundation, less its liabilities. There were no board designations of net assets at the end of 2012.

2011

Total assets at June 30, 2011 were $797.5 million, an increase of $153.9 million from June 30, 2010. The assets of the Foundation are comprised mainly of investments and cash and cash equivalents. The total of investments, cash and cash equivalents at June 30, 2011 was $793.5 million, compared to $639.5 million at June 30, 2010. This increase resulted primarily from MSA proceeds and investment gains net of grant disbursements and administrative expenditures. Net capital assets decreased to $3.9 million at June 30, 2011 from $4.0 million at June 30, 2010, primarily as the result of depreciation (see Note 3 to the financial statements).

The liabilities of the Foundation are comprised primarily of grants payable. Grants payable totaled $92.8 million at June 30, 2011, compared to $84.4 million at June 30, 2010. This increase resulted primarily from grant awards of $49.1 million in 2011 net of $35.2 million of grant payments. Prior year grant awards totaling $6.0 million were rescinded or returned in 2011.

The Net Assets section of the Statements of Net Assets and Governmental Fund Balance Sheets shows the amount of the assets of the Foundation, less its liabilities. There were no board designations of net assets at the end of 2011.

Statements of Activities and Governmental Fund Revenues, Expenditures, and Changes in Fund Balance

Condensed Statements of Activities and Governmental Fund Revenues, Expenditures, and Changes in Fund Balance:

Years ended June 30,	**2012**	2011	2010
Total revenues	**$ 60,850,673**	$ 191,021,837	$ 139,946,963
Total expenses	**52,824,617**	45,526,061	67,795,564
Change in net assets	**8,026,056**	145,495,776	72,151,399
Net assets, beginning of year	**704,535,479**	559,039,703	486,888,304
Net assets, end of year	**$712,561,535**	$ 704,535,479	$ 559,039,703

These statements show the revenues and the expenses of the Foundation for the years ended June 30, 2012, 2011 and 2010, and the corresponding effect on the net assets.

<u>2012</u>

Total revenues (MSA receipts, investment earnings, and other income) were $60.9 million in 2012 and $191.0 million in 2011.

The Foundation received $70.5 million in proceeds from the state settlement (or MSA receipts) in 2012 and $69.1 million in 2011. The calculation of the MSA receipts that are received by the Foundation is affected by, among other things, an inflation adjustment and a volume adjustment. These factors are out of the control of the Foundation. In addition, some participating manufacturers in the MSA withheld a portion of their 2012 payment because they believe they were entitled to a Non-Participating Manufacturer Adjustment as described in Section IX(d) of the MSA. The Foundation's share of the withheld amount is $9.0 million. The matter is currently in arbitration.

The Foundation had net investment losses of $9.6 million in 2012 compared to net investment gains of $121.9 million in 2011.

Total expenses were $52.8 million in 2012 and $45.5 million in 2011.

The largest expenses were grant disbursements. Grant disbursements represent grants awarded net of grants rescinded. Grants were awarded (excluding grants rescinded) in the amount of $44.7 million during 2012 and $49.1 million in 2011.

Other expenses represents a payment to the State of North Carolina in the amount of $17,563,760 in 2012 and $0 in 2011.

Administrative costs were $2.3 million in 2012 and 2011.

Depreciation expense was approximately $107,000 in 2012 and 2011.

2011

Total revenues (MSA receipts, investment earnings, and other income) were $191.0 million in 2011 and $139.9 million in 2010.

The Foundation received $69.1 million in proceeds from the state settlement (or MSA receipts) in 2011 and $73.2 million in 2010. The calculation of the MSA receipts that are received by the Foundation is affected by, among other things, an inflation adjustment and a volume adjustment. These factors are out of the control of the Foundation. In addition, some participating manufacturers in the MSA withheld a portion of their 2011 payment because they believe they were entitled to a Non-Participating Manufacturer Adjustment as described in Section IX(d) of the MSA. The Foundation's share of the withheld amount is $10.4 million. The matter is currently in arbitration.

The Foundation had investment gains and income of $121.9 million in 2011 compared to $66.8 million in 2010.

Total expenses were $45.5 million in 2011 and $67.8 million in 2010.

The largest expenses were grant disbursements. Grant disbursements represent grants awarded net of grants rescinded. Grants were awarded (excluding grants rescinded) in the amount of $49.1 million during 2011 and $71.1 million in 2010.

Administrative costs were $2.3 million in 2011 and 2010.

Depreciation expense was approximately $107,000 in 2011 and 2010.

Notes to Financial Statements

The reader is referred to these notes for a more complete understanding of the financial statements of the Foundation. They contain a summary of the significant accounting policies as well as other information.

Requests for Information

This report is designed to provide a general overview of the Foundation's finances and to show the Foundation's accountability for the funds it receives. Questions concerning any of the information provided in this report or requests for additional information should be addressed to The Golden L.E.A.F. Foundation, 301 N. Winstead Ave., Rocky Mount, NC 27804.

Financial Statements

The Golden L.E.A.F. (Long-term Economic Advancement Foundation), Inc.

Statement of Net Assets and Governmental Fund Balance Sheet

June 30, 2012	General Fund	Reclassifications and Eliminations (Note 5)	Statement of Net Assets
Assets			
Cash and cash equivalents	$ 445,273	$ -	$ 445,273
Sales tax refund and other receivables	1,927	-	1,927
Prepaid items	84,348	-	84,348
Investments	792,851,355	-	792,851,355
Capital assets—nondepreciable	-	908,131	908,131
Capital assets—depreciable, net	-	2,896,429	2,896,429
Total Assets	$ 793,382,903	$ 3,804,560	$ 797,187,463
Liabilities			
Accounts payable	$ 83,881	$ -	$ 83,881
Accrued liabilities	36,490	-	36,490
Grants payable	84,505,557	-	84,505,557
Total Liabilities	84,625,928	-	84,625,928
Fund Balance/Net Assets			
Nonspendable prepaid items	84,348	(84,348)	-
Invested in capital assets	-	3,804,560	3,804,560
Unassigned	708,672,627	84,348	708,756,975
Total Fund Balance/Net Assets	708,756,975	3,804,560	712,561,535
Total Liabilities and Fund Balance/ Net Assets	$ 793,382,903	$ 3,804,560	$ 797,187,463

See accompanying notes to financial statements.

The Golden L.E.A.F. (Long-term Economic Advancement Foundation), Inc.

Statement of Net Assets and Governmental Fund Balance Sheet

June 30, 2011		General Fund		Reclassifications and Eliminations (Note 5)		Statement of Net Assets
Assets						
Cash and cash equivalents	$	492,750	$	-	$	492,750
Sales tax refund and other receivables		1,223		-		1,223
Prepaid items		84,651		-		84,651
Investments		793,006,758		-		793,006,758
Capital assets—nondepreciable		-		904,481		904,481
Capital assets—depreciable, net		-		2,996,019		2,996,019
Total Assets	$	793,585,382	$	3,900,500	$	797,485,882
Liabilities						
Accounts payable	$	111,855	$	-	$	111,855
Accrued liabilities		54,443		-		54,443
Grants payable		92,784,105		-		92,784,105
Total Liabilities		92,950,403		-		92,950,403
Fund Balance/Net Assets						
Nonspendable prepaid items		84,651		(84,651)		-
Invested in capital assets		-		3,900,500		3,900,500
Unassigned		700,550,328		84,651		700,634,979
Total Fund Balance/Net Assets		700,634,979		3,900,500		704,535,479
Total Liabilities and Fund Balances/ Net Assets	$	793,585,382	$	3,900,500	$	797,485,882

See accompanying notes to financial statements.

The Golden L.E.A.F. (Long-term Economic Advancement Foundation), Inc.

Statement of Activities and Governmental Fund Revenues, Expenditures, and Changes in Fund Balance

Year ended June 30, 2012	General Fund	Reclassifications and Eliminations (Note 5)	Statement of Activities
Revenues			
Proceeds from state settlement	$ 70,489,443	$ -	$ 70,489,443
Investment loss, net	(9,645,339)	-	(9,645,339)
Other income	6,569	-	6,569
Total Revenues	60,850,673	-	60,850,673
Expenditures/Expenses			
Grant distributions	32,821,202	-	32,821,202
Administrative costs	2,332,627	-	2,332,627
Capital outlays	11,088	(11,088)	-
Loss on fixed assets	-	74	74
Depreciation expense	-	106,954	106,954
Other expenses	17,563,760	-	17,563,760
Total Expenditures/Expenses	52,728,677	95,940	52,824,617
Excess Revenues Over (Under) Expenditures/Expenses	8,121,996	(95,940)	8,026,056
Change in Fund Balance/Net Assets	8,121,996	(95,940)	8,026,056
Fund Balance/Net Assets, beginning of year	700,634,979	3,900,500	704,535,479
Fund Balance/Net Assets, end of year	$ 708,756,975	$ 3,804,560	$ 712,561,535

See accompanying notes to financial statements.

The Golden L.E.A.F. (Long-term Economic Advancement Foundation), Inc.

Statement of Activities and Governmental Fund Revenues, Expenditures, and Changes in Fund Balance

Year ended June 30, 2011	General Fund	Reclassifications and Eliminations (Note 5)	Statement of Activities
Revenues			
Proceeds from state settlement	$ 69,128,105	$ -	$ 69,128,105
Investment income, net	121,885,046	-	121,885,046
Other income	8,686	-	8,686
Total Revenues	191,021,837	-	191,021,837
Expenditures/Expenses			
Grant distributions	43,092,615	-	43,092,615
Administrative costs	2,323,204	-	2,323,204
Capital outlays	9,408	(9,408)	-
Loss on fixed assets	-	2,976	2,976
Depreciation expense	-	107,266	107,266
Total Expenditures/Expenses	45,425,227	100,834	45,526,061
Excess Revenues Over (Under) Expenditures/Expenses	145,596,610	(100,834)	145,495,776
Other Financing Sources			
Proceeds from sale of fixed assets	20,962	(20,962)	-
Change in Fund Balance/Net Assets	145,617,572	(121,796)	145,495,776
Fund Balance/Net Assets, beginning of year	555,017,407	4,022,296	559,039,703
Fund Balance/Net Assets, end of year	$ 700,634,979	$ 3,900,500	$ 704,535,479

See accompanying notes to financial statements.

1. Summary of Significant Accounting Policies

The following is a summary of the significant accounting principles and policies used in the preparation of these financial statements.

Reporting Entity

The Golden L.E.A.F. (Long-Term Economic Advancement Foundation), Inc. (the Foundation) is a not-for-profit corporation ordered to be established by the consent Decree and Final Judgment in *the State of North Carolina vs. Philip Morris Incorporated, et al.*

The Foundation was established for the purpose of receipt and distribution of fifty percent of the funds allocated to the North Carolina State Specific Account, such funds to be used to provide economic impact assistance to economically affected or tobacco-dependent regions of North Carolina.

For financial reporting purposes, the Foundation is deemed to be a component unit of the State of North Carolina, and is included as such in the State of North Carolina Comprehensive Annual Financial Report.

Basis of Presentation

These financial statements have been prepared in conformity with the accounting principles and reporting guidelines established by the Government Accounting Standards Board (GASB). The Foundation applies all statements issued by the GASB and all Financial Accounting Standards Board (FASB) statements issued on or before November 30, 1989, except those that conflict with the GASB.

General Fund

The general fund is used to account for all revenues and expenses applicable to the general operations of the Foundation that are not required either legally or by governmental accounting standards to be accounted for in another fund.

Basis of Accounting

The Foundation follows the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when they are earned and expenses are recorded when the liability is incurred.

The Foundation's primary source of revenue is the funds received by the State of North Carolina under the settlement of the lawsuit noted above. Revenues are recorded upon receipt of the funds by the State of North Carolina and classified as proceeds from state settlement in the Statement of Activities and Governmental Fund Revenues, Expenditures, and Changes in Fund Balance. Beginning in 2006, some of the participating manufacturers in the Master Settlement Agreement (MSA) have withheld a portion of their payment because they believe they are entitled to a Non-Participating Manufacturer Adjustment as described in Section IX(d) of the MSA. The Foundation's share of the withheld amounts from 2006 through 2012 is approximately $49.8 million. The matter is currently in arbitration.

Budgetary Requirement

The Foundation's enabling legislation requires that the Foundation's Board of Directors consult with the Joint Legislative Commission on Governmental Operations prior to adopting an annual operating budget. As of June 30, 2012, the Foundation's Board of Directors has adopted a preliminary budget only for the general fund on a basis consistent with generally accepted accounting principles, subject to finalization after the Foundation consults with the Joint Legislative Commission on Government Operations. Budgetary control is expected to be at the object of expense classification level (personal services, operating expenditures, capital outlay). Budgetary changes within expense classifications are expected to be made at the discretion of the Foundation.

Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets consist of capital assets, less accumulated depreciation. Net assets are reported as restricted when there are limitations imposed on their use through legislation, legal responsibility or third-party requirement, which restrict the use of funds to a specific purpose. Funds received from the North Carolina State Specific Accounts are unrestricted, but are invested as directed by the Board of Directors, with the income from investment being used for operating expenses and to fund grants.

Fund Balance

Fund balance represents the difference between assets and liabilities in the governmental fund financial statements. The Foundation's fund balance is classified in the following categories:

Nonspendable fund balance represents amounts that cannot be spent due to legal requirements or because it is not in spendable form. The Foundation reports nonspendable fund balance for prepaid expenditures.

Unassigned fund balance is the residual fund balance of the general fund.

Investments

Investments include obligations of governments, long-duration fixed income investments, listed securites such as common stocks, SEC-registered mutual funds, absolute return funds, private equity limited partnerships, real asset limited partnerships, real estate investment trusts, money market funds and certificates of deposit. Investments are accounted for at fair value. Fair value for investment assets with readily determinable market values are based on quoted market prices. For certain international equity funds, absolute return funds, private equity limited partnerships, and real asset limited partnerships without a readily determinable fair value, the investment is reported at estimated fair value as determined by the underlying asset's manager. The investment asset managers estimate current fair value of nonpublicly traded assets in their portfolios taking into consideration the financial performance of the issuer, cash flow analysis, recent sales prices, market comparable transactions, a new round of financing, a change in economic conditions and other pertinent information. The Foundation reviews the values provided by the asset managers as well as the assumptions used in determining fair value. These investment values may differ from the values that would have been used had a ready market for these investments existed and differences could be material. The financial statements of these investments are audited at least annually (typically at December 31) by independent auditors. At June 30, 2012, fair value of investments based on other than quoted market prices was $433.9 million.

Realized investment gains and losses are determined using the specific identification basis and are recorded as investment income in the Statement of Activities and Governmental Fund Revenues, Expenditures, and Changes in Fund Balance. Changes in net unrealized gains and losses are also recognized as a component of investment income.

Capital Assets

Generally, capital assets are defined by the Foundation as assets with an initial value or cost greater than or equal to $500 and an estimated useful life of two or more years. Capital assets are stated at cost less accumulated depreciation. Estimated useful lives are five years for equipment, seven years for furniture and fixtures and ten to forty years for buildings.

Prepaid Insurance

The Foundation allocates the cost of insurance between the related accounting periods. Amounts paid for services not yet provided are recorded as prepaid and amortized over the service period.

Grants Payable

The Foundation records grants payable when the Board of Directors approves the grant. The Programs Committee (a subset of the Board of Directors) evaluates the grant applications and makes recommendations to the entire Board of Directors. Applicants that are chosen by the Board of Directors must fill out and sign a "Grantee Acknowledgement and Agreement" which stipulates guidelines and related requirements. Several requirements must be met by the grantees prior to the disbursement of funds.

Income Taxes

The Foundation is a not-for-profit organization that is exempt from federal income taxes under Section 501(a) as an organization described in Section 501(c)(3) of the Internal Revenue Code.

New Accounting Pronouncements

In December 2010, the GASB issued GASB 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements ("GASB 62"). The objective of this GASB 62 is to incorporate into the GASB's authoritative literature certain accounting and financial reporting guidance that is included in the following pronouncements issued on or before November 30, 1989, which does not conflict with or contradict GASB pronouncements:

1. Financial Accounting Standards Board (FASB) Statements and Interpretations
2. Accounting Principles Board Opinions
3. Accounting Research Bulletins of the American Institute of Certified Public Accountants' (AICPA) Committee on Accounting Procedure.

GASB 62 also supersedes Statement No. 20, Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting, thereby eliminating the election provided in paragraph 7 of that Statement for enterprise funds and business-type activities to apply post-November 30, 1989 FASB Statements and Interpretations that do not conflict with or contradict GASB pronouncements. However, those entities can continue to apply, as other accounting literature, post-November 30, 1989 FASB pronouncements that do not conflict with or contradict GASB pronouncements, including this Statement.

GASB 62 is effective for financial statements for periods beginning after December 15, 2011. Earlier application is encouraged and the provisions of GASB 62 are required to be applied retroactively for all periods presented. The Foundation plans to adopt GASB 62 during fiscal year 2013.

2. Cash and Investments

The Foundation considers highly liquid temporary cash investments with a maturity of three months or less when purchased to be cash equivalents. However, cash investments with a maturity of three months or less that were purchased with the intent to be maintained as an investment are classified as investments.

According to the Foundation's investment policy adopted by the Board of Directors, the Foundation may invest in any of the following broad asset classes: domestic equities; real estate; mutual funds; foreign equities; fixed income securities; cash equivalents; and alternatives.

The Foundation maintained no direct investments in derivatives at June 30, 2012 and 2011.

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The Foundation has no policy that contains requirements that would limit the exposure to custodial credit risk for deposits. At June 30, 2012, the carrying amount of the Foundation's deposits was $445,273 and the bank balance, excluding in-transit items, was $826,396. Of the bank balance, $542,989 was covered by Federal Depository Insurance and $283,407 was uninsured and uncollateralized.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Foundation monitors the interest rate risk inherent in its portfolio by measuring the effective duration of its portfolio. The Foundation has no specific limitations with respect to duration. At June 30, 2012, the Foundation had investments in U.S. Treasuries with an average duration of 5.68 years and fair value of $48.1 million and investments in two fixed income security funds with an average duration of 2.48 years and fair value of $50.8 million. The Foundation also had an investment in a money market fund with a fair value of $35.7 million at June 30, 2012, and duration of 0.08 years.

Credit risk is the risk that an issuer of an investment will not fulfill its obligations. Credit risk is measured by the assignment of a rating by a nationally recognized statistical rating organization. The Foundation's investment policy has no specific limitations with respect to credit quality, but provides that approximately 50% of the fixed income allocation will be allocated to U.S. Treasury strategies. At June 30, 2012, the Foundation had investments in two unrated fixed income funds with fair value of $50.8 million.

At June 30, 2012, the Foundation had an investment in a money market fund rated AAA with fair value of $35.7 million.

For an investment, the custodial risk is the risk that in the event of the failure of the counterparty, the Foundation will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Foundation has no written policy on custodial credit risk; however, based on the nature of the investments the Foundation currently holds, management does not consider custodial risk to be significant.

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. The Foundation's investment policy does not limit the amount invested in foreign currency-denominated investments.

The Foundation's investments are summarized below:

June 30,	**2012**	**%**	2011	%
U.S. Treasuries	**$ 48,149,106**	**6.07**	$ 50,936,529	6.42
Fixed income funds	**50,837,087**	**6.41**	58,697,722	7.40
Domestic stocks and equity funds	**153,157,979**	**19.32**	176,151,906	22.21
International stocks and equity funds	**173,681,418**	**21.91**	190,995,029	24.09
Absolute return funds	**144,954,014**	**18.28**	146,517,395	18.48
Private equity limited partnerships	**85,523,740**	**10.79**	86,067,840	10.85
Real estate and other real asset funds	**100,756,979**	**12.71**	72,352,412	9.13
Money market funds	**35,691,032**	**4.50**	11,187,925	1.41
Certificates of deposit	**100,000**	**.01**	100,000	0.01
Total Investments	**$ 792,851,355**	**100.00**	$ 793,006,758	100.00

The following summarizes the investment return and its classification in the Statements of Activities and Governmental Fund Revenues, Expenditures, and Changes in Fund Balance:

June 30,	**2012**	2011
Dividends and interest	**$ 8,888,370**	$ 8,247,547
Net realized gains	**14,951,087**	25,385,593
Net unrealized (losses) gains	**(31,010,685)**	90,514,387
Management fees	**(2,474,111)**	(2,262,481)
Total investment (losses) income	**$ (9,645,339)**	$ 121,885,046

The calculation of realized gains and losses is independent of a calculation of the net change in the fair value of investments. Realized gains and losses on investments that have been held in more than one fiscal year and sold in the current year were included as a change in the fair value of investments reported in the prior years and current year.

3. Capital Assets

A summary of the activity related to the capital assets follows:

	Balance June 30, 2011	Additions	Disposals	Balance June 30, 2012
Capital assets—nondepreciable:				
Land	$ 900,256	$ -	$ -	$ 900,256
Land improvements	-	3,650	-	3,650
Construction in progress	4,225	-	-	4,225
Total capital assets—nondepreciable	904,481	3,650	-	908,131
Capital assets—depreciable:				
Buildings	3,228,319	-	-	3,228,319
Equipment	111,025	7,438	(2,421)	116,042
Furniture and fixtures	114,549	-	-	114,549
Total capital assets—depreciable	$ 3,453,893	$ 7,438	$ (2,421)	$ 3,458,910
Less accumulated depreciation for:				
Buildings	(294,895)	(82,890)	-	(377,785)
Equipment	(79,536)	(13,125)	2,347	(90,314)
Furniture and fixtures	(83,443)	(10,939)	-	(94,382)
Total accumulated depreciation	$ (457,874)	$ (106,954)	$ 2,347	$ (562,481)
Total capital assets—depreciable, net	2,996,019	(99,516)	(74)	2,896,429
Total capital assets, net	$ 3,900,500	$ (95,866)	$ (74)	$ 3,804,560

	Balance June 30, 2010	Additions	Disposals	Balance June 30, 2011
Capital assets—nondepreciable:				
Land	$ 923,546	$ –	$ (23,290)	$ 900,256
Construction in progress	4,225	–	–	4,225
Total capital assets—nondepreciable	927,771	–	(23,290)	904,481
Capital assets—depreciable:				
Buildings	3,228,319	–	–	3,228,319
Equipment	107,722	9,408	(6,105)	111,025
Furniture and fixtures	114,549	–	–	114,549
Total capital assets—depreciable	$ 3,450,590	$ 9,408	$ (6,105)	$ 3,453,893
Less accumulated depreciation for:				
Buildings	(212,004)	(82,891)	–	(294,895)
Equipment	(71,974)	(13,019)	5,457	(79,536)
Furniture and fixtures	(72,087)	(11,356)	–	(83,443)
Total accumulated depreciation	$ (356,065)	$ (107,266)	$ 5,457	$ (457,874)
Total capital assets—depreciable, net	3,094,525	(97,858)	(648)	2,996,019
Total capital assets, net	$ 4,022,296	$ (97,858)	$ (23,938)	$ 3,900,500

4. Tobacco Settlement and Other Expenses

In November 1998, the Attorneys General of 46 states, five U.S. territories and the District of Columbia (the States) signed the Master Settlement Agreement (MSA) with the nation's largest tobacco manufacturers. Under the MSA, the participating tobacco manufacturers must provide payment to the States. The base payments to the States are estimated to total $206 billion through 2025. The State of North Carolina's share of the base payment is estimated to be $4.57 billion, of which the Foundation is expected to receive 50 percent. The Foundation has received $1.01 billion since its inception.

While the State of North Carolina's share of the base payments will not change over time, the amount of the annual payment is subject to a number of adjustments including, among others, inflation, and volume adjustments. These adjustments may increase or decrease the base payment. Therefore, the net effect of these adjustments is uncertain and the impact on the estimated future payments cannot be determined. Any changes in the base payments will impact the amount received by the Foundation. As a result of the uncertainty of payment and amount of these funds, no receivable has been recorded for the Foundation's share of the State of North Carolina's future payments under the MSA.

In June 2011, the North Carolina General Assembly enacted legislation that purports to transfer to the General Fund of the State of North Carolina $17,563,760 from the annual payment of MSA funds to the Foundation for each of the fiscal years 2012 and 2013. In July 2012, The North Carolina General Assembly amended the amount of the purported 2013 transfer from $17,563,760 to $24,313,760. The North Carolina General Assembly also enacted legislation in June 2011 that provides that any monies paid into the North Carolina State Specific Account from the Disputed Payments Account on account of the Non-Participating Manufacturers that would have been transferred to the Foundation shall be deposited in a Settlement Reserve Fund of the State of North Carolina. The Foundation is currently reviewing the legislation and the potential effect of the legislation on revenues of the Foundation. In fiscal year 2012, the Foundation received 50 percent of North Carolina's share of the annual MSA payment. The Board of Directors of the Foundation approved a payment to the State of North Carolina in the amount of $17,563,760.

5. Explanations of Differences Between the Governmental Fund Balance Sheet and the Statement of Net Assets

Total fund balances differ from net assets of the Foundation reported in the Statement of Net Assets. This difference primarily results from the long-term economic focus of the Statement of Net Assets versus the current financial resources focus on the Foundation's fund balance sheets. The provisions of Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments,* imposed the following difference.

(a) When capital assets (equipment, furniture and fixtures) that are to be used in Foundation activities are purchased, the costs of those assets are reported as expenditures in general funds. However, the Statement of Net Assets includes those capital assets among the assets of the Foundation. The Foundation does not record depreciation so this expense is included as a reconciling item on the Statement of Activities and Governmental Fund Revenue, Expenditures, and Changes in Fund Balance.

6. Commitments

The Foundation has committed to invest in several private equity funds.

7. Retirement Plans

The Foundation administers a 403(b) defined contribution plan that provides retirement benefits with options for payment to beneficiaries in the event of the participant's death. All employees of the Foundation are eligible to participate in the plan. The plan requires the Foundation to contribute 10% of participants' gross salary and permits participants to contribute a percentage of gross salary up to the maximum established by the Internal Revenue Code.

Prior to January 1, 2012, the Foundation separately administered the Defined Contribution Plan and the Tax-Deferred Annuity Plan. On January 1, 2012, the Foundation merged the Tax-Deferred Annuity Plan into the Defined Contribution Plan. There were no changes to participants' benefits as a result of the merger.

The Foundation contributed approximately $123,000 and $114,000 to the plan during the fiscal years ended June 30, 2012 and 2011, respectively. Participants contributed approximately $33,000 and $17,000 to the plan during the fiscal years ended June 30, 2012 and 2011, respectively.

Plan benefits are provided by means of contracts issued and administered by the privately operated Teachers' Insurance and Annuity Association and the College Retirement Equities Fund (TIAA-CREF) or by means of contracts issued by Vanguard, an investment management company.

8. Deferred Compensation Plan

The Foundation administers The Golden L.E.A.F., Inc. 457(b) Plan as approved by the Board of Directors. The plan is a non-qualified deferred compensation plan for the benefit of highly compensated, key employees designated by the Board of Directors. The Plan allows for discretionary contributions by the Foundation as well as employee deferrals up to the maximum established by the Internal Revenue Code. The Foundation contributed approximately $270 and $2,000 to the Plan during the years ended June 30, 2012 and 2011, respectively.

9. Risk Management

The Foundation is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors or omissions; illnesses or injuries to employees and natural disasters. The Foundation carries commercial insurance to cover these risks of loss. Claims on this coverage have historically not exceeded commercial premiums.

10. Subsequent Events

The Foundation has evaluated subsequent events from the date of the financial statements through September 28, 2012. During this period, no material recognizable subsequent events were identified.

Other Report

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5430 Wade Park Boulevard
Suite 208
Raleigh, NC 27607

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

To the Board of Directors
The Golden L.E.A.F. (Long-term Economic Advancement Foundation), Inc.

We have audited the Statement of Net Assets and Governmental Fund Balance Sheet and Statement of Activities and Governmental Fund Revenues, Expenditures, and Changes in Fund Balance of The Golden L.E.A.F. (Long-term Economic Advancement Foundation), Inc. (the "Foundation"), a non-profit corporation and component unit of the State of North Carolina as of and for the year ended June 30, 2012, and have issued our report thereon dated September 30, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

Management of the Foundation is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the Foundation's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Foundation's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Foundation's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Foundation's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management, the Board of Directors, the Office of the State Controller, and the State of North Carolina and is not intended to be and should not be used by anyone other than these specified parties.

BDO USA, LLP

Certified Public Accountants
September 28, 2012

Tax Returns

** PUBLIC DISCLOSURE COPY **

Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

OMB No. 1545-0047

2011

Open to Public Inspection

A For the 2011 calendar year, or tax year beginning JUL 1, 2011 **and ending** JUN 30, 2012

B Check if applicable: ☐ Address change ☐ Name change ☐ Initial return ☐ Terminated ☐ Amended return ☐ Application pending	**C** Name of organization: THE GOLDEN L.E.A.F., INC. Doing Business As Number and street (or P.O. box if mail is not delivered to street address): 301 N. WINSTEAD AVE — Room/suite City or town, state or country, and ZIP + 4: ROCKY MOUNT, NC 27804	**D Employer identification number** 52-2204473 **E** Telephone number 252-442-7474 **G** Gross receipts $ 300,495,700.
	F Name and address of principal officer: DANIEL J. GERLACH SAME AS C ABOVE	**H(a)** Is this a group return for affiliates? ☐ Yes ☒ No **H(b)** Are all affiliates included? ☐ Yes ☐ No If "No," attach a list. (see instructions)

I Tax-exempt status: ☒ 501(c)(3) ☐ 501(c) ( ) ◀ (insert no.) ☐ 4947(a)(1) or ☐ 527

J Website: ▶ WWW.GOLDENLEAF.ORG

H(c) Group exemption number ▶

K Form of organization: ☒ Corporation ☐ Trust ☐ Association ☐ Other ▶ **L** Year of formation: 1999 **M** State of legal domicile: NC

Part I Summary

Activities & Governance

1 Briefly describe the organization's mission or most significant activities: SEE PART III, LINE 1

2 Check this box ▶ ☐ if the organization discontinued its operations or disposed of more than 25% of its net assets.

3	Number of voting members of the governing body (Part VI, line 1a)	3	15
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	15
5	Total number of individuals employed in calendar year 2011 (Part V, line 2a)	5	14
6	Total number of volunteers (estimate if necessary)	6	0
7 a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	-1,083,463.
b	Net unrelated business taxable income from Form 990-T, line 34	7b	-1,083,463.

			Prior Year	Current Year
Revenue	8	Contributions and grants (Part VIII, line 1h)	69,128,105.	70,489,443.
	9	Program service revenue (Part VIII, line 2g)	0.	0.
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	33,741,594.	22,755,994.
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	8,686.	6,569.
	12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	102,878,385.	93,252,006.
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	43,092,615.	44,742,093.
	14	Benefits paid to or for members (Part IX, column (A), line 4)	0.	0.
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	1,559,635.	1,600,924.
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	0.	0.
	b	Total fundraising expenses (Part IX, column (D), line 25) ▶ 0.		
	17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	3,035,458.	20,780,662.
	18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	47,687,708.	67,123,679.
	19	Revenue less expenses. Subtract line 18 from line 12	55,190,677.	26,128,327.
			Beginning of Current Year	**End of Year**
Net Assets or Fund Balances	20	Total assets (Part X, line 16)	793,585,382.	793,382,903.
	21	Total liabilities (Part X, line 26)	92,950,403.	84,625,928.
	22	Net assets or fund balances. Subtract line 21 from line 20	700,634,979.	708,756,975.

Part II Signature Block

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 officer) is based on all information of which preparer has any knowledge.

Sign Here

▶ Signature of officer — Date

▶ DANIEL J. GERLACH, PRESIDENT
Type or print name and title

Paid Preparer Use Only	Print/Type preparer's name: MICHAEL SORRELLS, CPA	Preparer's signature	Date	Check ☐ if self-employed	PTIN P00001737
	Firm's name ▶ BDO USA, LLP			Firm's EIN ▶ 13-5381590	
	Firm's address ▶ 7101 WISCONSIN AVE., SUITE 800 BETHESDA, MD 20814-4827			Phone no. (301)654-4900	

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

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III [X]

1 Briefly describe the organization's mission:

GOLDEN LEAF'S MISSION IS TO PROMOTE THE SOCIAL WELFARE OF NORTH CAROLINA'S CITIZENS AND TO RECEIVE AND DISTRIBUTE FUNDS FOR ECONOMIC IMPACT ASSISTANCE TO ECONOMICALLY AFFECTED OR TOBACCO-DEPENDENT REGIONS OF NORTH CAROLINA.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? [ ] Yes [X] No

If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? [ ] Yes [X] No

If "Yes," describe these changes on Schedule O.

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses $ 45,790,656. including grants of $ 44,742,093.) (Revenue $)

THE PRIMARY PURPOSE FOR WHICH THIS CORPORATION WAS FORMED IS TO PROMOTE THE SOCIAL WELFARE AND LESSEN THE BURDENS OF GOVERNMENT BY RECEIVING AND DISTRIBUTING FUNDS TO BE USED TO PROVIDE ECONOMIC IMPACT ASSISTANCE TO ECONOMICALLY AFFECTED OR TOBACCO-DEPENDENT REGIONS OF NORTH CAROLINA IN ACCORDANCE WITH THE CONSENT DECREE AND FINAL JUDGMENT IN STATE OF NORTH CAROLINA V. PHILIP MORRIS INCORPORATED, ET AL., 98 CVS 14377.

ACTIVITIES IN WHICH THE CORPORATION MAY ENGAGE IN THE STATE OF NORTH CAROLINA INCLUDE, BUT ARE NOT LIMITED TO, THE FOLLOWING:

1. EDUCATION ASSISTANCE - PROVISION OF FUNDS FOR EDUCATIONAL PROGRAMS FOR TOBACCO FARMERS AND OTHER WORKERS IMPACTED OR PROJECTED TO BE IMPACTED BY A DECLINE IN DEMAND FOR AND/OR PRODUCTION OF TOBACCO OR TOBACCO PRODUCTS. (CONTINUED ON SCHEDULE O)

4b (Code:) (Expenses $ including grants of $) (Revenue $)

4c (Code:) (Expenses $ including grants of $) (Revenue $)

4d Other program services (Describe in Schedule O.)

(Expenses $ including grants of $) (Revenue $)

4e **Total program service expenses** ▶ 45,790,656.

SEE SCHEDULE O FOR CONTINUATION(S)

Part IV Checklist of Required Schedules

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If "Yes," complete Schedule A*	1	X	
2	Is the organization required to complete *Schedule B, Schedule of Contributors*?	2	X	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If "Yes," complete Schedule C, Part I*	3		X
4	**Section 501(c)(3) organizations.** Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? *If "Yes," complete Schedule C, Part II*	4	X	
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? *If "Yes," complete Schedule C, Part III*	5		X
6	Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? *If "Yes," complete Schedule D, Part I*	6		X
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? *If "Yes," complete Schedule D, Part II*	7		X
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8		X
9	Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? *If "Yes," complete Schedule D, Part IV*	9		X
10	Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? *If "Yes," complete Schedule D, Part V*	10		X
11	If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.			
a	Did the organization report an amount for land, buildings, and equipment in Part X, line 10? *If "Yes," complete Schedule D, Part VI*	11a		X
b	Did the organization report an amount for investments - other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VII*	11b	X	
c	Did the organization report an amount for investments - program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII*	11c		X
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX*	11d		X
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X*	11e		X
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? *If "Yes," complete Schedule D, Part X*	11f		X
12a	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI, XII, and XIII*	12a	X	
b	Was the organization included in consolidated, independent audited financial statements for the tax year? *If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional*	12b		X
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		X
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		X
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at $100,000 or more? *If "Yes," complete Schedule F, Parts I and IV*	14b	X	
15	Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or assistance to any organization or entity located outside the United States? *If "Yes," complete Schedule F, Parts II and IV*	15		X
16	Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or assistance to individuals located outside the United States? *If "Yes," complete Schedule F, Parts III and IV*	16		X
17	Did the organization report a total of more than $15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? *If "Yes," complete Schedule G, Part I*	17		X
18	Did the organization report more than $15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? *If "Yes," complete Schedule G, Part II*	18		X
19	Did the organization report more than $15,000 of gross income from gaming activities on Part VIII, line 9a? *If "Yes," complete Schedule G, Part III*	19		X
20a	Did the organization operate one or more hospital facilities? *If "Yes," complete Schedule H*	20a		X
b	If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b		

Form **990** (2011)

132003
01-23-12

Part IV Checklist of Required Schedules *(continued)*

			Yes	No
21	Did the organization report more than $5,000 of grants and other assistance to any government or organization in the United States on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II*	21	X	
22	Did the organization report more than $5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? *If "Yes," complete Schedule I, Parts I and III*	22		X
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *If "Yes," complete Schedule J*	23	X	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? *If "Yes," answer lines 24b through 24d and complete Schedule K. If "No", go to line 25*	24a		X
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		
25a	**Section 501(c)(3) and 501(c)(4) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	25a		X
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? *If "Yes," complete Schedule L, Part I*	25b		X
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? *If "Yes," complete Schedule L, Part II*	26		X
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? *If "Yes," complete Schedule L, Part III*	27		X
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):			
a	A current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	28a		X
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	28b		X
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? *If "Yes," complete Schedule L, Part IV*	28c		X
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	29		X
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	30		X
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	31		X
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	32		X
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? *If "Yes," complete Schedule R, Part I*	33		X
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1*	34		X
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a		X
b	Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2*	35b		X
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	36		X
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? *If "Yes," complete Schedule R, Part VI*	37		X
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? **Note.** All Form 990 filers are required to complete Schedule O	38	X	

Part V **Statements Regarding Other IRS Filings and Tax Compliance**

Check if Schedule O contains a response to any question in this Part V ☐

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	1a	21		
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b	0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?		1c	X	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	14		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?		2b	X	
	Note. If the sum of lines 1a and 2a is greater than 250, you may be required to *e-file* (see instructions)				
3a	Did the organization have unrelated business gross income of $1,000 or more during the year?		3a	X	
b	If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O*		3b	X	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?		4a	X	
b	If "Yes," enter the name of the foreign country: ▶ IRELAND				
	See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.				
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		5a		X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		5b		X
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?		5c		
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible?		6a		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		6b		
7	**Organizations that may receive deductible contributions under section 170(c).**				
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?		7a		X
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?		7b		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		7c		X
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d			
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		7e		X
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		7f		X
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		7g		
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		7h		
8	**Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		8		
9	**Sponsoring organizations maintaining donor advised funds.**				
a	Did the organization make any taxable distributions under section 4966?		9a		
b	Did the organization make a distribution to a donor, donor advisor, or related person?		9b		
10	**Section 501(c)(7) organizations.** Enter:				
a	Initiation fees and capital contributions included on Part VIII, line 12	10a			
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b			
11	**Section 501(c)(12) organizations.** Enter:				
a	Gross income from members or shareholders	11a			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b			
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?		12a		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b			
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**				
a	Is the organization licensed to issue qualified health plans in more than one state?		13a		
	Note. See the instructions for additional information the organization must report on Schedule O.				
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b			
c	Enter the amount of reserves on hand	13c			
14a	Did the organization receive any payments for indoor tanning services during the tax year?		14a		X
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation in Schedule O*		14b		

Part VI Governance, Management, and Disclosure *For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.*

Check if Schedule O contains a response to any question in this Part VI .... [X]

Section A. Governing Body and Management

				Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	1a	15		
	If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.				
b	Enter the number of voting members included in line 1a, above, who are independent	1b	15		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?		2		X
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person?		3		X
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		4		X
5	Did the organization become aware during the year of a significant diversion of the organization's assets?		5		X
6	Did the organization have members or stockholders?		6		X
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?		7a	X	
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?		7b	X	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:				
a	The governing body?		8a	X	
b	Each committee with authority to act on behalf of the governing body?		8b	X	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? *If "Yes," provide the names and addresses in Schedule O*		9		X

Section B. Policies *(This Section B requests information about policies not required by the Internal Revenue Code.)*

			Yes	No
10a	Did the organization have local chapters, branches, or affiliates?	10a		X
b	If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	10b		
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	11a	X	
b	Describe in Schedule O the process, if any, used by the organization to review this Form 990.			
12a	Did the organization have a written conflict of interest policy? *If "No," go to line 13*	12a	X	
b	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	X	
c	Did the organization regularly and consistently monitor and enforce compliance with the policy? *If "Yes," describe in Schedule O how this was done*	12c	X	
13	Did the organization have a written whistleblower policy?	13	X	
14	Did the organization have a written document retention and destruction policy?	14	X	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?			
a	The organization's CEO, Executive Director, or top management official	15a	X	
b	Other officers or key employees of the organization	15b		X
	If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions).			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a		X
b	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	16b		

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed ▶ NONE

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.

[ ] Own website [ ] Another's website [X] Upon request

19 Describe in Schedule O whether (and if so, how), the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: ▶

BETH EDMONDSON - 252-442-7474

301 N. WINSTEAD AVE, ROCKY MOUNT, NC 27804

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response to any question in this Part VII ☐

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than $100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than $100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than $10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

☐ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee): Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
(1) MICHAEL A. ALMOND DIRECTOR	3.00	X						832.	0.	0.
(2) WADE BARBER VICE CHAIR 12/1/11-6/30/12	3.00	X		X				1,248.	0.	0.
(3) DALE C. BONE DIRECTOR	3.00	X						1,356.	0.	0.
(4) PAUL BROOKS DIRECTOR	3.00	X						1,248.	0.	0.
(5) J. THOMAS BUNN TREASURER	3.00	X						0.	0.	0.
(6) WILLIAM CLARKE, VICE CHAIR 7/1-11/30/11; CHAIR 12/1/11-6/30/12	15.00	X		X				1,248.	0.	0.
(7) S. LAWRENCE DAVENPORT SECRETARY	3.00	X		X				624.	0.	0.
(8) BILLY RAY HALL DIRECTOR	3.00	X						1,352.	0.	0.
(9) JAMES H. JOHNSON, JR. DIRECTOR	3.00	X						416.	0.	0.
(10) YVONNE J. JOHNSON DIRECTOR	3.00	X						624.	0.	0.
(11) LACY R. JOYNER DIRECTOR	3.00	X						1,248.	0.	0.
(12) J. ARTHUR POPE DIRECTOR	3.00	X						0.	0.	0.
(13) EDGAR M. ROACH CHAIR 7/1-11/30/11	15.00	X		X				1,248.	0.	0.
(14) JOHNATHAN RHYNE DIRECTOR	3.00	X						0.	0.	0.
(15) DAVID T. STEPHENSON DIRECTOR	3.00	X						104.	0.	0.
(16) THOMAS F. TAFT, SR. ASSISTANT SECRETARY	3.00	X						1,040.	0.	0.
(17) DANIEL J. GERLACH PRESIDENT	40.00			X				187,412.	0.	34,183.

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees *(continued)*

(A) Name and title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position: Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
(18) MARK A. SORRELLS SENIOR VICE PRESIDENT	40.00			X				155,228.	0.	31,149.
(19) PETER J. CERA VP-INVESTMENTS	40.00			X				134,387.	0.	28,815.
(20) PATRICIA CABE-CANTRELL VP-PROGRAMS/COMM. ASST. & OUTREACH	40.00			X				104,889.	0.	23,750.
(21) EDWARD P. LORD VP-PROGRAMS/STAFF ATTORNEY	40.00			X				104,139.	0.	25,679.
(22) BETH A. EDMONDSON CONTROLLER	30.00			X				87,332.	0.	21,495.
1b Sub-total ▶								785,975.	0.	165,071.
c Total from continuation sheets to Part VII, Section A ▶								0.	0.	0.
d Total (add lines 1b and 1c) ▶								785,975.	0.	165,071.

2 Total number of individuals (including but not limited to those listed above) who received more than $100,000 of reportable compensation from the organization ▶ 5

		Yes	No
3 Did the organization list any **former** officer, director, or trustee, key employee, or highest compensated employee on line 1a? *If "Yes," complete Schedule J for such individual*	3		X
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than $150,000? *If "Yes," complete Schedule J for such individual*	4	X	
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? *If "Yes," complete Schedule J for such person*	5		X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than $100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation
FRIESS ASSOCIATES 3711 KENNETT PIKE, GREENVILLE, DE 19807	INVESTMENT MANAGEMENT	400,971.
ARTISAN PARTNERS, 5 CONCOURSE PARKWAY, SUITE 2120, ATLANTA, GA 30328	INVESTMENT MANAGEMENT	360,728.
SILCHESTER INTERNATIONAL INVESTORS, 780 THIRD AVENUE, 42ND FLOOR, NEW YORK, NY	INVESTMENT MANAGEMENT	349,281.
PRIME, BUCHHOLZ & ASSOCIATES, INC. 25 CHESTNUT STREET, PORTSMOUTH, NH 03801	INVESTMENT CONSULTING	243,887.
DRZ, 250 PARK AVE SOUTH, SUITE 250, WINTER PARK, FL 32789	INVESTMENT MANAGEMENT	234,729.

2 Total number of independent contractors (including but not limited to those listed above) who received more than $100,000 of compensation from the organization ▶ 10

Part VIII Statement of Revenue

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, Gifts, Grants and Other Similar Amounts	1 a Federated campaigns	1a				
	b Membership dues	1b				
	c Fundraising events	1c				
	d Related organizations	1d				
	e Government grants (contributions)	1e 70,489,443.				
	f All other contributions, gifts, grants, and similar amounts not included above	1f				
	g Noncash contributions included in lines 1a-1f: $					
	h **Total.** Add lines 1a-1f ▶		70,489,443.			
Program Service Revenue		Business Code				
	2 a					
	b					
	c					
	d					
	e					
	f All other program service revenue					
	g **Total.** Add lines 2a-2f ▶					
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts) ▶		7,804,907.		-1,083,463.	8,888,370.
	4 Income from investment of tax-exempt bond proceeds ▶					
	5 Royalties ▶					
		(i) Real / (ii) Personal				
	6 a Gross rents					
	b Less: rental expenses					
	c Rental income or (loss)					
	d Net rental income or (loss) ▶					
	7 a Gross amount from sales of assets other than inventory	(i) Securities 222,194,781. / (ii) Other				
	b Less: cost or other basis and sales expenses	(i) 207,243,694.				
	c Gain or (loss)	(i) 14,951,087.				
	d Net gain or (loss) ▶		14,951,087.			14,951,087.
	8 a Gross income from fundraising events (not including $ ______ of contributions reported on line 1c). See Part IV, line 18	a				
	b Less: direct expenses	b				
	c Net income or (loss) from fundraising events ▶					
	9 a Gross income from gaming activities. See Part IV, line 19	a				
	b Less: direct expenses	b				
	c Net income or (loss) from gaming activities ▶					
	10 a Gross sales of inventory, less returns and allowances	a				
	b Less: cost of goods sold	b				
	c Net income or (loss) from sales of inventory ▶					
	Miscellaneous Revenue	Business Code				
	11 a OTHER INCOME	900099	6,569.	6,569.		
	b					
	c					
	d All other revenue					
	e **Total.** Add lines 11a-11d ▶		6,569.			
	12 **Total revenue.** See instructions. ▶		93,252,006.	6,569.	-1,083,463.	23,839,457.

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

Check if Schedule O contains a response to any question in this Part IX ☐

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the United States. See Part IV, line 21	44,742,093.	44,742,093.		
2 Grants and other assistance to individuals in the United States. See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	979,772.	528,312.	451,460.	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	402,427.	311,518.	90,909.	
8 Pension plan accruals and contributions (include section 401(k) and section 403(b) employer contributions)	40,539.	31,564.	8,975.	
9 Other employee benefits	94,388.	65,608.	28,780.	
10 Payroll taxes	83,798.	53,683.	30,115.	
11 Fees for services (non-employees):				
a Management				
b Legal	184,937.		184,937.	
c Accounting	55,873.		55,873.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees	2,474,111.		2,474,111.	
g Other	19,426.	19,126.	300.	
12 Advertising and promotion	7,728.		7,728.	
13 Office expenses	35,967.		35,967.	
14 Information technology	36,157.		36,157.	
15 Royalties				
16 Occupancy	58,022.		58,022.	
17 Travel	43,580.	38,543.	5,037.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	209.	209.		
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization				
23 Insurance	20,842.		20,842.	
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a PAYMENT TO STATE OF NC	17,563,760.		17,563,760.	
b MSA ENFORCEMENT	218,720.		218,720.	
c BOARD OF DIRECTORS EXPE	41,115.		41,115.	
d CAPITAL OUTLAYS	11,088.		11,088.	
e All other expenses	9,127.		9,127.	
25 **Total functional expenses.** Add lines 1 through 24e	67,123,679.	45,790,656.	21,333,023.	0.
26 **Joint costs.** Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here ▶ ☐ if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

			(A) Beginning of year		(B) End of year
Assets	1	Cash - non-interest-bearing	492,750.	1	445,273.
	2	Savings and temporary cash investments		2	
	3	Pledges and grants receivable, net		3	
	4	Accounts receivable, net	1,223.	4	1,927.
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions)		6	
	7	Notes and loans receivable, net		7	
	8	Inventories for sale or use		8	
	9	Prepaid expenses and deferred charges	84,651.	9	84,348.
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D 10a			
	b	Less: accumulated depreciation 10b		10c	
	11	Investments - publicly traded securities	372,430,292.	11	358,916,894.
	12	Investments - other securities. See Part IV, line 11	420,576,466.	12	433,934,461.
	13	Investments - program-related. See Part IV, line 11		13	
	14	Intangible assets		14	
	15	Other assets. See Part IV, line 11		15	
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)	793,585,382.	16	793,382,903.
Liabilities	17	Accounts payable and accrued expenses	166,298.	17	120,371.
	18	Grants payable	92,784,105.	18	84,505,557.
	19	Deferred revenue		19	
	20	Tax-exempt bond liabilities		20	
	21	Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23	Secured mortgages and notes payable to unrelated third parties		23	
	24	Unsecured notes and loans payable to unrelated third parties		24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D		25	
	26	**Total liabilities.** Add lines 17 through 25	92,950,403.	26	84,625,928.
Net Assets or Fund Balances		**Organizations that follow SFAS 117, check here ▶ ☐ and complete lines 27 through 29, and lines 33 and 34.**			
	27	Unrestricted net assets		27	
	28	Temporarily restricted net assets		28	
	29	Permanently restricted net assets		29	
		Organizations that do not follow SFAS 117, check here ▶ ☒ and complete lines 30 through 34.			
	30	Capital stock or trust principal, or current funds	0.	30	0.
	31	Paid-in or capital surplus, or land, building, or equipment fund	0.	31	0.
	32	Retained earnings, endowment, accumulated income, or other funds	700,634,979.	32	708,756,975.
	33	Total net assets or fund balances	700,634,979.	33	708,756,975.
	34	Total liabilities and net assets/fund balances	793,585,382.	34	793,382,903.

Form **990** (2011)

132011 01-23-12

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response to any question in this Part XI ..... [X]

1	Total revenue (must equal Part VIII, column (A), line 12)	1	93,252,006.
2	Total expenses (must equal Part IX, column (A), line 25)	2	67,123,679.
3	Revenue less expenses. Subtract line 2 from line 1	3	26,128,327.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	700,634,979.
5	Other changes in net assets or fund balances (explain in Schedule O)	5	-18,006,331.
6	Net assets or fund balances at end of year. Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	708,756,975.

Part XII Financial Statements and Reporting

Check if Schedule O contains a response to any question in this Part XII ..... [X]

			Yes	No
1	Accounting method used to prepare the Form 990: [ ] Cash [X] Accrual [ ] Other ____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.			
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?	2a		X
b	Were the organization's financial statements audited by an independent accountant?	2b	X	
c	If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?	2c	X	
	If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.			
d	If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both: [X] Separate basis [ ] Consolidated basis [ ] Both consolidated and separate basis			
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a		X
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits.	3b		

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.
▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No. 1545-0047
2011
Open to Public Inspection

Name of the organization
THE GOLDEN L.E.A.F., INC.

Employer identification number
52-2204473

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 11, check only one box.)

1 ☐ A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**
2 ☐ A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E.)
3 ☐ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**
4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state:
5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II.)
6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**
7 ☒ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
8 ☐ A community trust described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
9 ☐ An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2).** (Complete Part III.)
10 ☐ An organization organized and operated exclusively to test for public safety. See **section 509(a)(4).**
11 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h.

a ☐ Type I **b** ☐ Type II **c** ☐ Type III - Functionally integrated **d** ☐ Type III - Other

e ☐ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).

f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box ☐

g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

		Yes	No
(i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?	**11g(i)**		
(ii) A family member of a person described in (i) above?	**11g(ii)**		
(iii) A 35% controlled entity of a person described in (i) or (ii) above?	**11g(iii)**		

h Provide the following information about the supported organization(s).

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization in col. (i) listed in your governing document? Yes	No	(v) Did you notify the organization in col. (i) of your support? Yes	No	(vi) Is the organization in col. (i) organized in the U.S.? Yes	No	(vii) Amount of support
Total									

LHA **For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.**

Part II **Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)**

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	79,976,781.	87,593,455.	73,179,244.	69,128,105.	70,489,443.	380,367,028.
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 **Total.** Add lines 1 through 3	79,976,781.	87,593,455.	73,179,244.	69,128,105.	70,489,443.	380,367,028.
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 **Public support.** Subtract line 5 from line 4.						380,367,028.

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
7 Amounts from line 4	79,976,781.	87,593,455.	73,179,244.	69,128,105.	70,489,443.	380,367,028.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	8,075,031.	6,455,370.	5,237,547.	8,247,547.	8,888,370.	36,903,865.
9 Net income from unrelated business activities, whether or not the business is regularly carried on	-47,772.	-576,622.	-705,680.	87,492.	-1,083,463.	-2,326,045.
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)	54,236.	50,554.	5,040.	8,686.	6,569.	125,085.
11 **Total support.** Add lines 7 through 10						415,069,933.

12 Gross receipts from related activities, etc. (see instructions) 12

13 **First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** ▶ ☐

Section C. Computation of Public Support Percentage

14 Public support percentage for 2011 (line 6, column (f) divided by line 11, column (f)) 14 91.64 %

15 Public support percentage from 2010 Schedule A, Part II, line 14 15 91.49 %

16a **33 1/3% support test - 2011.** If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ [X]

b **33 1/3% support test - 2010.** If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

17a **10% -facts-and-circumstances test - 2011.** If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ▶ ☐

b **10% -facts-and-circumstances test - 2010.** If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ▶ ☐

18 **Private foundation.** If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions ▶ ☐

Part III **Support Schedule for Organizations Described in Section 509(a)(2)**

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 **Total.** Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of $5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 **Public support** (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 **Total support** (Add lines 9, 10c, 11, and 12.)						

14 **First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** ▶ ☐

Section C. Computation of Public Support Percentage

15	Public support percentage for 2011 (line 8, column (f) divided by line 13, column (f))	15	%
16	Public support percentage from 2010 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17	Investment income percentage for **2011** (line 10c, column (f) divided by line 13, column (f))	17	%
18	Investment income percentage from **2010** Schedule A, Part III, line 17	18	%

19a **33 1/3% support tests - 2011.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

b **33 1/3% support tests - 2010.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

20 **Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ▶ ☐

Schedule B
(Form 990, 990-EZ, or 990-PF)
Department of the Treasury
Internal Revenue Service

Schedule of Contributors

▶ **Attach to Form 990, Form 990-EZ, or Form 990-PF.**

OMB No. 1545-0047

2011

Name of the organization	**Employer identification number**
THE GOLDEN L.E.A.F., INC.	52-2204473

Organization type (check one):

Filers of:	**Section:**
Form 990 or 990-EZ	[X] 501(c)(3) (enter number) organization
	[ ] 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation
	[ ] 527 political organization
Form 990-PF	[ ] 501(c)(3) exempt private foundation
	[ ] 4947(a)(1) nonexempt charitable trust treated as a private foundation
	[ ] 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule.**
Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule

[ ] For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, $5,000 or more (in money or property) from any one contributor. Complete Parts I and II.

Special Rules

[X] For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi) and received from any one contributor, during the year, a contribution of the greater of **(1)** $5,000 or **(2)** 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1. Complete Parts I and II.

[ ] For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than $1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.

[ ] For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not total to more than $1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of $5,000 or more during the year. ▶ $ ____________

Caution. An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on Part I, line 2 of its Form 990-PF, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

Name of organization	Employer identification number
THE GOLDEN L.E.A.F., INC.	52-2204473

Part I **Contributors** (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1		$ 70,489,443.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)

Name of organization	Employer identification number
THE GOLDEN L.E.A.F., INC.	52-2204473

Part II **Noncash Property** (see instructions). Use duplicate copies of Part II if additional space is needed.

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		$	

Name of organization: THE GOLDEN L.E.A.F., INC.

Employer identification number: 52-2204473

Part III *Exclusively* **religious, charitable, etc., individual contributions to section 501(c)(7), (8), or (10) organizations that total more than $1,000 for the year.** Complete columns **(a)** through **(e) and** the following line entry. For organizations completing Part III, enter the total of *exclusively* religious, charitable, etc., contributions of **$1,000 or less** for the year. (Enter this information once.) ▶ $

Use duplicate copies of Part III if additional space is needed.

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift

Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

SCHEDULE C
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

For Organizations Exempt From Income Tax Under section 501(c) and section 527

▶ **Complete if the organization is described below.** ▶ **Attach to Form 990 or Form 990-EZ.**
▶ **See separate instructions.**

OMB No. 1545-0047
2011
Open to Public Inspection

If the organization answered "Yes" to Form 990, Part IV, line 3, or Form 990-EZ, Part V, line 46 (Political Campaign Activities), then

- Section 501(c)(3) organizations: Complete Parts I-A and B. Do not complete Part I-C.
- Section 501(c) (other than section 501(c)(3)) organizations: Complete Parts I-A and C below. Do not complete Part I-B.
- Section 527 organizations: Complete Part I-A only.

If the organization answered "Yes" to Form 990, Part IV, line 4, or Form 990-EZ, Part VI, line 47 (Lobbying Activities), then

- Section 501(c)(3) organizations that have filed Form 5768 (election under section 501(h)): Complete Part II-A. Do not complete Part II-B.
- Section 501(c)(3) organizations that have NOT filed Form 5768 (election under section 501(h)): Complete Part II-B. Do not complete Part II-A.

If the organization answered "Yes" to Form 990, Part IV, line 5 (Proxy Tax), or Form 990-EZ, Part V, line 35c (Proxy Tax), then

- Section 501(c)(4), (5), or (6) organizations: Complete Part III.

Name of organization	Employer identification number
THE GOLDEN L.E.A.F., INC.	52-2204473

Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.

1 Provide a description of the organization's direct and indirect political campaign activities in Part IV.
2 Political expenditures ▶ $
3 Volunteer hours

Part I-B Complete if the organization is exempt under section 501(c)(3).

1 Enter the amount of any excise tax incurred by the organization under section 4955 ▶ $
2 Enter the amount of any excise tax incurred by organization managers under section 4955 ▶ $
3 If the organization incurred a section 4955 tax, did it file Form 4720 for this year? ☐ **Yes** ☐ **No**
4a Was a correction made? ☐ **Yes** ☐ **No**
b If "Yes," describe in Part IV.

Part I-C Complete if the organization is exempt under section 501(c), except section 501(c)(3).

1 Enter the amount directly expended by the filing organization for section 527 exempt function activities ▶ $
2 Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt function activities ▶ $
3 Total exempt function expenditures. Add lines 1 and 2. Enter here and on Form 1120-POL, line 17b ▶ $
4 Did the filing organization file **Form 1120-POL** for this year? ☐ **Yes** ☐ **No**
5 Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which the filing organization made payments. For each organization listed, enter the amount paid from the filing organization's funds. Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC). If additional space is needed, provide information in Part IV.

(a) Name	**(b)** Address	**(c)** EIN	**(d)** Amount paid from filing organization's funds. If none, enter -0-.	**(e)** Amount of political contributions received and promptly and directly delivered to a separate political organization. If none, enter -0-.

For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ. **Schedule C (Form 990 or 990-EZ) 2011**
LHA

132041
01-27-12

Part II-A **Complete if the organization is exempt under section 501(c)(3) and filed Form 5768 (election under section 501(h)).**

A Check ▶ ☐ if the filing organization belongs to an affiliated group (and list in Part IV each affiliated group member's name, address, EIN, expenses, and share of excess lobbying expenditures).

B Check ▶ ☐ if the filing organization checked box A and "limited control" provisions apply.

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)	**(a)** Filing organization's totals	**(b)** Affiliated group totals
1a Total lobbying expenditures to influence public opinion (grass roots lobbying)		
b Total lobbying expenditures to influence a legislative body (direct lobbying)		
c Total lobbying expenditures (add lines 1a and 1b)		
d Other exempt purpose expenditures		
e Total exempt purpose expenditures (add lines 1c and 1d)		
f Lobbying nontaxable amount. Enter the amount from the following table in both columns.		

If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:
Not over $500,000	20% of the amount on line 1e.
Over $500,000 but not over $1,000,000	$100,000 plus 15% of the excess over $500,000.
Over $1,000,000 but not over $1,500,000	$175,000 plus 10% of the excess over $1,000,000.
Over $1,500,000 but not over $17,000,000	$225,000 plus 5% of the excess over $1,500,000.
Over $17,000,000	$1,000,000.

	(a)	(b)
g Grassroots nontaxable amount (enter 25% of line 1f)		
h Subtract line 1g from line 1a. If zero or less, enter -0-		
i Subtract line 1f from line 1c. If zero or less, enter -0-		

j If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year? ☐ **Yes** ☐ **No**

4-Year Averaging Period Under Section 501(h)
(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 2a through 2f on page 4.)

Lobbying Expenditures During 4-Year Averaging Period

Calendar year (or fiscal year beginning in)	**(a)** 2008	**(b)** 2009	**(c)** 2010	**(d)** 2011	**(e)** Total
2a Lobbying nontaxable amount					
b Lobbying ceiling amount (150% of line 2a, column(e))					
c Total lobbying expenditures					
d Grassroots nontaxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

Part II-B **Complete if the organization is exempt under section 501(c)(3) and has NOT filed Form 5768 (election under section 501(h)).**

For each "Yes" response to lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.	(a) Yes	(a) No	(b) Amount
1 During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:			
a Volunteers?		X	
b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?	X		
c Media advertisements?		X	
d Mailings to members, legislators, or the public?		X	
e Publications, or published or broadcast statements?		X	
f Grants to other organizations for lobbying purposes?		X	
g Direct contact with legislators, their staffs, government officials, or a legislative body?	X		1,243.
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		X	
i Other activities?		X	
j Total. Add lines 1c through 1i			1,243.
2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		X	
b If "Yes," enter the amount of any tax incurred under section 4912			
c If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

Part III-A **Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6).**

		Yes	No
1 Were substantially all (90% or more) dues received nondeductible by members?	1		
2 Did the organization make only in-house lobbying expenditures of $2,000 or less?	2		
3 Did the organization agree to carry over lobbying and political expenditures from the prior year?	3		

Part III-B **Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6) and if either (a) BOTH Part III-A, lines 1 and 2, are answered "No" OR (b) Part III-A, line 3, is answered "Yes."**

1 Dues, assessments and similar amounts from members	1	
2 Section 162(e) nondeductible lobbying and political expenditures **(do not include amounts of political expenses for which the section 527(f) tax was paid).**		
a Current year	2a	
b Carryover from last year	2b	
c Total	2c	
3 Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues	3	
4 If notices were sent and the amount on line 2c exceeds the amount on line 3, what portion of the excess does the organization agree to carryover to the reasonable estimate of nondeductible lobbying and political expenditure next year?	4	
5 Taxable amount of lobbying and political expenditures (see instructions)	5	

Part IV **Supplemental Information**

Complete this part to provide the descriptions required for Part I-A, line 1; Part I-B, line 4; Part I-C, line 5; Part II-A; and Part II-B, line 1. Also, complete this part for any additional information.

PART II-B, LINE 1, LOBBYING ACTIVITIES:

THESE EXPENSES REPRESENT SALARY AND BENEFIT COSTS FOR OUR PRESIDENT'S TIME SPENT LOBBYING MEMBERS OF THE NC GENERAL ASSEMBLY RELATED TO STATE BUDGET BILLS AFFECTING GOLDEN LEAF FUNDING AND EDUCATING LEGISLATORS ABOUT THE FOUNDATION AND ITS WORK.

SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047
2011
Open to Public Inspection

Name of the organization: THE GOLDEN L.E.A.F., INC.
Employer identification number: 52-2204473

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.
Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

		(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year		
2	Aggregate contributions to (during year)		
3	Aggregate grants from (during year)		
4	Aggregate value at end of year		

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? ☐ Yes ☐ No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? ☐ Yes ☐ No

Part II Conservation Easements.
Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).
- ☐ Preservation of land for public use (e.g., recreation or education)
- ☐ Protection of natural habitat
- ☐ Preservation of open space
- ☐ Preservation of an historically important land area
- ☐ Preservation of a certified historic structure

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

			Held at the End of the Tax Year
a	Total number of conservation easements	2a	
b	Total acreage restricted by conservation easements	2b	
c	Number of conservation easements on a certified historic structure included in (a)	2c	
d	Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2d	

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶ ______

4 Number of states where property subject to conservation easement is located ▶ ______

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ▶ ______

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶ $ ______

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.
Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenues included in Form 990, Part VIII, line 1 ▶ $ ______

(ii) Assets included in Form 990, Part X ▶ $ ______

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items:

a Revenues included in Form 990, Part VIII, line 1 ▶ $ ______

b Assets included in Form 990, Part X ▶ $ ______

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets *(continued)*

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):

a ☐ Public exhibition
b ☐ Scholarly research
c ☐ Preservation for future generations
d ☐ Loan or exchange programs
e ☐ Other

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

Part IV Escrow and Custodial Arrangements. Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV and complete the following table:

		Amount
c Beginning balance	1c	
d Additions during the year	1d	
e Distributions during the year	1e	
f Ending balance	1f	

2a Did the organization include an amount on Form 990, Part X, line 21? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV.

Part V Endowment Funds. Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

a Board designated or quasi-endowment ▶ ______%

b Permanent endowment ▶ ______%

c Temporarily restricted endowment ▶ ______%

The percentages in lines 2a, 2b, and 2c should equal 100%.

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

		Yes	No
(i) unrelated organizations	3a(i)		
(ii) related organizations	3a(ii)		
b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?	3b		

4 Describe in Part XIV the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land				
b Buildings				
c Leasehold improvements				
d Equipment				
e Other				
Total. Add lines 1a through 1e. *(Column (d) must equal Form 990, Part X, column (B), line 10(c).)* ▶				0.

Part VII Investments - Other Securities. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A) AG REALTY FUND VII (TE), L.P.	7,789,987.	END-OF-YEAR MARKET VALUE
(B) ARCHSTONE OFFSHORE FUND, LTD.	19,943,283.	END-OF-YEAR MARKET VALUE
(C) AURORA VENTURES IV & V	6,780,819.	END-OF-YEAR MARKET VALUE
(D) AXIOM INTL EQUITY FUND II	23,096,134.	END-OF-YEAR MARKET VALUE
(E) BEACON CAPITAL STRATEGIC PTRS V & VI	5,352,942.	END-OF-YEAR MARKET VALUE
(F) SWIFTCURRENT OFFSHORE, LTD.	16,612,453.	END-OF-YEAR MARKET VALUE
(G) CANTILLON GLOBAL VALUE FUND	22,607,905.	END-OF-YEAR MARKET VALUE
(H) CARLYLE VENTURE PARTNERS II, LP	2,213,775.	END-OF-YEAR MARKET VALUE
(I) CAROUSEL CAPITAL PARTNERS III, L.P.	3,089,484.	END-OF-YEAR MARKET VALUE
Total. (Col (b) must equal Form 990, Part X, col (B) line 12.) ▶	433,934,461.	

Part VIII Investments - Program Related. See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
Total. (Col (b) must equal Form 990, Part X, col (B) line 13.) ▶		

Part IX Other Assets. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
Total. *(Column (b) must equal Form 990, Part X, col (B) line 15.)* ▶	

Part X Other Liabilities. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
(11)	
Total. *(Column (b) must equal Form 990, Part X, col (B) line 25.)* ▶	

2. FIN 48 (ASC 740) Footnote. In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740).

Part XI Reconciliation of Change in Net Assets from Form 990 to Audited Financial Statements

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	93,252,006.
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	67,123,679.
3	Excess or (deficit) for the year. Subtract line 2 from line 1	3	26,128,327.
4	Net unrealized gains (losses) on investments	4	-31,010,685.
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV.)	8	13,004,354.
9	Total adjustments (net). Add lines 4 through 8	9	-18,006,331.
10	Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9	10	8,121,996.

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	Total revenue, gains, and other support per audited financial statements			1	60,850,673.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:				
a	Net unrealized gains on investments	2a	-31,010,685.		
b	Donated services and use of facilities	2b			
c	Recoveries of prior year grants	2c			
d	Other (Describe in Part XIV.)	2d			
e	Add lines **2a** through **2d**			2e	-31,010,685.
3	Subtract line **2e** from line **1**			3	91,861,358.
4	Amounts included on Form 990, Part VIII, line 12, but not on line **1**:				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	2,474,111.		
b	Other (Describe in Part XIV.)	4b	-1,083,463.		
c	Add lines **4a** and **4b**			4c	1,390,648.
5	Total revenue. Add lines **3** and **4c.** *(This must equal Form 990, Part I, line 12.)*			5	93,252,006.

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements			1	52,728,677.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:				
a	Donated services and use of facilities	2a			
b	Prior year adjustments	2b			
c	Other losses	2c			
d	Other (Describe in Part XIV.)	2d			
e	Add lines **2a** through **2d**			2e	0.
3	Subtract line **2e** from line **1**			3	52,728,677.
4	Amounts included on Form 990, Part IX, line 25, but not on line **1**:				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	2,474,111.		
b	Other (Describe in Part XIV.)	4b	11,920,891.		
c	Add lines **4a** and **4b**			4c	14,395,002.
5	Total expenses. Add lines **3** and **4c.** *(This must equal Form 990, Part I, line 18.)*			5	67,123,679.

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information.

PART XI, LINE 8 - OTHER ADJUSTMENTS:

PASS-THROUGH UBI LOSS FROM K-1S 1,083,463.

RESCISSIONS AND RETURNS OF GRANTS 11,920,891.

TOTAL TO SCHEDULE D, PART XI, LINE 8 13,004,354.

PART XII, LINE 4B - OTHER ADJUSTMENTS:

PASS-THROUGH UBI LOSS FROM K-1S -1,083,463.

Part XIV Supplemental Information *(continued)*

PART XIII, LINE 4B - OTHER ADJUSTMENTS:

RESCISSIONS AND RETURNS OF GRANTS 11,920,891.

Part XIV Supplemental Information *(continued)*

Part VII Investments - Other Securities. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
COLONY INVESTORS VIII, L.P.	2,013,484.	FMV
DIVERSIFIED PARTNERS OFFSHORE FUND II, L.P.	2,267,653.	FMV
DENHAM COMMODITY PARTNERS FUND V LP	3,576,188.	FMV
ENCAP ENERGY CAPITAL FUND VII, L.P.	5,884,463.	FMV
FARALLON CAPITAL INSTITUTIONAL PARTNERS, L.P.	15,128,228.	FMV
HATTERAS VENTURE PARTNERS II, L.P.	11,005,143.	FMV
HIGHLINE CAPITAL INTERNATIONAL, LTD.	18,775,428.	FMV
KING STREET CAPITAL, LTD.	13,229,832.	FMV
LEXINGTON CAPITAL PTRS V & LCPVI-A (OFFSHORE)	9,493,159.	FMV
LONE CASCADE, L.P.	16,776,902.	FMV
LONE DRAGON PINE, L.P.	2,137,305.	FMV
MATLIN PATTERSON GLOBAL OPPORTUNITIES PTRS III, L.P.	3,580,532.	FMV
OZ OVERSEAS FUND II, LTD.	18,091,150.	FMV
Q-BLK PRIVATE CAPITAL II, (PARALLEL), L.P.	8,614,477.	FMV
SHEPHERD INVESTMENTS INTERNATIONAL, LTD.	8,841,947.	FMV
SHERIDAN PRODUCTION PARTNERS 1-B & 11	9,983,000.	FMV
SILCHESTER INTL VALUE EQUITY TRUST	41,508,454.	FMV
SILVERPOINT CAPITAL OFFSHORE FUND, LTD.	1,023,596.	FMV
SYNERGY LIFE SCIENCE PARTNERS, LP	2,430,290.	FMV
REALTY ASSOCIATES FUND VIII & IX	14,224,594.	FMV
TACONIC OPPORTUNITY OFFSHORE FUND, LTD	10,529,108.	FMV
THOMAS H LEE EQUITY FUND VI, L.P.	4,683,648.	FMV
VARDE FUND IX & X	16,812,754.	FMV
WARBURG PINCUS X	14,552,006.	FMV
WELLINGTON ARCHIPELAGO	28,123,089.	FMV
WELLINGTON BAY POND	22,778,988.	FMV

Part XIV Supplemental Information *(continued)*

Part VII Investments - Other Securities. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
WELLINGTON CTF COMMODITIES II	20,382,261.	FMV

SCHEDULE F (Form 990)

Department of the Treasury
Internal Revenue Service

Statement of Activities Outside the United States

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 14b, 15, or 16.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

2011

Open to Public Inspection

Name of the organization	Employer identification number
THE GOLDEN L.E.A.F., INC.	52-2204473

Part I **General Information on Activities Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 14b.

1 **For grantmakers.** Does the organization maintain records to substantiate the amount of its grants and other assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? ☐ Yes ☐ No

2 **For grantmakers.** Describe in Part V the organization's procedures for monitoring the use of its grants and other assistance outside the United States.

3 Activities per Region. (The following Part I, line 3 table can be duplicated if additional space is needed.)

(a) Region	(b) Number of offices in the region	(c) Number of employees, agents, and independent contractors in region	(d) Activities conducted in region (by type) (e.g., fundraising, program services, investments, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for and investments in region
NORTH AMERICA	0	0	INVESTMENTS		28,123,089.
NORTH AMERICA	0	0	INVESTMENTS		22,778,988.
CENTRAL AMERICA AND THE CARIBBEAN	0	0	INVESTMENTS		18,775,428.
CENTRAL AMERICA AND THE CARIBBEAN	0	0	INVESTMENTS		13,229,832.
CENTRAL AMERICA AND THE CARIBBEAN	0	0	INVESTMENTS		8,841,947.
CENTRAL AMERICA AND THE CARIBBEAN	0	0	INVESTMENTS		19,943,283.
CENTRAL AMERICA AND THE CARIBBEAN	0	0	INVESTMENTS		16,612,453.
CENTRAL AMERICA AND THE CARIBBEAN	0	0	INVESTMENTS		2,267,653.
3 a Sub-total	0	0			130,572,673.
b Total from continuation sheets to Part I	0	0			61,744,919.
c Totals (add lines 3a and 3b)	0	0			192,317,592.

LHA **For Paperwork Reduction Act Notice, see the Instructions for Form 990.** **Schedule F (Form 990) 2011**

132071
01-23-12

Part I **Continuation of Activities per Region.** (Schedule F (Form 990), Part I, line 3)

(a) Region	**(b)** Number of offices in the region	**(c)** Number of employees or agents in region	**(d)** Activities conducted in region (by type) (i.e., fundraising, program services, grants to recipients located in the region)	**(e)** If activity listed in (d) is a program service, describe specific type of service(s) in region	**(f)** Total expenditures for region
CENTRAL AMERICA AND THE CARIBBEAN	0	0	INVESTMENTS		9,493,159.
CENTRAL AMERICA AND THE CARIBBEAN	0	0	INVESTMENTS		18,091,150.
CENTRAL AMERICA AND THE CARIBBEAN	0	0	INVESTMENTS		1,023,597.
CENTRAL AMERICA AND THE CARIBBEAN	0	0	INVESTMENTS		10,529,108.
EUROPE (INCLUDING ICELAND & GREENLAND)	0	0	INVESTMENTS		22,607,905.
Totals ▶					61,744,919.

Part II **Grants and Other Assistance to Organizations or Entities Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 15, for any recipient who received more than $5,000. Check this box if no one recipient received more than $5,000 ▶ ☐
Part II can be duplicated if additional space is needed.

1 (a) Name of organization	(b) IRS code section and EIN (if applicable)	(c) Region	(d) Purpose of grant	(e) Amount of cash grant	(f) Manner of cash disbursement	(g) Amount of non-cash assistance	(h) Description of non-cash assistance	(i) Method of valuation (book, FMV, appraisal, other)

2 Enter total number of recipient organizations listed above that are recognized as charities by the foreign country, recognized as tax-exempt by the IRS, or for which the grantee or counsel has provided a section 501(c)(3) equivalency letter ▶

3 Enter total number of other organizations or entities ▶

Part III **Grants and Other Assistance to Individuals Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 16.
Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	**(b)** Region	**(c)** Number of recipients	**(d)** Amount of cash grant	**(e)** Manner of cash disbursement	**(f)** Amount of non-cash assistance	**(g)** Description of non-cash assistance	**(h)** Method of valuation (book, FMV, appraisal, other)

Part IV **Foreign Forms**

1	Was the organization a U.S. transferor of property to a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 926, Return by a U.S. Transferor of Property to a Foreign Corporation (see Instructions for Form 926)*	X Yes	No
2	Did the organization have an interest in a foreign trust during the tax year? *If "Yes," the organization may be required to file Form 3520, Annual Return to Report Transactions with Foreign Trusts and Receipt of Certain Foreign Gifts, and/or Form 3520-A, Annual Information Return of Foreign Trust With a U.S. Owner (see Instructions for Forms 3520 and 3520-A)*	Yes	X No
3	Did the organization have an ownership interest in a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 5471, Information Return of U.S. Persons With Respect To Certain Foreign Corporations. (see Instructions for Form 5471)*	Yes	X No
4	Was the organization a direct or indirect shareholder of a passive foreign investment company or a qualified electing fund during the tax year? *If "Yes," the organization may be required to file Form 8621, Information Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund. (see Instructions for Form 8621)*	X Yes	No
5	Did the organization have an ownership interest in a foreign partnership during the tax year? *If "Yes," the organization may be required to file Form 8865, Return of U.S. Persons With Respect To Certain Foreign Partnerships. (see Instructions for Form 8865)*	X Yes	No
6	Did the organization have any operations in or related to any boycotting countries during the tax year? *If "Yes," the organization may be required to file Form 5713, International Boycott Report (see Instructions for Form 5713)*	Yes	X No

SCHEDULE I
(Form 990)

Department of the Treasury
Internal Revenue Service

Grants and Other Assistance to Organizations, Governments, and Individuals in the United States

Complete if the organization answered "Yes" to Form 990, Part IV, line 21 or 22.
▶ Attach to Form 990.

OMB No. 1545-0047
2011
Open to Public Inspection

Name of the organization: THE GOLDEN L.E.A.F., INC.

Employer identification number: 52-2204473

Part I General Information on Grants and Assistance

1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? [X] Yes [ ] No

2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

Part II Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than $5,000. Check this box if no one recipient received more than $5,000. Part II can be duplicated if additional space is needed ▶ [ ]

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
ALLEGHANY MEMORIAL HOSPITAL 233 DOCTORS STREET, P.O. BOX 9 SPARTA, NC 28675	56-0525657	501(C)(3)	200,000.	0.			CAPITAL EQUIPMENT IMPROVEMENT PLAN
APPALACHIAN STATE UNIVERSITY 287 RIVERS ST BOONE, NC 28608	56-1176030	EDUCATION TAX EXEMPT	80,000.	0.			A SUSTAINABLE QA PROGRAM FOR THE NC GRAPE AND WINE INDUSTRY
ASHE COUNTY JOB DEVELOPMENT, INC. (ACJD) - 150 GOVERNMENT CIRCLE, SUITE 2500 - JEFFERSON, NC 28640-8967	56-1993665	501(C)(3)	175,000.	0.			ACJD RENOVATION/UPFIT OF OLD LEVITON MANUFACTURING FACILITY
BARTON COLLEGE PO BOX 5000 WILSON, NC 27893-7000	56-0529933	501(C)(3)	375,000.	0.			THE HEARNE-BARTON PARTNERSHIP SCHOOL
BATH HIGH SCHOOL PRESERVATION (BHSP) - P.O. BOX 149 - BATH, NC 27808	30-0311916	501(C)(3)	250,000.	0.			BATH AREA RETIREE INITIATIVE
BEAUFORT COUNTY COMMUNITY COLLEGE P.O. BOX 1069, 5337 HWY 264 EAST WASHINGTON, NC 27889	56-0894923	EDUCATION TAX EXEMPT	1,000,000.	0.			ENHANCING & EXPANDING THE BCCC ALLIED HEALTH AND NURSING PROGRAMS

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table ▶ 103.

3 Enter total number of other organizations listed in the line 1 table ▶ 0.

Part II **Continuation of Grants and Other Assistance to Governments and Organizations in the United States** (Schedule I (Form 990), Part II.)

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
BENSON AREA MEDICAL CENTER, INC. P.O. BOX 399, 3333 NC HWY 242 N. BENSON, NC 27504	56-1181412	501(C)(3)	69,165.	0.			POSITIONING TO MEET THE NEED - 2014
BENT CREEK INSTITUTE, INC. 100 FREDERICK LAW OLMSTED WAY ASHEVILLE, NC 28806-9315	26-4768737	501(C)(3)	100,000.	0.			U.S. BOTANICAL SAFETY LABORATORY
BERTIE COUNTY SCHOOLS P.O. BOX 10, 222 COUNTY FARM ROAD WINDSOR, NC 27983	56-6000110	EDUCATION TAX EX	750,000.	0.			WORLD WISE (W2)
BLADEN'S BLOOMIN' AGRI-INDUSTRIAL, INC. - 218-A AVIATION PARKWAY - ELIZABETHTOWN, NC 28337	46-0502334	501(C)(3)	160,000.	0.			PROJECT HEALTHCARE
BRUNSWICK COUNTY 45 COURTHOUSE DRIVE NE, PO BOX 249 BOLIVIA, NC 28422	56-0000278	GOV'T ENTITY	859,933.	0.			PROJECT ROAD RUNNER: WATER, SEWER & NATURAL GAS INFRASTRUCTURE
CALDWELL MEMORIAL HOSPITAL FOUNDATION, INC. - P.O. BOX 1890, 321 MULBERRY ST. - LENOIR, NC 28645-1890	58-1935514	501(C)(3)	100,000.	0.			MCCREARY CANCER CENTER
CAMPBELL UNIVERSITY P.O. BOX 3539 BUIES CREEK, NC 27506	56-0529940	EDUCATION TAX EX	2,000,000.	0.			CAMPBELL UNIVERSITY SCHOOL OF OSTEOPATHIC MEDICINE
CAROLINA FARM STEWARDSHIP ASSOCIATION - PO BOX 448 - PITTSBORO, NC 27312	24-0040340	501(C)(3)	40,000.	0.			EXPANDING LOCAL FOOD MARKETING WITH SOCIAL MEDIA TOOLS
CAROLINAS GATEWAY PARTNERSHIP 427 FALLS ROAD ROCKY MOUNT, NC 27804	56-1931327	501(C)(3)	65,000.	0.			KINGSBORO SELECT SITE PROGRAM

Part II **Continuation of Grants and Other Assistance to Governments and Organizations in the United States** (Schedule I (Form 990), Part II.)

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
CENTER FOR CREATIVE LEADERSHIP ONE LEADERSHIP PLACE, PO BOX 26300 GREENSBORO, NC 27438-6300	23-7079591	GOV'T ENTITY	1,375,997.	0.			GOLDEN LEAF SCHOLARS LEADERSHIP PROGRAM
CENTER FOR CREATIVE LEADERSHIP ONE LEADERSHIP PL, PO BOX 26300 GREENSBORO, NC 27438-6300	23-7079591	GOV'T ENTITY	1,274,414.	0.			GOLDEN LEAF SCHOLARS LEADERSHIP PROGRAM (GLSLP)
CENTER FOR ECONOMIC EMPOWERMENT & DEVELOPMENT - 230 HAY STREET, PO BOX 2384 - FAYETTEVILLE, NC 28301	58-1873977	501(C)(3)	250,000.	0.			MICROENTERPRISE DEVELOPMENT PROGRAM
CITY OF ASHEVILLE PO BOX 7148 ASHEVILLE, NC 28802-7148	56-6000224	GOV'T ENTITY	300,000.	0.			INFRASTRUCTURE IMPR REQUIRED FOR SECURING A MAJOR NEW EMPLOYER
CITY OF KINSTON PO DRAWER 339, 207 E. KING STREET KINSTON, NC 28502-0339	56-6001259	GOV'T ENTITY	1,250,000.	0.			PROJECT NORMAN
CLEVELAND VOCATIONAL INDUSTRIES 650 NORTH POST ROAD SHELBY, NC 28150	56-1448881	501(C)(3)	60,787.	0.			CARE (CVA ACTIVELY RECYCLING ELECTRONICS)
COLLEGE OF THE ALBEMARLE 1208 NORTH ROAD ST, P.O. BOX 2327 ELIZABETH CITY, NC 27906-2327	56-6024012	EDUCATION TAX EX	200,000.	0.			GRANT TO COMPLETE THE REG AVIATION & TECH TRAINING CTR (EQUIP)
CRAVEN COMMUNITY COLLEGE FOUNDATION - 800 COLLEGE COURT - NEW BERN, NC 28562	59-1718436	501(C)(3)	147,476.	0.			ROBOTICS AND WELDING
CUMBERLAND COUNTY GOVERNMENT PO BOX 1829 FAYETTEVILLE, NC 28301-1829	56-6000291	GOV'T ENTITY	469,218.	0.			SEWER EXT TO VANDER FIRE DEPT, VANDER PARK & MORTY PRIDE MEATS

Part II **Continuation of Grants and Other Assistance to Governments and Organizations in the United States** (Schedule I (Form 990), Part II.)

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
CUMBERLAND COUNTY PUBLIC LIBRARY & INFORMATION CENTER - 300 MAIDEN LANE - FAYETTEVILLE, NC 28301-5000	56-6000291	GOV'T ENTITY	61,640.	0.			WORKFORCE DEV @ YOUR LIBRARY: EXPANDING ACCESS, IMPRV POTENTIAL
CUMBERLAND COUNTY SCHOOLS PO BOX 2357, 2465 GILLESPIE ST FAYETTEVILLE, NC 28302	56-6001015	EDUCATION TAX EX	300,000.	0.			LEADING THE WAY TO STEM SUCCESS
DAVIE COUNTY 123 SOUTH MAIN STREET MOCKSVILLE, NC 27028-2424	56-6000295	GOV'T ENTITY	2,500,000.	0.			TOP DRAWERS
DUPLIN GENERAL HOSPITAL PO BOX 278 KENANSVILLE, NC 28349	56-6011594	501(C)(3)	200,000.	0.			DUPLIN GENERAL HOSPITAL EMERGENCY AREA EXPANSION
EAST CAROLINA HEALTH-BEAUFORT-INC. DBA VIDANT BEAUFORT HOSPITAL - 628 EAST 12TH ST - WASHINGTON, NC 27889-3409	45-2436270	501(C)(3)	550,000.	0.			MARION L. SHEPARD CANCER CENTER EXPANSION PROJECT
EAST CAROLINA UNIVERSITY 2906 GREENVILLE CNTR, MAILSTOP 165 GREENVILLE, NC 27858-4353	56-6000403	EDUCATION TAX EX	75,000.	0.			MEETING INDUSTRY DEMAND FOR CERTIFIED LOGGING EQUIPMENT OPERATORS
EAST CAROLINA UNIVERSITY 2906 GREENVILLE CNTR, MAILSTOP 165 GREENVILLE, NC 27858-4353	56-6000403	EDUCATION TAX EX	50,000.	0.			SUMMER PROGRAM FOR FUTURE DOCTORS
EDGECOMBE COUNTY PO BOX 10, 201 ST. ANDREW ST TARBORO, NC 27886	56-6000298	GOV'T ENTITY	100,000.	0.			EDGECOMBE GREEN ENERGY PROJECT
FAYETTEVILLE TECHNICAL COMMUNITY COLLEGE - P.O. BOX 35236, 2201 HULL RD - FAYETTEVILLE, NC 28303	56-0791849	GOV'T ENTITY	463,046.	0.			SERVING THE AVIATION IND NEEDS THROUGH TRANSITIONING VETERANS

Part II **Continuation of Grants and Other Assistance to Governments and Organizations in the United States** (Schedule I (Form 990), Part II.)

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
FIRST CHOICE COMMUNITY HEALTH CENTERS (FCCHC) - 40 AUTUMN FERN TRAIL, PO BOX 2768 - LILLINGTON, NC 27546	56-1205213	501(C)(3)	75,000.	0.			INCREASING ACCESS TO CARE IN HARNETT COUNTY
FORSYTH TECHNICAL COMMUNITY COLLEGE - 2100 SILAS CREEK PARKWAY - WINSTON-SALEM, NC 27103	56-0792614	EDUCATION TAX EX	447,145.	0.			PROJECT DOGWOOD
FRANKLIN-VANCE-WARREN OPPORTUNITY, INC. - PO BOX 1453, 180 S. BECKFORD DR - HENDERSON, NC 27536	56-0861261	501(C)(3)	30,000.	0.			WOMEN'S ECONOMIC EQUITY (WEE) PROJECT
GASTON COUNTY ECONOMIC DEVELOPMENT COMMISSION - PO BOX 1578, 620 NORTH MAIN ST - GASTONIA, NC 28053	56-6000300	GOV'T ENTITY	250,000.	0.			PROJECT LIFT
GATES COUNTY PO BOX 148, 200 COURT ST GATESVILLE, NC 27938	56-6000301	GOV'T ENTITY	200,000.	0.			U.S. HIGHWAY 158 ECONOMIC DEVELOPMENT WASTEWATER PROJECT
GOLER COMMUNITY DEVELOPMENT CORPORATION - 889 NORTH LIBERTY STREET - WINSTON-SALEM, NC 27101	56-2118777	501(C)(3)	40,000.	0.			PIEDMONT CONTRACTOR RESOURCE CENTER
GRANVILLE COUNTY 141 WILLIAMSBORO ST, PO BOX 906 OXFORD, NC 27565	56-6000303	GOV'T ENTITY	200,000.	0.			GRANVILLE COUNTY EXPO & CONVENTION CENTER WATERLINE EXTENSION
GRANVILLE COUNTY 141 WILLIAMSBORO ST, PO BOX 906 OXFORD, NC 27565	56-6000303	GOV'T ENTITY	5,500,000.	0.			PROJECT GREEN
GRANVILLE HEALTH SYSTEM 1010 COLLEGE STREET OXFORD, NC 27565	56-0593547	GOV'T ENTITY	112,000.	0.			GRANVILLE MEDICAL CENTER EMERGENCY DEPARTMENT EXPANSION

Part II **Continuation of Grants and Other Assistance to Governments and Organizations in the United States** (Schedule I (Form 990), Part II.)

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
HENDERSON COUNTY GOVERNMENT 1 HISTORIC COURTHOUSE SQUARE HENDERSONVILLE, NC 28792	56-6000307	GOV'T ENTITY	750,000.	0.			BIG FOREST
HOKE COUNTY ADMIN. BLDNG, 227 N. MAIN ST RAEFORD, NC 28376	56-6001525	GOV'T ENTITY	379,500.	0.			PHASE 1A - SEWER - FIRST HEALTH & HOKE HEALTH SERVICES
JOHNSTON MEMORIAL HOSPITAL FOUNDATION - P.O. BOX 1376 - SMITHFIELD, NC 27577	56-1831806	501(C)(3)	100,000.	0.			EMERGENCY SERVICES EXPANSION AND RENOVATION PROJECT
JONES COUNTY PO BOX 340 TRENTON, NC 28585	56-6000312	GOV'T ENTITY	75,000.	0.			SPRINKLER SYSTEM FOR THE JONES COUNTY BUSINESS CENTER
JONES COUNTY HEALTH DEPARTMENT PO BOX 216 TRENTON, NC 28585	56-6000312	GOV'T ENTITY	200,000.	0.			ADULT HEALTH CLINIC
JONES COUNTY PUBLIC SCHOOLS 320 WEST JONES STREET TRENTON, NC 28585	56-6001056	EDUCATION TAX EX	750,000.	0.			JONES SENIOR HIGH TECHNOLOGY ACCESSIBILITY AND UTILIZATION
LENOIR COMMUNITY COLLEGE - JONES CAI - PO BOX 188, 231 HIGHWAY 58 S. - KINSTON, NC 28502-0188	56-0753025	GOV'T ENTITY	580,000.	0.			CAREER TECH ACADEMY - JONES
MADISON COUNTY PUBLIC SCHOOLS 5738 US HIGHWAY 25/70 MARSHALL, NC 28753	56-6001070	EDUCATION TAX EX	199,793.	0.			MADISON COUNTY 1:1 INITIATIVE
MARTIN COUNTY ECONOMIC DEVELOPMENT CORPORATION - 415 EAST BOULEVARD - WILLIAMSTON, NC 27892	56-2042675	501(C)(3)	350,000.	0.			MARCO COMPANY JOB CREATION PROJECT

Part II **Continuation of Grants and Other Assistance to Governments and Organizations in the United States** (Schedule I (Form 990), Part II.)

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
MAYLAND COMMUNITY COLLEGE P.O. BOX 547 SPRUCE PINE, NC 28777-0547	56-0990134	501(C)(3)	100,000.	0.			THE CAREER AND TECHNICAL CENTER
MCDOWELL COUNTY 60 EAST COURT ST. MARION, NC 28752	56-6000318	GOV'T ENTITY	2,140,000.	0.			UNIVERSAL CAREER PATHWAYS SKILL CENTER
MONTGOMERY COUNTY 102 EAST SPRING STREET TROY, NC 27371	56-6000321	GOV'T ENTITY	498,750.	0.			RAW WATER BANK STABILIZATION IMPROVEMENTS
MONTGOMERY COUNTY COUNCIL ON AGING, INC. - PO BOX 697 - TROY, NC 27371	56-1173830	501(C)(3)	70,000.	0.			MONTGOMERY COUNTY AGRICULTURAL AND CIVIC CENTER KITCHEN INCUBATOR
MOREHEAD MEMORIAL HOSPITAL 117 EAST KINGS HIGHWAY EDEN, NC 27288	56-0591294	501(C)(3)	200,000.	0.			URGENT MEDICAL CARE FOR WESTERN ROCKINGHAM COUNTY
NORTH CAROLINA AGRICULTURAL FOUNDATION, INC. - CAMPUS BOX 7645 - RALEIGH, NC 27695-7645	56-6049304	501(C)(3)	75,000.	0.			A.S.P.I.R.E. - ACT SUPPLEMENTAL PREPARATION IN RURAL EDUCATION
NORTH CAROLINA AGRICULTURAL FOUNDATION, INC. - CAMPUS BOX 7645 - RALEIGH, NC 27695-7645	56-6049304	501(C)(3)	160,000.	0.			(CALS) AGRICULTURAL LEADERSHIP DEVELOPMENT
NC ASSOCIATION FOR DAIRY STABILIZATION AND GROWTH, INC. - 5301 GLENWOOD AVENUE - RALEIGH, NC 27612	45-0594324	501(C)(3)	50,000.	0.			NC DAIRY ADVANTAGE PROGRAM
NORTH CAROLINA BIOTECHNOLOGY CENTER - 15 T.W. ALEXANDER DRIVE, PO BOX 13547 - RESEARCH TRIANGLE PARK, NC 27709-3547	56-1434024	501(C)(3)	150,000.	0.			BIOTECHNOLOGY CROP COMMERCIALIZATION CENTER

Schedule I (Form 990)

Part II **Continuation of Grants and Other Assistance to Governments and Organizations in the United States** (Schedule I (Form 990), Part II.)

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
NORTH CAROLINA COASTAL LAND TRUST 131 RACINE DRIVE, STE 101 WILMINGTON, NC 28403	56-1791849	501(C)(3)	75,000.	0.			PHASE 3, ENCROACHMENT PARTNERSHIP WITH THE US MARINE CORPS
NORTH CAROLINA COMMUNITY COLLEGE SYSTEM - 5016 MAIL SERVICE CENTER - RALEIGH, NC 27699-5016	56-1288079	EDUCATION TAX EX	750,000.	0.			GOLDEN LEAF SCHOLARS PROGRAM - TWO-YEAR COLLEGES
NC DEPT OF AGRICULTURE & CONSUMER SERVICES - 1020 MAIL SERVICE CENTER - RALEIGH, NC 27699	56-6000732	GOV'T ENTITY	160,000.	0.			COOLER EXPANSION FOR THE NCDA&CS SALISBURY WAREHOUSE
NORTH CAROLINA GOVERNOR'S SCHOOL FOUNDATION - 3000 BETHESDA PLACE, STE 804 - WINSTON-SALEM, NC 27103	58-1985906	501(C)(3)	175,000.	0.			NORTH CAROLINA GOVERNOR'S SCHOOL, 2012 SESSION
NORTH CAROLINA INDEPENDENT COLLEGES AND UNIVERSITIES - 530 N. BLOUNT STREET - RALEIGH, NC 27604	56-0775353	501(C)(3)	420,000.	0.			NCICU GOLDEN LEAF FOUNDATION SCHOLARSHIP PROGRAM
NORTH CAROLINA NEW SCHOOLS PROJECT, INC. - 4600 MARRIOTT DR, STE 510 - RALEIGH, NC 27612-3307	20-4031703	501(C)(3)	500,000.	0.			INVESTING IN INNOVATION
NORTH CAROLINA NEW SCHOOLS PROJECT, INC. - 4600 MARRIOTT DR, STE 510 - RALEIGH, NC 27612-3307	20-4031703	501(C)(3)	100,000.	0.			TOWARD SUSTAINABILITY: SUPPORTING 1:1 PROJECTS ACROSS NC
NORTH CAROLINA REAL ENTERPRISES, INC. - 3739 NATIONAL DRIVE, SUITE 110 - RALEIGH, NC 27612	56-1522978	501(C)(3)	100,000.	0.			FROM ENTREPRENEURSHIP TO ENTERPRISES: A REAL PATHWAY
N. CAROLINA STATE EDUCATION ASSISTANCE AUTHORITY - PO BOX 14103, 10 T.W. ALEXANDER DR - RESEARCH TRIANGLE PARK, NC	90-0145439	501(C)(3)	1,390,000.	0.			GOLDEN LEAF SCHOLARS PROGRAM 2012-13

Part II **Continuation of Grants and Other Assistance to Governments and Organizations in the United States** (Schedule I (Form 990), Part II.)

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
NORTH CAROLINA STATE UNIVERSITY CAMPUS BOX 7514 RALEIGH, NC 27695-7626	56-6000756	EDUCATION TAX EX	55,000.	0.			BREEDING PEST RESISTANCE INTO FRASER FIRS & ORN. HEMLOCKS: YR 2
NORTHAMPTON COUNTY PO BOX 808 JACKSON, NC 27845	56-6000325	GOV'T ENTITY	200,000.	0.			ENVIVA INFRASTRUCTURE PROJECT
OLIVE HILL COMMUNITY ECONOMIC DEVELOPMENT CORPORATION, INC. - PO BOX 4008, 420 C WEST FLEMING DR - MORGANTON, NC 28680	31-1639629	501(C)(3)	60,000.	0.			BURKE CENTER FOR ECONOMIC DEVELOPMENT
PIEDMONT TRIAD AIRPORT AUTHORITY 1000 A TED JOHNSON PARKWAY GREENSBORO, NC 27409	56-0668378	501(C)(3)	1,000,000.	0.			PROJECT ICING
ROCKINGHAM COUNTY BUSINESS & TECHNOLOGY CENTER - 240 CHEROKEE CAMP RD, STE 2 - REIDSVILLE, NC 27320	56-6001527	GOV'T ENTITY	350,000.	0.			BIZFUEL
ROWAN JOBS INITIATIVE 204 E. INNES STREET SALISBURY, NC 28144	87-0713114	501(C)(3)	550,000.	0.			PROJECT PROTEIN
RURAL ADVANCEMENT FOUNDATION INTERNATIONAL-USA (RAFI-USA) - P.O. BOX 640 - PITTSBORO, NC 27312	56-1704863	501(C)(3)	61,000.	0.			TOWNSEND GROWERS FINANCIAL ADVOCACY
RUTHERFORD COUNTY GOVERNMENT 289 NORTH MAIN STREET RUTHERFORDTON, NC 28139	56-6000337	GOV'T ENTITY	262,000.	0.			GEPPETTO DOOR LINE EXPANSION
RUTHERFORD COUNTY SCHOOLS EDUCATION FOUNDATION, INC. - 382 W. MAIN ST. - FOREST CITY, NC 28043	27-2771407	501(C)(3)	200,000.	0.			GOING G.L.O.B.A.L.

Part II **Continuation of Grants and Other Assistance to Governments and Organizations in the United States** (Schedule I (Form 990), Part II.)

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
ST. ANDREWS UNIVERSITY 1700 DOGWOOD MILE LAURINBURG, NC 28352	56-0530240	501(C)(3)	1,000,000.	0.			ST. ANDREWS PRESBYTERIAN COLLEGE
STECOAH VALLEY ARTS, CRAFTS & EDUCATIONAL CENTER, INC. - 121 SCHOOLHOUSE RD - ROBBINSVILLE, NC 28771-9628	56-1935344	501(C)(3)	55,000.	0.			STECOAH ASSET-BASED TOURISM PROJECT
STURGEON CITY OF JACKSONVILLE NC, INCORPORATED - PO BOX 1056 - JACKSONVILLE, NC 28541	56-2228246	501(C)(3)	146,475.	0.			ADAPTIVE REUSE OF A FORMER WASTEWATER PLANT
SURRY COUNTY 118 HAMBY ROAD, SUITE 342 DOBSON, NC 27017	56-6000341	GOV'T ENTITY	200,000.	0.			MT. AIRY INTERSTATES DISTRICT WATER PROJECT
SURRY COUNTY SCHOOLS 209 NORTH CRUTCHFIELD ST DOBSON, NC 27017	56-6001117	EDUCATION TAX EX	150,000.	0.			21ST CENTURY SCHOOLS
TOWN OF BATH PO DRAWER 6A BATH, NC 27808	56-1094242	GOV'T ENTITY	250,000.	0.			TOWN OF BATH WASTEWATER IMPROVEMENT
TOWN OF BISCOE PO BOX 1228 BISCOE, NC 27209	56-6001180	GOV'T ENTITY	800,000.	0.			SEWER FOR HEART OF NC MEGA SITE
TOWN OF BURNSVILLE PO BOX 97 BURNSVILLE, NC 28714	56-6001190	GOV'T ENTITY	1,200,000.	0.			EAST YANCEY/MICAVILLE WATER EXTENSION
TOWN OF PILOT MOUNTAIN 124 WEST MAIN STREET, BOX 1 PILOT MOUNTAIN, NC 27041	56-6001308	GOV'T ENTITY	75,000.	0.			PILOT CTR FOR LEARNING, EDUC, AND RETRAINING (CLEAR) - PHASE II

Part II **Continuation of Grants and Other Assistance to Governments and Organizations in the United States** (Schedule I (Form 990), Part II.)

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
TOWN OF STAR PO BOX 97 STAR, NC 27356	56-6010163	GOV'T ENTITY	10,000.	0.			STAR - CAROLINA GROWLER SEWER EXTENSION PROJECT
TOWN OF TRENTON PO BOX 399 TRENTON, NC 28585-0399	56-0884709	GOV'T ENTITY	200,000.	0.			TRENTON SANITARY SEWER IMPROVEMENTS
TOWN OF TROY 315 N. MAIN ST. TROY, NC 27371	56-6001353	GOV'T ENTITY	620,000.	0.			SUPPORT FOR EQUIPMENT LEASING PROJECT FOR WRIGHT FOODS
UNIVERSITY OF NORTH CAROLINA - GENERAL ADMINISTRATION - UNC CSLD, 140 FRIDAY CENTER DR - CHAPEL HILL, NC 27515	56-6172047	EDUCATION TAX EX	825,000.	0.			GOLDEN LEAF SCHOLARS PROGRAM, 2012-13
THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL - KNAPP-SANDERS BLDNG, C.B. 3330 - CHAPEL HILL, NC 27599-3330	56-6001393	GOV'T ENTITY	31,172.	0.			GOLDEN LEAF CAI FRONT-END ASSESSMENTS III
UNIVERSITY OF NORTH CAROLINA AT PEMBROKE FOUNDATION, INC. - OFFICE FOR ADVANCEMENT, PO BOX 1510 - PEMBROKE, NC 28372-1510	58-1592230	501(C)(3)	200,000.	0.			UNCP ENTREPRENEURSHIP INCUBATOR
VANCE COUNTY 122 YOUNG ST, SUITE B HENDERSON, NC 27536-5574	56-6000346	GOV'T ENTITY	28,834.	0.			SATTERWHITE POINTE ROAD WATER PROJECT
WASHINGTON COUNTY SCHOOLS 802 WASHINGTON STREET PLYMOUTH, NC 27962	56-6001128	501(C)(3)	200,000.	0.			NORTHEAST REGIONAL SCHOOL FOR BIOTECHNOLOGY AND AGRISCIENCE
WEBSTER ENTERPRISES OF JACKSON COUNTY, INC. - PO BOX 220 - WEBSTER, NC 28788	56-1208982	501(C)(3)	165,000.	0.			WEI MANUFACTURING EXPANSION

Part II **Continuation of Grants and Other Assistance to Governments and Organizations in the United States** (Schedule I (Form 990), Part II.)

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
WILSON COMMUNITY COLLEGE PO BOX 4305, 902 HERRING AVE. WILSON, NC 27893	56-6052568	EDUCATION TAX EX	135,000.	0.			'READY FOR WORK' PROGRAM
WILSON COUNTY GOVERNMENT P.O. BOX 1728 WILSON, NC 27894-1728	56-6000351	GOV'T ENTITY	380,000.	0.			FARMERS MARKET MULTIPURPOSE COMPLEX
WILSON YOUTH UNITED, INC. 910 TARBORO STREET WILSON, NC 27893	27-1604121	501(C)(3)	85,000.	0.			MY SPOT PROGRAM
WIRELESS RESEARCH CENTER OF NORTH CAROLINA - 3331 HERITAGE TRADE DRIVE, STE 101 - WAKE FOREST, NC 27587	27-3397703	501(C)(3)	962,000.	0.			WIRELESS RESEARCH CENTER OF NORTH CAROLINA
WNC REGIONAL ECON DEV COMM (D/B/A ADVANTAGE WEST ECON DEV GROUP) - 134 WRIGHT BROTHERS WAY - FLETCHER, NC 28732	56-1871844	501(C)(3)	200,000.	0.			REALIZING THE POTENTIAL OF THE WNC NATURAL PRODUCTS IND PHASE II
WRMC HOSPITAL OPERATING CORPORATION - P.O. BOX 609 - NORTH WILKESBORO, NC 28659	83-0343789	501(C)(3)	184,000.	0.			CAPITAL CAMPAIGN TO ENHANCE EMERGENCY SERVICES
YANCEY COUNTY SCHOOLS PO BOX 190 BURNSVILLE, NC 28714-0190	56-6001138	GOV'T ENTITY	697,748.	0.			1:1 LAPTOP INITIATIVE AND 21ST CENTURY CLASSROOMS

Schedule I (Form 990)

Part III **Grants and Other Assistance to Individuals in the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 22.
Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance

Part IV **Supplemental Information.** Complete this part to provide the information required in Part I, line 2, and any other additional information.

SCHEDULE I, PART I, LINE 2: APPLICANTS THAT RECEIVE AWARDS FROM THE BOARD ARE REQUIRED TO SIGN A GRANTEE ACKNOWLEDGEMENT & AGREEMENT, WHICH STATES GUIDELINES AND CONDITIONS FOR A GRANT. GRANTEES MUST ALSO ATTEND A GRANTS MANAGEMENT SESSION. THE GRANTEE ACKNOWLEDGEMENT & AGREEMENT MAY CONTAIN CONDITIONS THAT MUST BE SATISFIED BEFORE FUNDS WILL BE RELEASED. THESE CONDITIONS, ALONG WITH REQUIREMENTS FOR INTERIM AND FINAL REPORTS, ARE ENTERED IN A DATABASE. ONCE THE FOUNDATION RECEIVES THE SIGNED GRANTEE ACKNOWLEDGEMENT & AGREEMENT, EVIDENCE THAT PRECONDITIONS HAVE BEEN MET, AND A WRITTEN REQUEST FOR PAYMENT, THE APPLICANT IS ELIGIBLE TO RECIEVE AN

Part IV Supplemental Information

INITIAL DISBURSEMENT OF UP TO 80% OF THE GRANT AWARD. A SUM EQUAL TO 20% OF THE TOTAL AMOUNT OF THE GRANT IS RETAINED BY THE FOUNDATION UNTIL COMPLETION OF THE GRANTEE'S OBLIGATIONS UNDER THE GRANT, INCLUDING THE SUBMISSION TO THE FOUNDATION OF A FINAL REPORT ON THE FUNDED PROJECT AND SATISFACTION OF ANY REMAINING CONDITIONS TO RELEASE OF FUNDS. GRANTEES MAY USE FUNDS ONLY FOR ITEMS IDENTIFIED IN THE PROJECT'S APPROVED BUDGET. SHOULD THE GRANTEE SEEK TO SPEND FUNDS ON AN ITEM NOT INCLUDED IN THE BUDGET OR IN AN AMOUNT IN EXCESS OF THE APPROVED BUDGET AMOUNT, THE GRANTEE MUST RECEIVE APPROVAL OF A BUDGET MODIFICATION. IN NO EVENT MAY A GRANTEE SPEND GOLDEN LEAF FUNDS IN EXCESS OF THE AMOUNT AWARDED BY THE GOLDEN LEAF BOARD. GRANTEES MUST SUBMIT INTERIM REPORTS IN SIX MONTH INCREMENTS BEGINNING SIX MONTHS AFTER THE AWARD DATE AND A FINAL REPORT WITHIN 60 DAYS AFTER COMPLETION OF THE PROJECT. THE REPORTS INCLUDE INFORMATION REGARDING THE WORK ACCOMPLISHED, COMPARED TO AN APPROVED SCOPE OF WORK, REPORTED OUTCOMES OF THE PROJECT, AND EXPENDITURE REPORTS WITH SUPPORTING DOCUMENTATION.

SCHEDULE J (Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees
▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 23.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047
2011
Open to Public Inspection

Name of the organization: THE GOLDEN L.E.A.F., INC.
Employer identification number: 52-2204473

Part I Questions Regarding Compensation

			Yes	No
1a	Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items. ☐ First-class or charter travel ☐ Housing allowance or residence for personal use ☐ Travel for companions ☐ Payments for business use of personal residence ☐ Tax indemnification and gross-up payments ☐ Health or social club dues or initiation fees ☐ Discretionary spending account ☐ Personal services (e.g., maid, chauffeur, chef)			
b	If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain	1b		
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?	2		
3	Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director. Explain in Part III. ☒ Compensation committee ☐ Written employment contract ☐ Independent compensation consultant ☒ Compensation survey or study ☒ Form 990 of other organizations ☒ Approval by the board or compensation committee			
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:			
a	Receive a severance payment or change-of-control payment?	4a		X
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4b		X
c	Participate in, or receive payment from, an equity-based compensation arrangement?	4c		X
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.			
	Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5-9.			
5	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:			
a	The organization?	5a		X
b	Any related organization?	5b		X
	If "Yes" to line 5a or 5b, describe in Part III.			
6	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:			
a	The organization?	6a		X
b	Any related organization?	6b		X
	If "Yes" to line 6a or 6b, describe in Part III.			
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	7		X
8	Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III	8		X
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?	9		

Part II **Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees.** Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

Note. The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported as deferred in prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1 DANIEL J. GERLACH	(i)	187,232.	0.	180.	19,118.	15,065.	221,595.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
2 MARK A. SORRELLS	(i)	154,814.	0.	414.	16,080.	15,069.	186,377.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
3 PETER J. CERA	(i)	134,207.	0.	180.	13,750.	15,065.	163,202.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
4	(i)							
	(ii)							
5	(i)							
	(ii)							
6	(i)							
	(ii)							
7	(i)							
	(ii)							
8	(i)							
	(ii)							
9	(i)							
	(ii)							
10	(i)							
	(ii)							
11	(i)							
	(ii)							
12	(i)							
	(ii)							
13	(i)							
	(ii)							
14	(i)							
	(ii)							
15	(i)							
	(ii)							
16	(i)							
	(ii)							

SCHEDULE O (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on Form 990 or 990-EZ or to provide any additional information.
▶ Attach to Form 990 or 990-EZ.

OMB No. 1545-0047

2011

Open to Public Inspection

Name of the organization	Employer identification number
THE GOLDEN L.E.A.F., INC.	52-2204473

FORM 990, PART III, LINE 4A, PROGRAM SERVICE ACCOMPLISHMENTS:

2. JOB TRAINING AND EMPLOYMENT ASSISTANCE - PROVISION OF LOANS AND GRANTS, TO BE USED FOR JOB TRAINING AND OTHER EMPLOYMENT-RELATED PROGRAMS, TO ORGANIZATIONS ASSISTING TOBACCO FARMERS AND OTHER WORKERS DEPENDENT ON TOBACCO FARMING, PRODUCTION AND SALES TO TRANSITION TO OTHER SOURCES OF INCOME.

3. SCIENTIFIC RESEARCH - PROVISION OF FUNDING FOR SCIENTIFIC RESEARCH TO DEVELOP NEW USES FOR TOBACCO OR FOR THE DEVELOPMENT OF ALTERNATIVE CASH CROPS.

4. ECONOMIC HARDSHIP ASSISTANCE - PROVISION OF DIRECT GRANTS, LOANS AND OTHER ASSISTANCE PROGRAMS TO ALLEVIATE ECONOMIC HARDSHIP, POVERTY OR NEED EXPERIENCED BY TOBACCO FARMERS, QUOTA OWNERS, THEIR FAMILIES AND OTHERS AS A RESULT OF DECLINE IN QUOTA AND/OR PRODUCTION OF TOBACCO OR TOBACCO PRODUCTS.

5. PUBLIC WORKS AND INDUSTRIAL RECRUITMENT - PROVISION OF GRANTS AND LOANS TO LOCAL GOVERNMENTS FOR UPGRADING UTILITIES, TRANSPORTATION, AND OTHER PUBLIC SERVICE INFRASTRUCTURE TO ATTRACT NEW BUSINESSES OR FOR MORE GENERAL ECONOMIC DEVELOPMENT PURPOSES.

6. HEALTH AND HUMAN SERVICES - PROVISION OF FUNDING FOR IMPROVED HEALTH CARE AND OTHER SOCIAL SERVICES NEEDED TO MAINTAIN THE STABILITY OF TOBACCO-DEPENDENT COMMUNITIES.

7. COMMUNITY ASSISTANCE - PROVISION OF DIRECT GRANTS AND LOANS TO ECONOMICALLY DEPRESSED AND DETERIORATING TOBACCO-DEPENDENT COMMUNITIES, TO BE USED EXCLUSIVELY FOR PUBLIC PURPOSES.

FORM 990, PART VI, SECTION A, LINE 7A: THE FOUNDATION IS GOVERNED BY A

Name of the organization: THE GOLDEN L.E.A.F., INC.

Employer identification number: 52-2204473

BOARD OF DIRECTORS COMPRISED OF FIFTEEN DIRECTORS. FIVE DIRECTORS ARE APPOINTED BY THE GOVERNOR OF THE STATE OF NORTH CAROLINA. FIVE DIRECTORS ARE APPOINTED BY THE PRESIDENT PRO TEMPORE OF THE NORTH CAROLINA SENATE. FIVE DIRECTORS ARE APPOINTED BY THE SPEAKER OF THE NORTH CAROLINA HOUSE OF REPRESENTATIVES.

FORM 990, PART VI, SECTION A, LINE 7B: THE FOUNDATION MAY NOT DISPOSE OF ASSETS PURSUANT TO THE PROVISIONS OF SECTION 55A-12-02 OF THE NORTH CAROLINA GENERAL STATUTES WITHOUT THE APPROVAL OF THE NORTH CAROLINA GENERAL ASSEMBLY. THE FOUNDATION MAY NOT AMEND ITS ARTICLES OF INCORPORATION WITHOUT THE APPROVAL OF THE NORTH CAROLINA GENERAL ASSEMBLY.

FORM 990, PART VI, SECTION B, LINE 11: A COPY OF FORM 990 WAS PROVIDED TO EACH MEMBER OF THE FOUNDATION'S BOARD OF DIRECTORS. THE AUDIT COMMITTEE OF THE BOARD REVIEWED THE FORM 990 AND RECOMMENDED APPROVAL TO THE FULL BOARD. THE BOARD OF DIRECTORS APPROVED THE FORM 990 PRIOR TO ITS FILING.

FORM 990, PART VI, SECTION B, LINE 12C: THE FOUNDATION'S BOARD OF DIRECTORS AND COMMITTEES MEET APPROXIMATELY SIX TIMES PER YEAR. AT EACH SUCH MEETING, OR GROUP OF MEETINGS, DIRECTORS ARE ASKED TO CONFIRM THEIR DISCLOSURES OR MAKE ANY NEW DISCLOSURES. WHEN A DIRECTOR DISCLOSES AN INTEREST IN A PROPOSED TRANSACTION, THE DIRECTOR DOES NOT PARTICIPATE IN THE DISCUSSION CONCERNING, OR THE VOTE UPON, THE PROPOSED TRANSACTION.

FORM 990, PART VI, SECTION B, LINE 15A: NO CHANGES HAVE BEEN MADE TO THE PRESIDENT'S SALARY SINCE JUNE 2008. AT THAT TIME, THE PERSONNEL COMMITTEE OF THE BOARD OF DIRECTORS REVIEWED SALARY AND BENEFIT INFORMATION FOR POSITIONS COMPARABLE TO THE PRESIDENT AT OTHER NORTH CAROLINA FOUNDATIONS

Name of the organization: THE GOLDEN L.E.A.F., INC.

Employer identification number: 52-2204473

AND ENDOWMENTS AND NORTH CAROLINA STATE AGENCIES PRIOR TO MAKING A RECOMMENDATION TO THE BOARD REGARDING THE PRESIDENT'S SALARY AND BENEFITS. THE BOARD APPROVED THE SALARY AND BENEFITS OF THE PRESIDENT.

FORM 990, PART VI, SECTION C, LINE 19: THE ORGANIZATION MAKES ITS GOVERNING DOCUMENTS AND CONFLICT OF INTEREST POLICY AVAILABLE UPON REQUEST. THE FINANCIAL STATEMENTS ARE MADE AVAILABLE ON THE ORGANIZATION'S WEBSITE AND UPON REQUEST.

FORM 990, PART XI, LINE 5, CHANGES IN NET ASSETS:

NET UNREALIZED LOSSES ON INVESTMENTS:	-31,010,685.
PASS-THROUGH UBI LOSS FROM K-1S	1,083,463.
RESCISSIONS AND RETURNS OF GRANTS	11,920,891.
TOTAL TO FORM 990, PART XI, LINE 5	-18,006,331.

FORM 990, PART XII, LINE 2C

OVERSIGHT OF AUDIT:

THE PROCESS HAS NOT CHANGED FROM THE PRIOR YEAR.

TAX RETURN FILING INSTRUCTIONS

FORM 990-T

FOR THE YEAR ENDING

JUNE 30, 2012

Prepared for	THE GOLDEN L.E.A.F., INC. 301 N. WINSTEAD AVE ROCKY MOUNT, NC 27804
Prepared by	BDO USA, LLP 7101 WISCONSIN AVE., SUITE 800 BETHESDA, MD 20814-4827
Amount due or refund	NO AMOUNT IS DUE.
Make check payable to	NO AMOUNT IS DUE.
Mail tax return and check (if applicable) to	DEPARTMENT OF THE TREASURY INTERNAL REVENUE SERVICE CENTER OGDEN, UT 84201-0027
Return must be mailed on or before	MAY 15, 2013
Special Instructions	THE RETURN SHOULD BE SIGNED AND DATED.

100941
05-01-11

Form **990-T**

Department of the Treasury
Internal Revenue Service

Exempt Organization Business Income Tax Return
(and proxy tax under section 6033(e))

For calendar year 2011 or other tax year beginning JUL 1, 2011 , and ending JUN 30, 2012

OMB No. 1545-0687

2011

Open to Public Inspection for 501(c)(3) Organizations Only

A [ ] Check box if address changed

B Exempt under section
[X] 501(c)(3)
[ ] 408(e) [ ] 220(e)
[ ] 408A [ ] 530(a)
[ ] 529(a)

Print or Type

Name of organization ([ ] Check box if name changed and see instructions.)
THE GOLDEN L.E.A.F., INC.

Number, street, and room or suite no. If a P.O. box, see instructions.
301 N. WINSTEAD AVE

City or town, state, and ZIP code
ROCKY MOUNT, NC 27804

D Employer identification number (Employees' trust, see instructions.)
52-2204473

E Unrelated business activity codes (See instructions.)
523000

C Book value of all assets at end of year
793,382,903.

F Group exemption number (See instructions.) ▶

G Check organization type ▶ [X] 501(c) corporation [ ] 501(c) trust [ ] 401(a) trust [ ] Other trust

H Describe the organization's primary unrelated business activity. ▶ INVESTMENTS IN PASSTHROUGH ENTITIES

I During the tax year, was the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? ▶ [ ] Yes [X] No
If "Yes," enter the name and identifying number of the parent corporation. ▶

J The books are in care of ▶ BETH EDMONDSON Telephone number ▶ 252-442-7474

Part I Unrelated Trade or Business Income

			(A) Income	(B) Expenses	(C) Net
1a	Gross receipts or sales				
b	Less returns and allowances c Balance ▶	1c			
2	Cost of goods sold (Schedule A, line 7)	2			
3	Gross profit. Subtract line 2 from line 1c	3			
4a	Capital gain net income (attach Schedule D)	4a			
b	Net gain (loss) (Form 4797, Part II, line 17) (attach Form 4797)	4b			
c	Capital loss deduction for trusts	4c			
5	Income (loss) from partnerships and S corporations (attach statement)	5	-1,083,463.	STMT 2	-1,083,463.
6	Rent income (Schedule C)	6			
7	Unrelated debt-financed income (Schedule E)	7			
8	Interest, annuities, royalties, and rents from controlled organizations (Sch. F)	8			
9	Investment income of a section 501(c)(7), (9), or (17) organization (Schedule G)	9			
10	Exploited exempt activity income (Schedule I)	10			
11	Advertising income (Schedule J)	11			
12	Other income (See instructions; attach schedule.)	12			
13	**Total.** Combine lines 3 through 12	13	-1,083,463.		-1,083,463.

Part II Deductions Not Taken Elsewhere (See instructions for limitations on deductions.)
(Except for contributions, deductions must be directly connected with the unrelated business income.)

14	Compensation of officers, directors, and trustees (Schedule K)			14	
15	Salaries and wages			15	
16	Repairs and maintenance			16	
17	Bad debts			17	
18	Interest (attach schedule)			18	
19	Taxes and licenses			19	
20	Charitable contributions (See instructions for limitation rules.)			20	
21	Depreciation (attach Form 4562)	21			
22	Less depreciation claimed on Schedule A and elsewhere on return	22a		22b	
23	Depletion			23	
24	Contributions to deferred compensation plans			24	
25	Employee benefit programs			25	
26	Excess exempt expenses (Schedule I)			26	
27	Excess readership costs (Schedule J)			27	
28	Other deductions (attach schedule)			28	
29	**Total deductions.** Add lines 14 through 28			29	0.
30	Unrelated business taxable income before net operating loss deduction. Subtract line 29 from line 13			30	-1,083,463.
31	Net operating loss deduction (limited to the amount on line 30)			31	0.
32	Unrelated business taxable income before specific deduction. Subtract line 31 from line 30			32	-1,083,463.
33	Specific deduction (Generally $1,000, but see instructions for exceptions.)			33	1,000.
34	**Unrelated business taxable income.** Subtract line 33 from line 32. If line 33 is greater than line 32, enter the smaller of zero or line 32			34	-1,083,463.

Part III Tax Computation

35 **Organizations Taxable as Corporations.** See instructions for tax computation. Controlled group members (sections 1561 and 1563) check here ▶ ☐ **See instructions** and:		
a Enter your share of the $50,000, $25,000, and $9,925,000 taxable income brackets (in that order): (1) $ (2) $ (3) $		
b Enter organization's share of: (1) Additional 5% tax (not more than $11,750) $		
(2) Additional 3% tax (not more than $100,000) $		
c Income tax on the amount on line 34 ▶	35c	0.
36 **Trusts Taxable at Trust Rates.** See instructions for tax computation. Income tax on the amount on line 34 from: ☐ Tax rate schedule or ☐ Schedule D (Form 1041) ▶	36	
37 **Proxy tax.** See instructions ▶	37	
38 Alternative minimum tax	38	
39 **Total.** Add lines 37 and 38 to line 35c or 36, whichever applies	39	0.

Part IV Tax and Payments

40a Foreign tax credit (corporations attach Form 1118; trusts attach Form 1116)	40a			
b Other credits (see instructions)	40b			
c General business credit. Attach Form 3800	40c			
d Credit for prior year minimum tax (attach Form 8801 or 8827)	40d			
e **Total credits.** Add lines 40a through 40d			40e	
41 Subtract line 40e from line 39			41	0.
42 Other taxes. Check if from: ☐ Form 4255 ☐ Form 8611 ☐ Form 8697 ☐ Form 8866 ☐ Other (attach schedule)			42	
43 **Total tax.** Add lines 41 and 42			43	0.
44a Payments: A 2010 overpayment credited to 2011	44a			
b 2011 estimated tax payments	44b			
c Tax deposited with Form 8868	44c			
d Foreign organizations: Tax paid or withheld at source (see instructions)	44d			
e Backup withholding (see instructions)	44e			
f Credit for small employer health insurance premiums (Attach Form 8941)	44f			
g Other credits and payments: ☐ Form 2439 ☐ Form 4136 ☐ Other Total ▶	44g			
45 **Total payments.** Add lines 44a through 44g			45	
46 Estimated tax penalty (see instructions). Check if Form 2220 is attached ▶ ☐			46	
47 **Tax due.** If line 45 is less than the total of lines 43 and 46, enter amount owed ▶			47	0.
48 **Overpayment.** If line 45 is larger than the total of lines 43 and 46, enter amount overpaid ▶			48	0.
49 Enter the amount of line 48 you want: **Credited to 2012 estimated tax** ▶ **Refunded** ▶			49	

Part V Statements Regarding Certain Activities and Other Information (see instructions)

	Yes	No
1 At any time during the 2011 calendar year, did the organization have an interest in or a signature or other authority over a financial account (bank, securities, or other) in a foreign country? If YES, the organization may have to file Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts. If YES, enter the name of the foreign country here ▶ IRELAND	X	
2 During the tax year, did the organization receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If YES, see instructions for other forms the organization may have to file.		X
3 Enter the amount of tax-exempt interest received or accrued during the tax year ▶ $		

Schedule A - Cost of Goods Sold. Enter method of inventory valuation ▶ N/A

1 Inventory at beginning of year	1		6 Inventory at end of year	6	
2 Purchases	2		7 **Cost of goods sold.** Subtract line 6 from line 5. Enter here and in Part I, line 2	7	
3 Cost of labor	3		8 Do the rules of section 263A (with respect to property produced or acquired for resale) apply to the organization?	Yes	No: X
4a Additional section 263A costs	4a				
b Other costs (attach schedule)	4b				
5 **Total.** Add lines 1 through 4b	5				

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.

▶ Signature of officer | Date | ▶ PRESIDENT Title

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

Paid Preparer Use Only				
Print/Type preparer's name: MICHAEL SORRELLS, CPA	Preparer's signature	Date	Check ☐ if self-employed	PTIN P00001737
Firm's name ▶ BDO USA, LLP			Firm's EIN ▶ 13-5381590	
Firm's address ▶ 7101 WISCONSIN AVE., SUITE 800 BETHESDA, MD 20814-4827			Phone no. (301)654-4900	

Part III Tax Computation

35 **Organizations Taxable as Corporations.** See instructions for tax computation. Controlled group members (sections 1561 and 1563) check here ▶ ☐ **See instructions** and:		
a Enter your share of the $50,000, $25,000, and $9,925,000 taxable income brackets (in that order): (1) $ (2) $ (3) $		
b Enter organization's share of: (1) Additional 5% tax (not more than $11,750) $		
(2) Additional 3% tax (not more than $100,000) $		
c Income tax on the amount on line 34 ▶	35c	0.
36 **Trusts Taxable at Trust Rates.** See instructions for tax computation. Income tax on the amount on line 34 from: ☐ Tax rate schedule or ☐ Schedule D (Form 1041) ▶	36	
37 **Proxy tax.** See instructions ▶	37	
38 Alternative minimum tax	38	
39 **Total.** Add lines 37 and 38 to line 35c or 36, whichever applies	39	0.

Part IV Tax and Payments

40a Foreign tax credit (corporations attach Form 1118; trusts attach Form 1116)	40a			
b Other credits (see instructions)	40b			
c General business credit. Attach Form 3800	40c			
d Credit for prior year minimum tax (attach Form 8801 or 8827)	40d			
e **Total credits.** Add lines 40a through 40d			40e	
41 Subtract line 40e from line 39			41	0.
42 Other taxes. Check if from: ☐ Form 4255 ☐ Form 8611 ☐ Form 8697 ☐ Form 8866 ☐ Other (attach schedule)			42	
43 **Total tax.** Add lines 41 and 42			43	0.
44a Payments: A 2010 overpayment credited to 2011	44a			
b 2011 estimated tax payments	44b			
c Tax deposited with Form 8868	44c			
d Foreign organizations: Tax paid or withheld at source (see instructions)	44d			
e Backup withholding (see instructions)	44e			
f Credit for small employer health insurance premiums (Attach Form 8941)	44f			
g Other credits and payments: ☐ Form 2439 ☐ Form 4136 ☐ Other Total ▶	44g			
45 **Total payments.** Add lines 44a through 44g			45	
46 Estimated tax penalty (see instructions). Check if Form 2220 is attached ▶ ☐			46	
47 **Tax due.** If line 45 is less than the total of lines 43 and 46, enter amount owed ▶			47	0.
48 **Overpayment.** If line 45 is larger than the total of lines 43 and 46, enter amount overpaid ▶			48	0.
49 Enter the amount of line 48 you want: **Credited to 2012 estimated tax** ▶		**Refunded** ▶	49	

Part V Statements Regarding Certain Activities and Other Information (see instructions)

	Yes	No
1 At any time during the 2011 calendar year, did the organization have an interest in or a signature or other authority over a financial account (bank, securities, or other) in a foreign country? If YES, the organization may have to file Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts. If YES, enter the name of the foreign country here ▶ IRELAND	X	
2 During the tax year, did the organization receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If YES, see instructions for other forms the organization may have to file.		X
3 Enter the amount of tax-exempt interest received or accrued during the tax year ▶ $		

Schedule A - Cost of Goods Sold. Enter method of inventory valuation ▶ N/A

1 Inventory at beginning of year	1		6 Inventory at end of year	6	
2 Purchases	2		7 **Cost of goods sold.** Subtract line 6 from line 5. Enter here and in Part I, line 2	7	
3 Cost of labor	3				
4a Additional section 263A costs	4a		8 Do the rules of section 263A (with respect to property produced or acquired for resale) apply to the organization?	Yes	No: X
b Other costs (attach schedule)	4b				
5 **Total.** Add lines 1 through 4b	5				

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.

▶ Signature of officer | Date | ▶ PRESIDENT Title

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

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
MICHAEL SORRELLS, CPA	R Michael Sorrells	2/19/2013		P00001737
Firm's name ▶ BDO USA, LLP			Firm's EIN ▶ 13-5381590	
Firm's address ▶ 7101 WISCONSIN AVE., SUITE 800 BETHESDA, MD 20814-4827			Phone no. (301)654-4900	

123711 02-24-12

Schedule C - Rent Income (From Real Property and Personal Property Leased With Real Property) (see instructions)

1. Description of property
(1)
(2)
(3)
(4)

2. Rent received or accrued: (a) From personal property (if the percentage of rent for personal property is more than 10% but not more than 50%)	(b) From real and personal property (if the percentage of rent for personal property exceeds 50% or if the rent is based on profit or income)	3(a) Deductions directly connected with the income in columns 2(a) and 2(b) (attach schedule)
(1)		
(2)		
(3)		
(4)		
Total 0.	Total 0.	
(c) Total income. Add totals of columns 2(a) and 2(b). Enter here and on page 1, Part I, line 6, column (A) ▶	0.	(b) Total deductions. Enter here and on page 1, Part I, line 6, column (B) ▶ 0.

Schedule E - Unrelated Debt-Financed Income (see instructions)

1. Description of debt-financed property	2. Gross income from or allocable to debt-financed property	3. Deductions directly connected with or allocable to debt-financed property: (a) Straight line depreciation (attach schedule)	(b) Other deductions (attach schedule)
(1)			
(2)			
(3)			
(4)			

	4. Amount of average acquisition debt on or allocable to debt-financed property (attach schedule)	5. Average adjusted basis of or allocable to debt-financed property (attach schedule)	6. Column 4 divided by column 5	7. Gross income reportable (column 2 x column 6)	8. Allocable deductions (column 6 x total of columns 3(a) and 3(b))
(1)			%		
(2)			%		
(3)			%		
(4)			%		
				Enter here and on page 1, Part I, line 7, column (A).	Enter here and on page 1, Part I, line 7, column (B).
Totals ▶				0.	0.
Total dividends-received deductions included in column 8 ▶					0.

Schedule F - Interest, Annuities, Royalties, and Rents From Controlled Organizations (see instructions)

1. Name of controlled organization	2. Employer identification number	Exempt Controlled Organizations: 3. Net unrelated income (loss) (see instructions)	4. Total of specified payments made	5. Part of column 4 that is included in the controlling organization's gross income	6. Deductions directly connected with income in column 5
(1)					
(2)					
(3)					
(4)					

Nonexempt Controlled Organizations

7. Taxable Income	8. Net unrelated income (loss) (see instructions)	9. Total of specified payments made	10. Part of column 9 that is included in the controlling organization's gross income	11. Deductions directly connected with income in column 10
(1)				
(2)				
(3)				
(4)				
			Add columns 5 and 10. Enter here and on page 1, Part I, line 8, column (A).	Add columns 6 and 11. Enter here and on page 1, Part I, line 8, column (B).
Totals ▶			0.	0.

Schedule G - Investment Income of a Section 501(c)(7), (9), or (17) Organization
(see instructions)

1. Description of income	2. Amount of income	3. Deductions directly connected (attach schedule)	4. Set-asides (attach schedule)	5. Total deductions and set-asides (col. 3 plus col. 4)
(1)				
(2)				
(3)				
(4)				
	Enter here and on page 1, Part I, line 9, column (A).			Enter here and on page 1, Part I, line 9, column (B).
Totals ▶	0.			0.

Schedule I - Exploited Exempt Activity Income, Other Than Advertising Income
(see instructions)

1. Description of exploited activity	2. Gross unrelated business income from trade or business	3. Expenses directly connected with production of unrelated business income	4. Net income (loss) from unrelated trade or business (column 2 minus column 3). If a gain, compute cols. 5 through 7.	5. Gross income from activity that is not unrelated business income	6. Expenses attributable to column 5	7. Excess exempt expenses (column 6 minus column 5, but not more than column 4).
(1)						
(2)						
(3)						
(4)						
	Enter here and on page 1, Part I, line 10, col. (A).	Enter here and on page 1, Part I, line 10, col. (B).				Enter here and on page 1, Part II, line 26.
Totals ▶	0.	0.				0.

Schedule J - Advertising Income (see instructions)

Part I Income From Periodicals Reported on a Consolidated Basis

1. Name of periodical	2. Gross advertising income	3. Direct advertising costs	4. Advertising gain or (loss) (col. 2 minus col. 3). If a gain, compute cols. 5 through 7.	5. Circulation income	6. Readership costs	7. Excess readership costs (column 6 minus column 5, but not more than column 4).
(1)						
(2)						
(3)						
(4)						
Totals (carry to Part II, line (5)) ▶	0.	0.				0.

Part II Income From Periodicals Reported on a Separate Basis (For each periodical listed in Part II, fill in columns 2 through 7 on a line-by-line basis.)

1. Name of periodical	2. Gross advertising income	3. Direct advertising costs	4. Advertising gain or (loss) (col. 2 minus col. 3). If a gain, compute cols. 5 through 7.	5. Circulation income	6. Readership costs	7. Excess readership costs (column 6 minus column 5, but not more than column 4).
(1)						
(2)						
(3)						
(4)						
(5) Totals from Part I	0.	0.				0.
	Enter here and on page 1, Part I, line 11, col. (A).	Enter here and on page 1, Part I, line 11, col. (B).				Enter here and on page 1, Part II, line 27.
Totals, Part II (lines 1-5) ▶	0.	0.				0.

Schedule K - Compensation of Officers, Directors, and Trustees (see instructions)

1. Name	2. Title	3. Percent of time devoted to business	4. Compensation attributable to unrelated business
(1)		%	
(2)		%	
(3)		%	
(4)		%	
Total. Enter here and on page 1, Part II, line 14 ▶			0.

FOOTNOTES STATEMENT 1

NET OPERATING LOSS:

LOSS ORIGINATING IN 2009 TAX YEAR	705,680.
CARRYFORWARD UTILIZED IN 2010 TAX YEAR	-87,492.
LOSS ORIGINATING IN 2011 TAX YEAR	1,083,463.
NOL AVAILABLE FOR 2012 TAX YEAR	1,701,651.

FORM 990-T INCOME (LOSS) FROM PARTNERSHIPS STATEMENT 2

DESCRIPTION		AMOUNT
AG REALTY FUND VII (TE), LP	EIN: 26-0330156	-53,747.
COLONY INVESTORS VIII, LP	EIN: 20-5748317	-470.
DENHAM COMMODITY PARTNERS FUND V LP	EIN: 26-1710058	-4,013.
ENCAP ENERGY CAPITAL FUND VII, LP	EIN: 26-0413806	-997,396.
LEXINGTON CAPITAL PARTNERS V, LP	EIN: 06-1634170	17,254.
Q-BLK PRIVATE CAPITAL II (PARALLEL) LP	EIN: 20-3111907	49,601.
THE VARDE FUND IX, LP	EIN: 26-1594327	1,431.
THE VARDE FUND X(B) (FEEDER) LP	EIN: 52-2204473	318.
WARBURG PINCUS PRIVATE EQUITY (E&P) X-A, LP	EIN: 27-3762729	-28,110.
AG REALTY FUND VIII, L.P.	EIN: 27-2996434	-95,042.
CAROUSEL CAPITAL PARTNERS III, LP	EIN: 20-4142952	26,711.
TOTAL TO FORM 990-T, PAGE 1, LINE 5		-1,083,463.

Form **8865**

Department of the Treasury
Internal Revenue Service

Return of U.S. Persons With Respect to Certain Foreign Partnerships

▶ Attach to your tax return. See separate instructions.

Information furnished for the foreign partnership's tax year beginning JAN 11 , 2011 and ending DEC 31 , 2100

OMB No. 1545-1668

2011

Attachment Sequence No. **118**

Name of person filing this return: THE GOLDEN L.E.A.F., INC.

Filer's identifying number: 52-2204473

Filer's address (if you are not filing this form with your tax return)

A Category of filer (see Categories of Filers in the instructions and check applicable box(es)): 1 [ ] 2 [ ] 3 [X] 4 [ ]

B Filer's tax year beginning JUL 1 , 2011 , and ending JUN 30 , 2012

C Filer's share of liabilities: Nonrecourse $ Qualified nonrecourse financing $ Other $

D If filer is a member of a consolidated group but not the parent, enter the following information about the parent:

Name EIN

Address

E Information about certain other partners (see instructions)

(1) Name	(2) Address	(3) Identifying number	(4) Check applicable box(es): Category 1	Category 2	Constructive owner

F1 Name and address of foreign partnership

WARBURG PINCUS(BERMUDA) PRIVATE EQUITY
X, LP
CANON'S COURT, 22 VICTORIA STREET
HAMILTON, HM12 BERMUDA

2(a) EIN (if any): 01-0569187

2(b) Reference ID number

3 Country under whose laws organized: BERMUDA

4 Date of organization	**5** Principal place of business	**6** Principal business activity code number	**7** Principal business activity	**8a** Functional currency	**8b** Exchange rate (see instr.)
06/12/2008	BERMUDA	523900	INVESTMENT	US	

G Provide the following information for the foreign partnership's tax year:

1 Name, address, and identifying number of agent (if any) in the United States
WARBURG PINCUS(BER)PRIV.EQUITY LTD.
450 LEXINGTON AVENUE 33RD FLOOR
NEW YORK, NY 10017-3911

2 Check if the foreign partnership must file:
[ ] Form 1042 [ ] Form 8804 [ ] Form 1065 or 1065-B
Service Center where Form 1065 or 1065-B is filed:

3 Name and address of foreign partnership's agent in country of organization, if any

4 Name and address of person(s) with custody of the books and records of the foreign partnership, and the location of such books and records, if different
WARBURG PINCUS(BER)PRIV.EQUITY LTD.,
450 LEXINGTON AVENUE 33RD FLOOR
NEW YORK, NY 10017-3911

5 Were any special allocations made by the foreign partnership? ▶ [ ] Yes [X] No

6 Enter the number of Forms 8858, Information Return of U.S. Persons With Respect To Foreign Disregarded Entities, attached to this return (see instructions) ▶ 0

7 How is this partnership classified under the law of the country in which it is organized? ▶ BERMUDA LP

8 Did the partnership own any separate units within the meaning of Regulations section 1.1503-2(c)(3), (4), or 1.1503(d)-1(b)(4)? ▶ [ ] Yes [X] No

9 Does this partnership meet **both** of the following requirements?
- The partnership's total receipts for the tax year were less than $250,000 and
- The value of the partnership's total assets at the end of the tax year was less than $1 million.

▶ [ ] Yes [X] No

If "Yes," **do not** complete Schedules L, M-1, and M-2.

Sign Here Only If You Are Filing This Form Separately and Not With Your Tax Return.

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 general partner or limited liability company member) is based on all information of which preparer has any knowledge.

▶ Signature of general partner or limited liability company member ▶ Date

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check [ ] if self-employed	PTIN
MICHAEL SORRELLS, CPA				P00001737

Firm's name ▶ BDO USA, LLP — Firm's EIN ▶ 13-5381590

Firm's address ▶ 7101 WISCONSIN AVE., SUITE 800
BETHESDA, MD 20814-4827 — Phone no. (301)654-4900

Schedule A **Constructive Ownership of Partnership Interest.** Check the boxes that apply to the filer. If you check box **b**, enter the name, address, and U.S. taxpayer identifying number (if any) of the person(s) whose interest you constructively own. See instructions.

a [X] Owns a direct interest **b** [ ] Owns a constructive interest

Name	Address	Identifying number (if any)	Check if foreign person	Check if direct partner
N/A				

Schedule A-1 **Certain Partners of Foreign Partnership** (see instructions)

Name	Address	Identifying number (if any)	Check if foreign person
N/A			

Does the partnership have any other foreign person as a direct partner? [ ] **Yes** [ ] **No**

Schedule A-2 **Affiliation Schedule.** List all partnerships (foreign or domestic) in which the foreign partnership owns a direct interest or indirectly owns a 10% interest.

Name	Address	EIN (if any)	Total ordinary income or loss	Check if foreign partnership
NONE				

Schedule B **Income Statement - Trade or Business Income**

Caution. Include **only** trade or business income and expenses on lines 1a through 22 below. See the instructions for more information.

Income	1 a	Gross receipts or sales	1a			
	b	Less returns and allowances	1b		1c	
	2	Cost of goods sold			2	
	3	Gross profit. Subtract line 2 from line 1c			3	
	4	Ordinary income (loss) from other partnerships, estates, and trusts (attach statement)			4	
	5	Net farm profit (loss) (attach Schedule F (Form 1040))			5	
	6	Net gain (loss) from Form 4797, Part II, line 17 (attach Form 4797)			6	
	7	Other income (loss) (attach statement)			7	
	8	**Total income (loss).** Combine lines 3 through 7			8	
Deductions (see instructions for limitations)	9	Salaries and wages (other than to partners) (less employment credits)			9	
	10	Guaranteed payments to partners			10	
	11	Repairs and maintenance			11	
	12	Bad debts			12	
	13	Rent			13	
	14	Taxes and licenses			14	
	15	Interest			15	
	16 a	Depreciation (if required, attach Form 4562)	16a			
	b	Less depreciation reported elsewhere on return	16b		16c	
	17	Depletion (**Do not** deduct oil and gas depletion.)			17	
	18	Retirement plans, etc.			18	
	19	Employee benefit programs			19	
	20	Other deductions (attach statement)			20	
	21	**Total deductions.** Add the amounts shown in the far right column for lines 9 through 20			21	
	22	**Ordinary business income (loss)** from trade or business activities. Subtract line 21 from line 8			22	

SCHEDULE O (Form 8865)

Department of the Treasury
Internal Revenue Service

Transfer of Property to a Foreign Partnership

(under section 6038B)

▶ Attach to Form 8865. See Instructions for Form 8865.

OMB No. 1545-1668

2011

Name of transferor: THE GOLDEN L.E.A.F., INC.

Filer's identifying number: 52-2204473

Name of foreign partnership: WARBURG PINCUS(BERMUDA) PRIVATE EQUITY X, LP

Part I **Transfers Reportable Under Section 6038B**

Type of property	(a) Date of transfer	(b) Number of items transferred	(c) Fair market value on date of transfer	(d) Cost or other basis	(e) Section 704(c) allocation method	(f) Gain recognized on transfer	(g) Percentage interest in partnership after transfer
Cash			225,000.				.01025
Marketable securities							
Inventory							
Tangible property used in trade or business							
Intangible property							
Other property							

Supplemental Information Required To Be Reported (see instructions):

PROFIT PERCENTAGE AFTER TRANSFER: .01023

LOSS PERCENTAGE AFTER TRANSFER: .01023

CAPITAL PERCENTAGE AFTER TRANSFER: .01025

Part II **Dispositions Reportable Under Section 6038B**

(a) Type of property	(b) Date of original transfer	(c) Date of disposition	(d) Manner of disposition	(e) Gain recognized by partnership	(f) Depreciation recapture recognized by partnership	(g) Gain allocated to partner	(h) Depreciation recapture allocated to partner

Part III Is any transfer reported on this schedule subject to gain recognition under section 904(f)(3) or section 904(f)(5)(F)? .... ▶ ☐ Yes ☒ No

LHA **For Paperwork Reduction Act Notice, see the Instructions for Form 8865.** **Schedule O (Form 8865) 2011**

110661
12-03-11

Form **926** (Rev. December 2011) Department of the Treasury Internal Revenue Service

Return by a U.S. Transferor of Property to a Foreign Corporation

▶ **Attach to your income tax return for the year of the transfer or distribution.**

OMB No. 1545-0026

Attachment Sequence No. **128**

Part I U.S. Transferor Information (see instructions)

Name of transferor	Identifying number (see instructions)
THE GOLDEN L.E.A.F., INC.	52-2204473

1 If the transferor was a corporation, complete questions 1a through 1d.

a If the transfer was a section 361(a) or (b) transfer, was the transferor controlled (under section 368(c)) by 5 or fewer domestic corporations? ☐ Yes ☒ No

b Did the transferor remain in existence after the transfer? ☒ Yes ☐ No

If not, list the controlling shareholder(s) and their identifying number(s):

Controlling shareholder	Identifying number

c If the transferor was a member of an affiliated group filing a consolidated return, was it the parent corporation? ☐ Yes ☒ No

If not, list the name and employer identification number (EIN) of the parent corporation:

Name of parent corporation	EIN of parent corporation

d Have basis adjustments under section 367(a)(5) been made? ☐ Yes ☒ No

2 If the transferor was a partner in a partnership that was the actual transferor (but is not treated as such under section 367), complete questions 2a through 2d.

a List the name and EIN of the transferor's partnership:

Name of partnership	EIN of partnership
AG REALTY FUND VII (TE), LP	26-0330156

b Did the partner pick up its pro rata share of gain on the transfer of partnership assets? ☒ Yes ☐ No

c Is the partner disposing of its **entire** interest in the partnership? ☐ Yes ☒ No

d Is the partner disposing of an interest in a limited partnership that is regularly traded on an established securities market? ☐ Yes ☒ No

Part II Transferee Foreign Corporation Information (see instructions)

3 Name of transferee (foreign corporation)	4 **Identifying number**, if any
UPSQUARE PFV CO., LTD.	N/A

5 Address (including country)

1569-1 SAMSAN-DONG, NAM-GU

ULSAN, KOREA, SOUTH

6 Country code of country of incorporation or organization

KS

7 Foreign law characterization (see instructions)

CORPORATION

8 Is the transferee foreign corporation a controlled foreign corporation? ☒ Yes ☐ No

Part III **Information Regarding Transfer of Property** (see instructions)

Type of property	**(a)** Date of transfer	**(b)** Description of property	**(c)** Fair market value on date of transfer	**(d)** Cost or other basis	**(e)** Gain recognized on transfer
Cash					
Stock and securities					
Installment obligations, account receivables or similar property					
Foreign currency or other property denominated in foreign currency					
Inventory					
Assets subject to depreciation recapture (see Temp. Regs. sec. 1.367(a)-4T(b))					
Tangible property used in trade or business not listed under another category					
Intangible property					
Property to be leased (as described in final and temp. Regs. sec. 1.367(a)-4(c))					
Property to be sold (as described in Temp. Regs. sec. 1.367(a)-4T(d))					
Transfers of oil and gas working interests (as described in Temp. Regs. sec. 1.367(a)-4T(e))					
Other property					

Supplemental Information Required To Be Reported (see instructions):

Part IV Additional Information Regarding Transfer of Property (see instructions)

9 Enter the transferor's interest in the foreign transferee corporation before and after the transfer:

(a) Before .1000 % **(b)** After .1000 %

10 Type of nonrecognition transaction (see instructions) ▶ SEC. 351

11 Indicate whether any transfer reported in Part III is subject to any of the following:

		Yes	No
a	Gain recognition under section 904(f)(3)	☐	☒
b	Gain recognition under section 904(f)(5)(F)	☐	☒
c	Recapture under section 1503(d)	☐	☒
d	Exchange gain under section 987	☐	☒

12 Did this transfer result from a change in the classification of the transferee to that of a foreign corporation? ☐ Yes ☒ No

13 Indicate whether the transferor was required to recognize income under final and temporary Regulations sections 1.367(a)-4 through 1.367(a)-6 for any of the following:

		Yes	No
a	Tainted property	☐	☒
b	Depreciation recapture	☐	☒
c	Branch loss recapture	☐	☒
d	Any other income recognition provision contained in the above-referenced regulations	☐	☒

14 Did the transferor transfer assets which qualify for the trade or business exception under section 367(a)(3)? ☐ Yes ☒ No

15 a Did the transferor transfer foreign goodwill or going concern value as defined in Temporary Regulations section 1.367(a)-1T(d)(5)(iii)? ☐ Yes ☒ No

b If the answer to line 15a is "Yes," enter the amount of foreign goodwill or going concern value transferred ▶ $ ____________

16 Was cash the only property transferred? ☐ Yes ☒ No

17 a Was intangible property (within the meaning of section 936(h)(3)(B)) transferred as a result of the transaction? ☐ Yes ☒ No

b If "Yes," describe the nature of the rights to the intangible property that was transferred as a result of the transaction:

Form **926** (Rev. December 2011) Department of the Treasury Internal Revenue Service

Return by a U.S. Transferor of Property to a Foreign Corporation

▶Attach to your income tax return for the year of the transfer or distribution.

OMB No. 1545-0026

Attachment Sequence No. **128**

Part I U.S. Transferor Information (see instructions)

Name of transferor	Identifying number (see instructions)
THE GOLDEN L.E.A.F., INC.	52-2204473

1 If the transferor was a corporation, complete questions 1a through 1d.

a If the transfer was a section 361(a) or (b) transfer, was the transferor controlled (under section 368(c)) by 5 or fewer domestic corporations? ☐ Yes ☒ No

b Did the transferor remain in existence after the transfer? ☒ Yes ☐ No

If not, list the controlling shareholder(s) and their identifying number(s):

Controlling shareholder	Identifying number

c If the transferor was a member of an affiliated group filing a consolidated return, was it the parent corporation? ☐ Yes ☒ No

If not, list the name and employer identification number (EIN) of the parent corporation:

Name of parent corporation	EIN of parent corporation

d Have basis adjustments under section 367(a)(5) been made? ☐ Yes ☒ No

2 If the transferor was a partner in a partnership that was the actual transferor (but is not treated as such under section 367), complete questions 2a through 2d.

a List the name and EIN of the transferor's partnership:

Name of partnership	EIN of partnership
AG REALTY FUND VIII, LP	27-2996434

b Did the partner pick up its pro rata share of gain on the transfer of partnership assets? ☒ Yes ☐ No

c Is the partner disposing of its **entire** interest in the partnership? ☐ Yes ☒ No

d Is the partner disposing of an interest in a limited partnership that is regularly traded on an established securities market? ☐ Yes ☒ No

Part II Transferee Foreign Corporation Information (see instructions)

3 Name of transferee (foreign corporation)	4 **Identifying number**, if any
AG REALTY VIII INVESTMENTS, LP	98-0685804

5 Address (including country)

245 PARK AVENUE, 26TH FLOOR

NEW YORK, NY 10167

6 Country code of country of incorporation or organization

CA

7 Foreign law characterization (see instructions)

CORPORATION

8 Is the transferee foreign corporation a controlled foreign corporation? ☐ Yes ☒ No

LHA **For Paperwork Reduction Act Notice, see separate instructions.** Form **926** (Rev. 12-2011)

124531 12-29-11

Part III **Information Regarding Transfer of Property** (see instructions)

Type of property	(a) Date of transfer	(b) Description of property	(c) Fair market value on date of transfer	(d) Cost or other basis	(e) Gain recognized on transfer
Cash			231,017.		
Stock and securities					
Installment obligations, account receivables or similar property					
Foreign currency or other property denominated in foreign currency					
Inventory					
Assets subject to depreciation recapture (see Temp. Regs. sec. 1.367(a)-4T(b))					
Tangible property used in trade or business not listed under another category					
Intangible property					
Property to be leased (as described in final and temp. Regs. sec. 1.367(a)-4(c))					
Property to be sold (as described in Temp. Regs. sec. 1.367(a)-4T(d))					
Transfers of oil and gas working interests (as described in Temp. Regs. sec. 1.367(a)-4T(e))					
Other property					

Supplemental Information Required To Be Reported (see instructions):

Part IV Additional Information Regarding Transfer of Property (see instructions)

9 Enter the transferor's interest in the foreign transferee corporation before and after the transfer:

(a) Before ________ % (b) After ________ %

10 Type of nonrecognition transaction (see instructions) ▶ SEC. 351

11 Indicate whether any transfer reported in Part III is subject to any of the following:

		Yes	No
a	Gain recognition under section 904(f)(3)	☐	☒
b	Gain recognition under section 904(f)(5)(F)	☐	☒
c	Recapture under section 1503(d)	☐	☒
d	Exchange gain under section 987	☐	☒

12 Did this transfer result from a change in the classification of the transferee to that of a foreign corporation? ☐ Yes ☒ No

13 Indicate whether the transferor was required to recognize income under final and temporary Regulations sections 1.367(a)-4 through 1.367(a)-6 for any of the following:

		Yes	No
a	Tainted property	☐	☒
b	Depreciation recapture	☐	☒
c	Branch loss recapture	☐	☒
d	Any other income recognition provision contained in the above-referenced regulations	☐	☒

14 Did the transferor transfer assets which qualify for the trade or business exception under section 367(a)(3)? ☐ Yes ☒ No

15 a Did the transferor transfer foreign goodwill or going concern value as defined in Temporary Regulations section 1.367(a)-1T(d)(5)(iii)? ☐ Yes ☒ No

b If the answer to line 15a is "Yes," enter the amount of foreign goodwill or going concern value transferred ▶ $ ________

16 Was cash the only property transferred? ☒ Yes ☐ No

17 a Was intangible property (within the meaning of section 936(h)(3)(B)) transferred as a result of the transaction? ☐ Yes ☒ No

b If "Yes," describe the nature of the rights to the intangible property that was transferred as a result of the transaction:

Form **926** (Rev. December 2011) Department of the Treasury Internal Revenue Service

Return by a U.S. Transferor of Property to a Foreign Corporation

▶Attach to your income tax return for the year of the transfer or distribution.

OMB No. 1545-0026

Attachment Sequence No. 128

Part I U.S. Transferor Information (see instructions)

Name of transferor: THE GOLDEN L.E.A.F., INC.

Identifying number (see instructions): 52-2204473

1 If the transferor was a corporation, complete questions 1a through 1d.

a If the transfer was a section 361(a) or (b) transfer, was the transferor controlled (under section 368(c)) by 5 or fewer domestic corporations? ☐ Yes ☒ No

b Did the transferor remain in existence after the transfer? ☒ Yes ☐ No

If not, list the controlling shareholder(s) and their identifying number(s):

Controlling shareholder	Identifying number

c If the transferor was a member of an affiliated group filing a consolidated return, was it the parent corporation? ☐ Yes ☒ No

If not, list the name and employer identification number (EIN) of the parent corporation:

Name of parent corporation	EIN of parent corporation

d Have basis adjustments under section 367(a)(5) been made? ☐ Yes ☒ No

2 If the transferor was a partner in a partnership that was the actual transferor (but is not treated as such under section 367), complete questions 2a through 2d.

a List the name and EIN of the transferor's partnership:

Name of partnership	EIN of partnership
MATLINPATTERSON GLOBAL OPPORTUNITIES PARTNERS III LP	20-8724197

b Did the partner pick up its pro rata share of gain on the transfer of partnership assets? ☒ Yes ☐ No

c Is the partner disposing of its **entire** interest in the partnership? ☐ Yes ☒ No

d Is the partner disposing of an interest in a limited partnership that is regularly traded on an established securities market? ☐ Yes ☒ No

Part II Transferee Foreign Corporation Information (see instructions)

3 Name of transferee (foreign corporation): COOPERATIEVE MP OCEANUS U.A.

4 **Identifying number**, if any: 98-0667402

5 Address (including country)

PRINS BERNHARDPLEIN 200 1097 JB

AMSTERDAM, NETHERLANDS

6 Country code of country of incorporation or organization

NL

7 Foreign law characterization (see instructions)

CORPORATION

8 Is the transferee foreign corporation a controlled foreign corporation? ☐ Yes ☒ No

Part III **Information Regarding Transfer of Property** (see instructions)

Type of property	(a) Date of transfer	(b) Description of property	(c) Fair market value on date of transfer	(d) Cost or other basis	(e) Gain recognized on transfer
Cash			104,439.		
Stock and securities					
Installment obligations, account receivables or similar property					
Foreign currency or other property denominated in foreign currency					
Inventory					
Assets subject to depreciation recapture (see Temp. Regs. sec. 1.367(a)-4T(b))					
Tangible property used in trade or business not listed under another category					
Intangible property					
Property to be leased (as described in final and temp. Regs. sec. 1.367(a)-4(c))					
Property to be sold (as described in Temp. Regs. sec. 1.367(a)-4T(d))					
Transfers of oil and gas working interests (as described in Temp. Regs. sec. 1.367(a)-4T(e))					
Other property					

Supplemental Information Required To Be Reported (see instructions):

Part IV **Additional Information Regarding Transfer of Property** (see instructions)

9 Enter the transferor's interest in the foreign transferee corporation before and after the transfer:

(a) Before .1411 % **(b)** After .1411 %

10 Type of nonrecognition transaction (see instructions) ▶ SEC. 351

11 Indicate whether any transfer reported in Part III is subject to any of the following:

		Yes	No
a	Gain recognition under section 904(f)(3)		X
b	Gain recognition under section 904(f)(5)(F)		X
c	Recapture under section 1503(d)		X
d	Exchange gain under section 987		X

12 Did this transfer result from a change in the classification of the transferee to that of a foreign corporation? ☐ Yes ☒ No

13 Indicate whether the transferor was required to recognize income under final and temporary Regulations sections 1.367(a)-4 through 1.367(a)-6 for any of the following:

		Yes	No
a	Tainted property		X
b	Depreciation recapture		X
c	Branch loss recapture		X
d	Any other income recognition provision contained in the above-referenced regulations		X

14 Did the transferor transfer assets which qualify for the trade or business exception under section 367(a)(3)? ☐ Yes ☒ No

15 a Did the transferor transfer foreign goodwill or going concern value as defined in Temporary Regulations section 1.367(a)-1T(d)(5)(iii)? ☐ Yes ☒ No

b If the answer to line 15a is "Yes," enter the amount of foreign goodwill or going concern value transferred ▶ $

16 Was cash the only property transferred? ☒ Yes ☐ No

17 a Was intangible property (within the meaning of section 936(h)(3)(B)) transferred as a result of the transaction? ☐ Yes ☒ No

b If "Yes," describe the nature of the rights to the intangible property that was transferred as a result of the transaction:

Form **926** (Rev. December 2011) Department of the Treasury Internal Revenue Service

Return by a U.S. Transferor of Property to a Foreign Corporation

▶Attach to your income tax return for the year of the transfer or distribution.

OMB No. 1545-0026

Attachment Sequence No. **128**

Part I U.S. Transferor Information (see instructions)

Name of transferor	Identifying number (see instructions)
THE GOLDEN L.E.A.F., INC.	52-2204473

1 If the transferor was a corporation, complete questions 1a through 1d.

a If the transfer was a section 361(a) or (b) transfer, was the transferor controlled (under section 368(c)) by 5 or fewer domestic corporations? ☐ Yes ☒ No

b Did the transferor remain in existence after the transfer? ☒ Yes ☐ No

If not, list the controlling shareholder(s) and their identifying number(s):

Controlling shareholder	Identifying number

c If the transferor was a member of an affiliated group filing a consolidated return, was it the parent corporation? ☐ Yes ☒ No

If not, list the name and employer identification number (EIN) of the parent corporation:

Name of parent corporation	EIN of parent corporation

d Have basis adjustments under section 367(a)(5) been made? ☐ Yes ☒ No

2 If the transferor was a partner in a partnership that was the actual transferor (but is not treated as such under section 367), complete questions 2a through 2d.

a List the name and EIN of the transferor's partnership:

Name of partnership	EIN of partnership
MATLINPATTERSON GLOBAL OPPORTUNITIES PARTNERS III LP	20-8724197

b Did the partner pick up its pro rata share of gain on the transfer of partnership assets? ☒ Yes ☐ No

c Is the partner disposing of its **entire** interest in the partnership? ☐ Yes ☒ No

d Is the partner disposing of an interest in a limited partnership that is regularly traded on an established securities market? ☐ Yes ☒ No

Part II Transferee Foreign Corporation Information (see instructions)

3 Name of transferee (foreign corporation)	4 **Identifying number**, if any
STONE MOUNTAIN RESOURCES HOLDINGS LTD.	N/A

5 Address (including country)

2800, 11-4TH AVENUE SW

CALGARY, ALBERTA T2P 3N4 CANADA

6 Country code of country of incorporation or organization

CA

7 Foreign law characterization (see instructions)

CORPORATION

8 Is the transferee foreign corporation a controlled foreign corporation? ☐ Yes ☒ No

Part III **Information Regarding Transfer of Property** (see instructions)

Type of property	(a) Date of transfer	(b) Description of property	(c) Fair market value on date of transfer	(d) Cost or other basis	(e) Gain recognized on transfer
Cash			152,945.		
Stock and securities					
Installment obligations, account receivables or similar property					
Foreign currency or other property denominated in foreign currency					
Inventory					
Assets subject to depreciation recapture (see Temp. Regs. sec. 1.367(a)-4T(b))					
Tangible property used in trade or business not listed under another category					
Intangible property					
Property to be leased (as described in final and temp. Regs. sec. 1.367(a)-4(c))					
Property to be sold (as described in Temp. Regs. sec. 1.367(a)-4T(d))					
Transfers of oil and gas working interests (as described in Temp. Regs. sec. 1.367(a)-4T(e))					
Other property					

Supplemental Information Required To Be Reported (see instructions):

Part IV Additional Information Regarding Transfer of Property (see instructions)

9 Enter the transferor's interest in the foreign transferee corporation before and after the transfer:

(a) Before .0000 % **(b)** After .1129 %

10 Type of nonrecognition transaction (see instructions) ▶ SEC. 351

11 Indicate whether any transfer reported in Part III is subject to any of the following:

		Yes	No
a	Gain recognition under section 904(f)(3)		X
b	Gain recognition under section 904(f)(5)(F)		X
c	Recapture under section 1503(d)		X
d	Exchange gain under section 987		X

12 Did this transfer result from a change in the classification of the transferee to that of a foreign corporation? ☐ Yes ☒ No

13 Indicate whether the transferor was required to recognize income under final and temporary Regulations sections 1.367(a)-4 through 1.367(a)-6 for any of the following:

		Yes	No
a	Tainted property		X
b	Depreciation recapture		X
c	Branch loss recapture		X
d	Any other income recognition provision contained in the above-referenced regulations		X

14 Did the transferor transfer assets which qualify for the trade or business exception under section 367(a)(3)? ☐ Yes ☒ No

15 a Did the transferor transfer foreign goodwill or going concern value as defined in Temporary Regulations section 1.367(a)-1T(d)(5)(iii)? ☐ Yes ☒ No

b If the answer to line 15a is "Yes," enter the amount of foreign goodwill or going concern value transferred ▶ $

16 Was cash the only property transferred? ☒ Yes ☐ No

17 a Was intangible property (within the meaning of section 936(h)(3)(B)) transferred as a result of the transaction? ☐ Yes ☒ No

b If "Yes," describe the nature of the rights to the intangible property that was transferred as a result of the transaction:

INSTRUCTIONS FOR FILING

NORTH CAROLINA CORPORATION TAX RETURN

STATE OF NORTH CAROLINA

FOR THE YEAR ENDED

JUNE 30, 2012

Prepared for	THE GOLDEN L.E.A.F., INC.
Prepared by	BDO USA, LLP 7101 WISCONSIN AVE, SUITE 800 BETHESDA, MD 20814-4827
To be signed and dated by	(X) Authorized officer
Amount of tax	Total tax $ NONE Less: payments and credits $ Plus: penalties $ Balance due (overpayment) $ NONE
Overpayment	( ) Refunded to you $ ( ) Credited to your estimated tax $
Draw check to	"NORTH CAROLINA DEPARTMENT OF REVENUE"
Mail tax return and check to	NORTH CAROLINA DEPARTMENT OF REVENUE P. O. BOX 25000 RALEIGH, NC 27640-0500
Return must be mailed on or before	MAY 15, 2013
Special instructions	

CD-405 (40)

C Corporation Tax Return 2011

North Carolina Department of Revenue

DOR Use Only

For calendar year 2011, or other tax year beginning 07 01 11 and ending 06 30 12

THE GOLDEN L.E.A.F., INC.
301 N. WINSTEAD AVE
ROCKY MOUNT NC 27804

Federal Employer ID Number 522204473
N.C. Secretary of State ID Number
NAICS Code

[ ] Fed Schedule M-3 is attached	[ ] Initial Filer	[ ] Amended Return	[ ] CD-479	[ ] Captive REIT
[ ] Combined Return	[ ] Final Return	[ ] NC-478	[X] Nonprofit/Tax Exempt	[ ] Foreign Corp

Is this corporation related to another corporation as: [ ] Parent [ ] Subsidiary [ ] Affiliate

THE 301 27804 522204473 M3 N CR N IF N FR N

PP 135381590 PFSP F AR N 478 N 479 N

TN PAR N SUB N AFF N NP/TE Y RE N FC N

THE GOLDEN L.E.A.F., INC.

301 N. WINSTEAD AVE ROCKY MOUNT NC 27804

BD	0	07	0	19	0	29E	0
179	0	08	0	20	0	31	0
GR	0	09	0	21	0	32	0
TA	793382903	10	0	22	0	36	0
01	0	11	0	24	0	EU	
HCE	N	13	0	27	0	37A	0
02	0	15	0	29A	0	37B	0
03	0	16	0	29B	0	40	0
05	0	17	1000000	29C	0	41	0
06	0	18	0	29D	0	42	0

6300140013

Sch. A Computation of Franchise Tax

1.	Capital Stock, Surplus, & Undivided Profits	0
	Holding Company Exception	N
2.	Investment in N.C. Tangible Property	0
3.	Appraised Value of N.C. Tangible Property	0
4.	Taxable Amount	0
5.	Total Franchise Tax Due	0
6.	Application for Franchise Tax Extension	0
7.	Tax Credits	0
8.	Franchise Tax Due	NONE
9.	Franchise Tax Overpaid	0

Sch. B Computation of Corporate Income Tax

10.	Federal Taxable Income	0
11.	Adjustments to Federal Taxable Income	0
12.	Net Income Before Contributions	0
13.	Contributions to Donees Outside N.C.	0
14.	N.C. Taxable Income	0
15.	Nonapportionable Income	0
16.	Apportionable Income	0
17.	Apportionment Factor	100.0000 %

Sign Return Below [ ] **Refund Due** 0 [X] **Payment Due** 0

Signature and Title of Officer | Corporate Telephone Number | Date

Signature of Paid Preparer | Preparer's Telephone Number (301) 654-4900 | Preparer's FEIN, SSN, or PTIN 13-5381590

I certify that, to the best of my knowledge, this return is accurate and complete.

[X] FEIN [ ] SSN [ ] PTIN

Mail to: NCDOR, P.O. Box 25000, Raleigh, N.C. 27640-0500. Returns are due by the 15th day of the 4th month after the end of the income year.

1D3921 3.000

C Corporation Tax Return 2011

CD-405 (40) North Carolina Department of Revenue

DOR Use Only

For calendar year 2011, or other tax year beginning 07 01 11 and ending 06 30 12

THE GOLDEN L. E. A. F., INC.
301 N. WINSTEAD AVE
ROCKY MOUNT NC 27804

Federal Employer ID Number 522204473
N.C. Secretary of State ID Number
NAICS Code

[ ] Fed Schedule M-3 is attached	[ ] Initial Filer	[ ] Amended Return	[ ] CD-479	[ ] Captive REIT	
[ ] Combined Return	[ ] Final Return	[ ] NC-478	[X] Nonprofit/Tax Exempt	[ ] Foreign Corp	
Is this corporation related to another corporation as:		[ ] Parent	[ ] Subsidiary	[ ] Affiliate	

THE 301 27804 522204473 M3 N CR N IF N FR N

PP 135381590 PFSP F AR N 478 N 479 N

TN PAR N SUB N AFF N NP/TE Y RE N FC N

THE GOLDEN L. E. A. F., INC.

301 N. WINSTEAD AVE ROCKY MOUNT NC 27804

BD	0	07	0	19	0	29E	0
179	0	08	0	20	0	31	0
GR	0	09	0	21	0	32	0
TA	793382903	10	0	22	0	36	0
01	0	11	0	24	0	EU	
HCE	N	13	0	27	0	37A	0
02	0	15	0	29A	0	37B	0
03	0	16	0	29B	0	40	0
05	0	17	1000000	29C	0	41	0
06	0	18	0	29D	0	42	0

63001400013

Sch. A Computation of Franchise Tax

1.	Capital Stock, Surplus, & Undivided Profits	0
	Holding Company Exception	N
2.	Investment in N.C. Tangible Property	0
3.	Appraised Value of N.C. Tangible Property	0
4.	Taxable Amount	0
5.	Total Franchise Tax Due	0
6.	Application for Franchise Tax Extension	0
7.	Tax Credits	0
8.	Franchise Tax Due	NONE
9.	Franchise Tax Overpaid	0

Sch. B Computation of Corporate Income Tax

10.	Federal Taxable Income	0
11.	Adjustments to Federal Taxable Income	0
12.	Net Income Before Contributions	0
13.	Contributions to Donees Outside N.C.	0
14.	N.C. Taxable Income	0
15.	Nonapportionable Income	0
16.	Apportionable Income	0
17.	Apportionment Factor	100.0000 %

Sign Return Below [ ] **Refund Due** 0 [X] **Payment Due** 0

Signature and Title of Officer

Signature of Paid Preparer R Mitchell Sim CPA

Corporate Telephone Number

(301) 654-4900
Preparer's Telephone Number

Date P00001739

13-5381590
Preparer's FEIN, SSN, or PTIN

[X] FEIN [ ] SSN [ ] PTIN

I certify that, to the best of my knowledge, this return is accurate and complete.

Mail to: NCDOR, P.O. Box 25000, Raleigh, N.C. 27640-0500. Returns are due by the 15th day of the 4th month after the end of the income year.

1D3921 3.000

Legal Name *(First 10 Characters)* THE GOLDEN Federal Employer ID Number 522204473

CD-405 Line-by-Line Information

Enter the amount of bonus depreciation from Schedule H, Line 1(g)	0
Enter the amount of Section 179 expense from Schedule H, Line 1(h)	0

Sch. B Computation of Corporate Income Tax

18.	Income Apportioned to N.C.	NONE
19.	Nonapportionable Income Allocated to N.C.	0
20.	Income Subject to N.C. Tax	NONE
21.	% Depletion over Cost - N.C. Property	0
22.	Net Economic Loss (Attach schedule)	0
23.	Income Before Contributions to N.C. Donees	NONE
24.	Contributions to N.C. Donees	0
25.	Net Taxable Income	NONE
26.	N.C. Net Income Tax	NONE
27.	Annual Report Fee	0
28.	Add Lines 26 and 27	NONE
29.	Payments and Credits	
	a. Application for Income Tax Extension	0
	b. 2011 Estimated Tax (previous payments if amended)	0
	c. Partnership (include Form D-403, NC K-1)	0
	d. Nonresident Withholding (include 1099 or W-2)	0
	e. Tax Credits	0
30.	Add Lines 29a through 29e	0
31.	Income Tax Due	NONE
32.	Income Tax Overpaid	0

Tax Due or Refund

33.	Franchise Tax Due or Overpayment	NONE
34.	Income Tax Due or Overpayment	NONE
35.	Balance of Tax Due or Overpayment	NONE
36.	Underpayment of Estimated Income Tax	0
EU.	Exception to Underpayment of Estimated Tax	
37.	a. Interest	0
	b. Penalties	0
38.	Total Due	NONE
39.	Overpayment	0
40.	2012 Estimated Income Tax	0
41.	N.C. Nongame and Endangered Wildlife Fund	0
42.	Amount to be Refunded	0

Sch. C Capital Stock, Surplus, and Undivided Profits

1.	Total capital stock outstanding less cost of treasury stock	0
2.	Paid-in or capital surplus	0
3.	Retained earnings	0
4.	Other surplus	0
5.	Deferred or unearned income	0
6.	Allowance for bad debts	0
7.	LIFO reserves	0
8.	Other reserves that do not represent definite and accrued legal liabilities (Attach schedule)	0
9.	Add Lines 1 through 8	0
10.	Affiliated indebtedness (Attach schedule)	0
11.	Line 9 plus (or minus) Line 10	0
12.	Apportionment factor	100.0000
13.	Capital Stock, Surplus, and Undivided Profits	0

Sch. D Investment in N.C. Tangible Property

	Inventory valuation method	
1.	Total inventories located in N.C.	0
2.	Total furniture, fixtures, and M & E located in N.C.	0
3.	Total land and buildings located in N.C.	0
4.	Total leasehold improvements and other N.C. tangible property	0
5.	Add Lines 1 through 4	0
6.	Acc. depreciation, depletion, and amortization with respect to N.C. tangible property	0
7.	Debts existing for N.C. real estate	0
8.	Investment in N.C. Tangible Property	0

Sch. E Appraised Value of N.C. Tangible Property

1.	County tax value of N.C. tangible property	0
2.	Appraised value of N.C. tangible property	0

Sch. G Federal Taxable Income Before NOL Deduction

1.	a. Merchant card and third-party payments	0
	b. Gross receipts or sales	0
	c. Returns and allowances	0
	d. Balance - Line 1a plus 1b minus Line 1c	0
2.	Cost of goods sold (Attach schedule)	0
3.	Gross Profit (Line 1d minus Line 2)	0
4.	Dividends (Attach schedule)	0
5.	a. Interest on obligations of U.S. and its instrumentalities	0
	b. Other interest	0
6.	Gross rents	0
7.	Gross royalties	0
8.	Capital gain net income (Attach schedule)	0
9.	Net gain (loss) (Attach schedule)	0
10.	Other income (Attach schedule)	0
11.	Total Income	0
12.	Compensation of officers (Attach schedule)	0
13.	Salaries and wages (less employment credits)	0
14.	Repairs and maintenance	0
15.	Bad debts	0
16.	Rents	0
17.	Taxes and licenses	0
18.	Interest	0
19.	Charitable contributions	0
20.	a. Depreciation	0
	b. Depreciation included in cost of goods sold	0
	c. Balance - Line 20a minus 20b	0
21.	Depletion	0
22.	Advertising	0
23.	Pension, profit-sharing, and similar plans	0
24.	Employee benefit programs	0
25.	Domestic production activities deduction	0
26.	Other deductions (Attach schedule)	0
27.	Total Deductions	0
28.	Taxable Income Per Federal Return Before NOL and Special Deductions	0
29.	Special Deductions	0
30.	Federal Taxable Income	0

This page must be filed with this form.

Legal Name *(First 10 Characters)* THE GOLDEN   Federal Employer ID Number 522204473

Sch. H Adjustments to Federal Taxable Income

1.	Additions		
	a. Taxes based on net income	1a.	0
	b. Dividends paid by captive REITs	1b.	0
	c. Contributions	1c.	0
	d. Royalties paid to related members	1d.	0
	e. Expenses attributable to income not taxed	1e.	0
	f. Domestic production activities deduction	1f.	0
	g. Bonus depreciation	1g.	0
	h. Section 179 expense deduction	1h.	0
	i. Other (Attach schedule)	1i.	0
2.	Total Additions	2.	0
3.	Deductions		
	a. U.S. obligation interest (net of expenses)	3a.	0
	b. Other deductible dividends	3b.	0
	c. Dividends received from captive REITs	3c.	0
	d. Royalties received from related members	3d.	0
	e. Interest on deposits with FHLB (net of expenses) S&L's only	3e.	0
	f. Bonus depreciation	3f.	0
	g. Section 179 expense deduction	3g.	0
	h. Other (Attach schedule)	3h.	0
4.	Total Deductions	4.	0
5.	Adjustments to Federal Taxable Income	5.	0

Sch. I Contributions

1.	Contributions to Donees Outside N.C.		
	a. Total contributions to donees outside N.C.	1a.	0
	b. Multiply Schedule B, Line 12 by 5%	1b.	0
	c. Amount Deductible	1c.	0
2.	Contributions to N.C. Donees		
	a. Total contributions to N.C. donees other than those listed in Line 2d	2a.	0
	b. Multiply Sch. B, Line 23 by 5%	2b.	0
	c. Enter the lesser of Line 2a or 2b	2c.	0
	d. Total contributions to the State of N.C. and its political subdivisions	2d.	0
	e. Amount Deductible	2e.	0

Other Information - All Taxpayers Must Complete this Schedule

1. a. State of incorporation NC
   b. Date incorporated 10 22 99
2. Date of N.C. Certificate of Authority
3. a. Regular or principal trade or business in N.C. P'SHIP INV
   b. Regular or principal trade or business everywhere N/A
4. Principal place business is directed or managed
5. What was the last year the IRS redetermined the corporation's federal taxable income? N/A
6. a. Were adjustments reported to N.C.?
   b. If so, when?
7. Does this corporation finance or discount its receivables through a related or an affiliated company? N
8. Is this corporation subject to franchise tax but not N.C. income tax because the corporation's income tax activities are protected under P.L. 86-272? (If yes, attach explanation) N
9. Does this corporation have escheatable property? N
10. Officers' names and addresses:
    President SEE ATTACHED 990-T
    Vice-President
    Secretary
    Treasurer

Explanation of Changes for Amended Return:

This page must be filed with this form.

Legal Name *(First 10 Characters)* THE GOLDEN Federal Employer ID Number 522204473

Sch. L Balance Sheet per Books

	Assets		Beginning of Tax Year (a)	(b)	End of Tax Year (c)	(d)
1.	Cash			492750		445273
2.	a. Trade notes and accounts receivable		1223		1927	
	b. Less allowance for bad debts		(0)	1223	(0)	1927
3.	Inventories			0		0
4.	a. U.S. government obligations			0		0
	b. State and other obligations			0		0
5.	Tax-exempt securities			0		0
6.	Other current assets (Attach schedule)	SEE STATEMENT 1		84651		84348
7.	Loans to shareholders			0		0
8.	Mortgage and real estate loans			0		0
9.	Other investments (Attach schedule)	SEE STATEMENT 1		739066758		792851355
10.	a. Buildings and other depreciable assets		0		0	
	b. Less accumulated depreciation		(0)		(0)	0
11.	a. Depletable assets		0	0	0	
	b. Less accumulated depletion		(0)	0	(0)	0
12.	Land (net of any amortization)			0		0
13.	a. Intangible assets (amortizable only)		0		0	
	b. Less accumulated amortization		(0)	0	(0)	0
14.	Other assets (Attach schedule)			0		0
15.	**Total Assets**			739645382		793382903
	Liabilities and Shareholders' Equity					
16.	Accounts payable			166298		120371
17.	Mortgages, notes, and bonds payable in less than 1 year			0		0
18.	Other current liabilities (Attach schedule)			0		0
19.	Loans from shareholders			0		0
20.	Mortgages, notes, and bonds payable in 1 year or more			0		0
21.	Other liabilities (Attach schedule)	SEE STATEMENT 1		92784105		84505557
22.	Capital stock: a. Preferred Stock		0		0	
	b. Common Stock		0	0	0	0
23.	Additional paid-in capital			0		0
24.	Retained earnings - Appropriated (Attach schedule)			0		0
25.	Retained earnings - Unappropriated			0		0
26.	Adjustments to shareholders' equity (Attach schedule)			700634979		708756975
27.	Less cost of treasury stock			(0)		(0)
28.	**Total Liabilities and Shareholders' Equity**			793585382		793382903

Sch. M-1 Reconciliation of Income (Loss) per Books with Income per Return

1.	Net income (loss) per books	NONE	7.	Income recorded on books this year not included on this return:		
2.	Federal income tax	0				
3.	Excess of capital losses over capital gains	0		Tax-exempt interest	$ 0	
4.	Income subject to tax not recorded on books this year:	0				0
5.	Expenses recorded on books this year not deducted on this return:		8.	Deductions on this return not charged against book income this year:		
	a. Depreciation $ 0			a. Depreciation	$ 0	
	b. Charitable Contributions $ 0			b. Charitable Contributions	$ 0	
	c. Travel and entertainment $ 0					
		0	9.	Add Lines 7 and 8		0
6.	Add Lines 1 through 5	NONE	10.	Income		NONE

This page must be filed with this form.

Legal Name *(First 10 Characters)* THE GOLDEN Federal Employer ID Number 522204473

Sch. M-2 Retained Earnings Analysis

1. Balance at beginning of year	NONE	5. Distributions: a. Cash	0
2. Net income (loss) per books	0	b. Stock	0
3. Other increases:		c. Property	0
		6. Other decreases:	0
	0	7. Add Lines 5 and 6	0
4. Add Lines 1, 2, and 3	NONE	8. Balance at End of Year	NONE

Sch. N Nonapportionable Income

Nonapportionable Income	Gross Amounts	Related Expenses	Net Amounts	Net Amounts Allocated Directly to N.C.
1. Nonapportionable Income			0	
2. Nonapportionable Income Allocated to N.C.				0

Explanation of why income listed is nonapportionable income rather than apportionable income:

Sch. O Computation of Apportionment Factor

Part 1. Domestic and Other Corporations Not Apportioning Franchise or Income Outside N.C. 0 %

Part 2. Corporations Apportioning Franchise or Income to N.C. and to Other States

	1. Within North Carolina (a) Beginning Period	1. Within North Carolina (b) Ending Period	2. Total Everywhere (a) Beginning Period	2. Total Everywhere (b) Ending Period	Factor
1. Land	0	0	0	0	
2. Buildings	0	0	0	0	
3. Inventories	0	0	0	0	
4. Other property	0	0	0	0	
5. Total	0	0	0	0	
6. Average value of property	0		0		
7. Rented Property	0		0		
8. Property Factor	0		0		0 %
9. Gross Payroll	0		0		
10. Compensation of general executive officers	0		0		
11. Payroll Factor	0		0		0 %
12. Sales Factor	0		0		0 %
13. Sales Factor					0 %
14. Total of Factors					0 %
15. N.C. Apportionment Factor					0 %

Part 3. Corporations Apportioning Franchise or Income to N.C. and to Other States Using Single Sales Factor 0 %

Part 4. Special Apportionment 0 %

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NORTH CAROLINA FORM CD-405, PAGE 4 DETAIL

	BEGINNING	ENDING
SCH L, LINE 6 - OTHER CURRENT ASSETS		
PREPAID EXPENSES	84,651.	84,348.
TOTAL	84,651.	84,348.
SCH L, LINE 9 - OTHER INVESTMENTS		
OTHER SECURITIES	739,066,758.	792,851,355.
TOTAL	739,066,758.	792,851,355.
SCH L, LINE 21 - OTHER LIABILITIES		
GRANTS PAYABLE	92,784,105.	84,505,557.
TOTAL	92,784,105.	84,505,557.