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Note: The foundation may be able to use a copy of this return to satisfy state reporting requirements

For calendar year 2008, or tax year beginning 06/01, 2008, and ending 05/31, 2009

G Check all that apply: Initial return Final return Amended return Address change Name change

Use the IRS label. Otherwise, print or type. See Specific Instructions.	Name of foundation THE GOLDSTONE FUND, INC.	A Employer identification number 13-6028782
	Number and street (or P O box number if mail is not delivered to street address) Room/suite C/O TANTON & COMPANY, LLP	B Telephone number (see page 10 of the instructions) (212) 583-1100
	City or town, state, and ZIP code 37 WEST 57TH STREET, 5TH FLOOR	C If exemption application is pending, check here <input type="checkbox"/>
	NEW YORK, NY 10019	D 1 Foreign organizations check here <input type="checkbox"/> 2 Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>

H Check type of organization: Section 501(c)(3) exempt private foundation
 Section 4947(a)(1) nonexempt charitable trust Other taxable private foundation

I Fair market value of all assets at end of year (from Part II, col (c), line 16) ▶ \$ **5,334,821.**

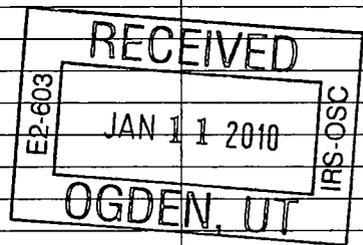
J Accounting method: Cash Accrual Other (specify) _____
 (Part I, column (d) must be on cash basis)

E If private foundation status was terminated under section 507(b)(1)(A), check here

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

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see page 11 of the instructions))

	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions, gifts, grants, etc. received (attach schedule)				
2 Check <input type="checkbox"/> if the foundation is not required to attach Sch. B.				
3 Interest on savings and temporary cash investments				
4 Dividends and interest from securities	139,301.	139,301.		STMT 1
5 a Gross rents				
b Net rental income or (loss)				
6 a Net gain or (loss) from sale of assets not on line 10	161,121.			
b Gross sales price for all assets on line 6a <u>2,738,635.</u>				
7 Capital gain net income (from Part IV, line 2)		161,121.		
8 Net short-term capital gain				
9 Income modifications				
10 a Gross sales less returns and allowances				
b Less Cost of goods sold				
c Gross profit or (loss) (attach schedule)				
11 Other income (attach schedule)				
12 Total. Add lines 1 through 11	300,422.	300,422.		
13 Compensation of officers, directors, trustees, etc.				
14 Other employee salaries and wages				
15 Pension plans, employee benefits				
16 a Legal fees (attach schedule) STMT 2	5,000.	NONE	NONE	5,000.
b Accounting fees (attach schedule) STMT 3	5,400.	1,350.	NONE	4,050.
c Other professional fees (attach schedule)				
17 Interest STMT 4				
18 Taxes (attach schedule) (see page 14 of the instructions)*	6,313.	1,347.		
19 Depreciation (attach schedule) and depletion				
20 Occupancy				
21 Travel, conferences, and meetings				
22 Printing and publications				
23 Other expenses (attach schedule) STMT 6	54,949.	54,699.		250.
24 Total operating and administrative expenses. Add lines 13 through 23	71,662.	57,396.	NONE	9,300.
25 Contributions, gifts, grants paid	367,450.			367,450.
26 Total expenses and disbursements. Add lines 24 and 25	439,112.	57,396.	NONE	376,750.
27 Subtract line 26 from line 12				
a Excess of revenue over expenses and disbursements	-138,690.			
b Net investment income (if negative, enter -0-)		243,026.		
c Adjusted net income (if negative, enter -0-)			-0-	



SCANNED JAN 13 2010

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)			
		Beginning of year	End of year		
		(a) Book Value	(b) Book Value	(c) Fair Market Value	
Assets	1	Cash - non-interest-bearing		14,231.	14,231.
	2	Savings and temporary cash investments			
	3	Accounts receivable ▶ Less allowance for doubtful accounts ▶			
	4	Pledges receivable ▶ Less allowance for doubtful accounts ▶			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 15 of the instructions)			
	7	Other notes and loans receivable (attach schedule) ▶ Less allowance for doubtful accounts ▶			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10 a	Investments - U S and state government obligations (attach schedule) **	999,698.	873,619.	883,012.
	b	Investments - corporate stock (attach schedule) STMT 8 .	2,798,327.	2,927,985.	4,436,678.
	c	Investments - corporate bonds (attach schedule)			
	11	Investments - land, buildings, and equipment basis ▶ Less accumulated depreciation (attach schedule) ▶			
	12	Investments - mortgage loans			
	13	Investments - other (attach schedule)			
	14	Land, buildings, and equipment basis ▶ Less accumulated depreciation (attach schedule) ▶			
15	Other assets (describe ▶ STMT 9)	900.	900.	900.	
16	Total assets (to be completed by all filers - see the instructions Also, see page 1, item I)	3,798,925.	3,816,735.	5,334,821.	
Liabilities	17	Accounts payable and accrued expenses	NONE	156,500.	
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, and other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe ▶)			
	23	Total liabilities (add lines 17 through 22)	NONE	156,500.	
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ <input type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.				
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted			
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. ▶ <input checked="" type="checkbox"/>				
	27	Capital stock, trust principal, or current funds			
	28	Paid-in or capital surplus, or land, bldg, and equipment fund	3,798,925.	3,660,235.	
	29	Retained earnings, accumulated income, endowment, or other funds	NONE	NONE	
	30	Total net assets or fund balances (see page 17 of the instructions)	3,798,925.	3,660,235.	
	31	Total liabilities and net assets/fund balances (see page 17 of the instructions)	3,798,925.	3,816,735.	

Part III Analysis of Changes in Net Assets or Fund Balances		
1	Total net assets or fund balances at beginning of year - Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1 3,798,925.
2	Enter amount from Part I, line 27a	2 -138,690.
3	Other increases not included in line 2 (itemize) ▶ SEE STATEMENT 10	3
4	Add lines 1, 2, and 3	4 3,660,235.
5	Decreases not included in line 2 (itemize) ▶	5
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6 3,660,235.

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)				(b) How acquired P-Purchase D-Donation	(c) Date acquired (mo, day, yr)	(d) Date sold (mo, day, yr)
1a SEE PART IV SCHEDULE						
b						
c						
d						
e						
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)			
a						
b						
c						
d						
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))			
(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any				
a						
b						
c						
d						
e						
2 Capital gain net income or (net capital loss)				2	161,121.	
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see pages 13 and 17 of the instructions) If (loss), enter -0- in Part I, line 8.					3	

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? Yes No
If "Yes," the foundation does not qualify under section 4940(e) Do not complete this part

1 Enter the appropriate amount in each column for each year, see page 18 of the instructions before making any entries

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2007	353,867.	7,682,933.	0.046059
2006	329,019.	7,163,317.	0.045931
2005	322,563.	6,706,745.	0.048095
2004	167,859.	6,493,706.	0.025849
2003	260,241.	6,373,869.	0.040829
2 Total of line 1, column (d)			2 0.206763
3 Average distribution ratio for the 5-year base period - divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years			3 0.041353
4 Enter the net value of noncharitable-use assets for 2008 from Part X, line 5			4 5,722,689.
5 Multiply line 4 by line 3			5 236,650.
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 2,430.
7 Add lines 5 and 6			7 239,080.
8 Enter qualifying distributions from Part XII, line 4, If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate See the Part VI instructions on page 18			8 376,750.

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 - see page 18 of the instructions)

Table with 11 rows for excise tax calculations. Includes categories like 'Exempt operating foundations', 'Domestic foundations', 'Tax under section 511', and 'Credits/Payments'. Total tax due is 1,070.

Part VII-A Statements Regarding Activities

Table with 10 rows for activity statements. Includes questions about political influence, tax on political expenditures, and foundation status. Includes 'Yes' and 'No' columns.

Part VII-A Statements Regarding Activities (continued)

11 At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(3)? If "Yes," attach schedule (see page 20 of the instructions). 11 X
12 Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008? 12 X
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application? 13 X
Website address N/A
14 The books are in care of JANET L. MULLIGAN Telephone no 212-583-1100
Located at 37 W. 57TH ST., 5TH FL. NEW YORK, NY ZIP + 4 10019
15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here N/A and enter the amount of tax-exempt interest received or accrued during the year 15

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

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

1a During the year did the foundation (either directly or indirectly)
(1) Engage in the sale or exchange, or leasing of property with a disqualified person? Yes No X
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? Yes No X
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? Yes No X
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? Yes No X
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? Yes No X
(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days). Yes No X
b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here X
1b X
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2008? 1c X
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))
a At the end of tax year 2008, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2008? Yes No X
If "Yes," list the years
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see page 20 of the instructions) 2b N/A
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? Yes No X
b If "Yes," did it have excess business holdings in 2008 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969, (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2008) 3b N/A
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes? 4a X
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2008? 4b X

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

- 5a During the year did the foundation pay or incur any amount to
 - (1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? Yes No
 - (2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? Yes No
 - (3) Provide a grant to an individual for travel, study, or other similar purposes? Yes No
 - (4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see page 22 of the instructions) Yes No
 - (5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? Yes No
- b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see page 22 of the instructions)? Yes No
 Organizations relying on a current notice regarding disaster assistance check here
- c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? Yes No
 If "Yes," attach the statement required by Regulations section 53.4945-5(d)
- 6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No
- b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No
 If you answered "Yes" to 6b, also file Form 8870
- 7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? Yes No
- b If yes, did the foundation receive any proceeds or have any net income attributable to the transaction? Yes No

5b	N/A	
6b		X
7b		X

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors

1 List all officers, directors, trustees, foundation managers and their compensation (see page 22 of the instructions).

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (if not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE STATEMENT 11		NONE	NONE	NONE

2 Compensation of five highest-paid employees (other than those included on line 1 - see page 23 of the instructions). If none, enter "NONE."

(a) Name and address of each employee paid more than \$50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
NONE				

Total number of other employees paid over \$50,000 NONE

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)

3 Five highest-paid independent contractors for professional services (see page 23 of the instructions). If none, enter "NONE."

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		

Total number of others receiving over \$50,000 for professional services NONE

Part IX-A Summary of Direct Charitable Activities

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

Part IX-B Summary of Program-Related Investments (see page 23 of the instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 NONE	
2	
All other program-related investments See page 24 of the instructions	
3 NONE	
Total. Add lines 1 through 3	

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see page 24 of the instructions.)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes		
a	Average monthly fair market value of securities	1a	5,809,837.
b	Average of monthly cash balances	1b	
c	Fair market value of all other assets (see page 24 of the instructions)	1c	NONE
d	Total (add lines 1a, b, and c)	1d	5,809,837.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2	Acquisition indebtedness applicable to line 1 assets	2	NONE
3	Subtract line 2 from line 1d	3	5,809,837.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see page 25 of the instructions)	4	87,148.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	5,722,689.
6	Minimum investment return. Enter 5% of line 5	6	286,134.

Part XI Distributable Amount (see page 25 of the instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here and do not complete this part.)

1	Minimum investment return from Part X, line 6	1	286,134.
2a	Tax on investment income for 2008 from Part VI, line 5	2a	2,430.
b	Income tax for 2008 (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	2,430.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	283,704.
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	283,704.
6	Deduction from distributable amount (see page 25 of the instructions)	6	
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	283,704.

Part XII Qualifying Distributions (see page 25 of the instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes		
a	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	1a	376,750.
b	Program-related investments - total from Part IX-B	1b	NONE
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	NONE
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	NONE
b	Cash distribution test (attach the required schedule)	3b	NONE
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	376,750.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see page 26 of the instructions)	5	2,430.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	374,320.

Note: The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years.

Part XIII Undistributed Income (see page 26 of the instructions)

	(a) Corpus	(b) Years prior to 2007	(c) 2007	(d) 2008
1 Distributable amount for 2008 from Part XI, line 7				283,704.
2 Undistributed income, if any, as of the end of 2007				
a Enter amount for 2007 only			367,359.	
b Total for prior years 20____, 20____, 20____				
3 Excess distributions carryover, if any, to 2008				
a From 2003				
b From 2004	NONE			
c From 2005				
d From 2006				
e From 2007				
f Total of lines 3a through e	NONE			
4 Qualifying distributions for 2008 from Part XII, line 4 ▶ \$ <u>376,750.</u>				
a Applied to 2007, but not more than line 2a			367,359.	
b Applied to undistributed income of prior years (Election required - see page 26 of the instructions)				
c Treated as distributions out of corpus (Election required - see page 26 of the instructions)				
d Applied to 2008 distributable amount				9,391.
e Remaining amount distributed out of corpus	NONE			
5 Excess distributions carryover applied to 2008 (If an amount appears in column (d), the same amount must be shown in column (a))	NONE			NONE
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	NONE			
b Prior years' undistributed income Subtract line 4b from line 2b				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b Taxable amount - see page 27 of the instructions				
e Undistributed income for 2007 Subtract line 4a from line 2a Taxable amount - see page 27 of the instructions				
f Undistributed income for 2008 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2009				274,313.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see page 27 of the instructions)				
8 Excess distributions carryover from 2003 not applied on line 5 or line 7 (see page 27 of the instructions)				
9 Excess distributions carryover to 2009. Subtract lines 7 and 8 from line 6a	NONE			
10 Analysis of line 9				
a Excess from 2004				
b Excess from 2005				
c Excess from 2006				
d Excess from 2007				
e Excess from 2008	NONE			

Part XIV Private Operating Foundations (see page 27 of the instructions and Part VII-A, question 9) NOT APPLICABLE

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2008, enter the date of the ruling

b Check box to indicate whether the foundation is a private operating foundation described in section 4942(j)(3) or 4942(j)(5)

Table with 5 columns: (a) 2008, (b) 2007, (c) 2006, (d) 2005, (e) Total. Rows include 2a (Adjusted net income), 2b (85% of line 2a), 2c (Qualifying distributions), 2d (Amounts included in line 2c), 2e (Qualifying distributions made directly for active conduct), 3 (Alternative tests: Assets, Endowment, Support).

Part XV Supplementary Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year - see page 27 of the instructions.)

1 Information Regarding Foundation Managers:

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000) (See section 507(d)(2))

NONE

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest

NONE

2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:

Check here [X] if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc (see page 28 of the instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d

a The name, address, and telephone number of the person to whom applications should be addressed

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

c Any submission deadlines

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

Part XV Supplementary Information (continued)

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

<div style="text-align: center;">Recipient</div> <div style="text-align: center;">Name and address (home or business)</div>	<div style="text-align: center;">If recipient is an individual, show any relationship to any foundation manager or substantial contributor</div>	<div style="text-align: center;">Foundation status of recipient</div>	<div style="text-align: center;">Purpose of grant or contribution</div>	<div style="text-align: center;">Amount</div>
<p>a <i>Paid during the year</i></p> <p>SEE STATEMENT 12</p>				
<p>Total ▶ 3a</p>				<p>367,450.</p>
<p>b <i>Approved for future payment</i></p>				
<p>Total ▶ 3b</p>				

**FORM 990-PF - PART IV
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME**

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
							11,340.	
						P		
2,738,635.							149,771.	
						P		
10.							10.	
TOTAL GAIN (LOSS)							----- 161,121. =====	

FORM 990PF, PART I - DIVIDENDS AND INTEREST FROM SECURITIES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
US INTEREST INCOME	33,052.	33,052.
DIVIDEND INCOME	97,858.	97,858.
CORPORATE INTEREST INCOME	7,300.	7,300.
MONEY FD DIVIDENDS	1,091.	1,091.
TOTAL	139,301.	139,301.

FORM 990PF, PART I - LEGAL FEES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
----- FULBRIGHT & JAWORSKI LLP	----- 5,000.	----- -----	----- -----	----- 5,000.
TOTALS	=====	=====	=====	=====

FORM 990PF, PART I - ACCOUNTING FEES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
ACCOUNTING FEES	5,400.	1,350.		4,050.
TOTALS	5,400.	1,350.	NONE	4,050.

FORM 990PF, PART I - INTEREST EXPENSE
=====

DESCRIPTION -----	REVENUE AND EXPENSES PER BOOKS -----
MARGIN INTEREST	
TOTALS	

FORM 990PF, PART I - TAXES

=====

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
-----	-----	-----
FOREIGN TAX WITHHELD	1,347.	1,347.
FEDERAL TAXES	4,966.	
	-----	-----
TOTALS	6,313.	1,347.
	=====	=====

FORM 990PF, PART I - OTHER EXPENSES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	CHARITABLE PURPOSES
NYS DEPT OF LAW	250.		250.
INVEST ADVISORY FEES	54,653.	54,653.	
MISCELLANEOUS FEES	46.	46.	
TOTALS	54,949.	54,699.	250.

FORM 990PF, PART II - U.S. AND STATE OBLIGATIONS

DESCRIPTION	BEGINNING BOOK VALUE	ENDING BOOK VALUE	ENDING FMV
VARIOUS THRU UBS	999,698.	873,619.	883,012.
US OBLIGATIONS TOTAL	999,698.	873,619.	883,012.

THE GOLDSTONE FUND, INC.

FORM 990PF, PART II - CORPORATE STOCK

=====

DESCRIPTION	BEGINNING BOOK VALUE	ENDING BOOK VALUE	ENDING FMV
VARIOUS THRU UBS	2,798,327.	2,927,985.	4,436,678.
TOTALS	2,798,327.	2,927,985.	4,436,678.

FORM 990PF, PART II - OTHER ASSETS

DESCRIPTION	BEGINNING BOOK VALUE	ENDING BOOK VALUE	ENDING FMV
DUE FROM OFFICERS	900.	900.	900.
TOTALS	900.	900.	900.

FORM 990PF, PART III - OTHER INCREASES IN NET WORTH OR FUND BALANCES
=====

DESCRIPTION -----	AMOUNT -----
PRIOR PERIOD ADJUSTMENT ADJUSTMENT TO COST BASIS OF SECURITIES	-----
TOTAL	=====

FORM 990PF, PART VIII - LIST OF OFFICERS, DIRECTORS, AND TRUSTEES

TITLE AND AVERAGE HOURS PER
WEEK DEVOTED TO POSITION

NAME AND ADDRESS

PRESIDENT

ARTHUR H. GOLDSTONE
C/O TANTON & CO, LLP
37 W57TH STREET 5TH FLOOR
NEW YORK, NY 10019

TREASURER/SECRETARY

JANET L. MULLIGAN
C/O TANTON & CO, LLP
37 W57TH STREET, 5TH FLOOR
NEW YORK, NY 10019

VICE PRESIDENT

JANE G. RITTMASER
911 PARK AVENUE
NEW YORK, NY 10021

GRAND TOTALS

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

RECIPIENT NAME AND ADDRESS

AND

RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR

FOUNDATION STATUS OF RECIPIENT

PURPOSE OF GRANT OR CONTRIBUTION

AMOUNT

SEE SCHEDULE ATTACHED

NONE

GENERAL PURPOSE

367,450.

SEC. 501 (C) (3)

TOTAL CONTRIBUTIONS PAID

367,450.

**SCHEDULE D
(Form 1041)**

Department of the Treasury
Internal Revenue Service

Capital Gains and Losses

▶ **Attach to Form 1041, Form 5227, or Form 990-T. See the separate instructions for Form 1041 (also for Form 5227 or Form 990-T, if applicable).**

OMB No 1545-0092

2008

Name of estate or trust

Employer identification number

THE GOLDSTONE FUND, INC.

13-6028782

Note: Form 5227 filers need to complete *only* Parts I and II

Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less

(a) Description of property (Example 100 shares 7% preferred of "Z" Co)	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Sales price	(e) Cost or other basis (see page 4 of the instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
1a					

b Enter the short-term gain or (loss), if any, from Schedule D-1, line 1b	1b	
2 Short-term capital gain or (loss) from Forms 4684, 6252, 6781, and 8824	2	
3 Net short-term gain or (loss) from partnerships, S corporations, and other estates or trusts	3	
4 Short-term capital loss carryover Enter the amount, if any, from line 9 of the 2007 Capital Loss Carryover Worksheet	4	()
5 Net short-term gain or (loss). Combine lines 1a through 4 in column (f) Enter here and on line 13, column (3) on the back ▶	5	

Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year

(a) Description of property (Example 100 shares 7% preferred of "Z" Co)	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Sales price	(e) Cost or other basis (see page 4 of the instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
6a					

b Enter the long-term gain or (loss), if any, from Schedule D-1, line 6b	6b	149,781.
7 Long-term capital gain or (loss) from Forms 2439, 4684, 6252, 6781, and 8824	7	
8 Net long-term gain or (loss) from partnerships, S corporations, and other estates or trusts	8	
9 Capital gain distributions	9	11,340.
10 Gain from Form 4797, Part I	10	
11 Long-term capital loss carryover Enter the amount, if any, from line 14 of the 2007 Capital Loss Carryover Worksheet	11	()
12 Net long-term gain or (loss). Combine lines 6a through 11 in column (f) Enter here and on line 14a, column (3) on the back ▶	12	161,121.

For Paperwork Reduction Act Notice, see the Instructions for Form 1041.

Schedule D (Form 1041) 2008

Part III Summary of Parts I and II		(1) Beneficiaries' (see page 5)	(2) Estate's or trust's	(3) Total
Caution: Read the instructions before completing this part.				
13	Net short-term gain or (loss)	13		
14	Net long-term gain or (loss):			
a	Total for year	14a		161,121.
b	Unrecaptured section 1250 gain (see line 18 of the wrkshet)	14b		
c	28% rate gain	14c		
15	Total net gain or (loss). Combine lines 13 and 14a	15		161,121.

Note: If line 15, column (3), is a net gain, enter the gain on Form 1041, line 4 (or Form 990-T, Part I, line 4a) If lines 14a and 15, column (2), are net gains, go to Part V, and do not complete Part IV If line 15, column (3), is a net loss, complete Part IV and the Capital Loss Carryover Worksheet, as necessary

Part IV Capital Loss Limitation		16
16	Enter here and enter as a (loss) on Form 1041, line 4 (or Form 990-T, Part I, line 4c, if a trust), the smaller of a The loss on line 15, column (3) or b \$3,000	()

Note: If the loss on line 15, column (3), is more than \$3,000, or if Form 1041, page 1, line 22 (or Form 990-T, line 34), is a loss, complete the Capital Loss Carryover Worksheet on page 7 of the instructions to figure your capital loss carryover

Part V Tax Computation Using Maximum Capital Gains Rates

Form 1041 filers. Complete this part only if both lines 14a and 15 in column (2) are gains, or an amount is entered in Part I or Part II and there is an entry on Form 1041, line 2b(2), and Form 1041, line 22, is more than zero

Caution: Skip this part and complete the worksheet on page 8 of the instructions if
• Either line 14b, col (2) or line 14c, col (2) is more than zero, or
• Both Form 1041, line 2b(1), and Form 4952, line 4g are more than zero

Form 990-T trusts. Complete this part only if both lines 14a and 15 are gains, or qualified dividends are included in income in Part I of Form 990-T, and Form 990-T, line 34, is more than zero Skip this part and complete the worksheet on page 8 of the instructions if either line 14b, col (2) or line 14c, col (2) is more than zero

17	Enter taxable income from Form 1041, line 22 (or Form 990-T, line 34)	17		
18	Enter the smaller of line 14a or 15 in column (2) but not less than zero	18		
19	Enter the estate's or trust's qualified dividends from Form 1041, line 2b(2) (or enter the qualified dividends included in income in Part I of Form 990-T)	19		
20	Add lines 18 and 19	20		
21	If the estate or trust is filing Form 4952, enter the amount from line 4g, otherwise, enter -0-	21		
22	Subtract line 21 from line 20 If zero or less, enter -0-	22		
23	Subtract line 22 from line 17 If zero or less, enter -0-	23		
24	Enter the smaller of the amount on line 17 or \$2,200	24		
25	Is the amount on line 23 equal to or more than the amount on line 24? <input type="checkbox"/> Yes. Skip lines 25 and 26, go to line 27 and check the "No" box <input type="checkbox"/> No. Enter the amount from line 23	25		
26	Subtract line 25 from line 24	26		
27	Are the amounts on lines 22 and 26 the same? <input type="checkbox"/> Yes. Skip lines 27 thru 30, go to line 31 <input type="checkbox"/> No. Enter the smaller of line 17 or line 22	27		
28	Enter the amount from line 26 (If line 26 is blank, enter -0-)	28		
29	Subtract line 28 from line 27	29		
30	Multiply line 29 by 15% (15)			30
31	Figure the tax on the amount on line 23 Use the 2008 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions)			31
32	Add lines 30 and 31			32
33	Figure the tax on the amount on line 17 Use the 2008 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions)			33
34	Tax on all taxable income. Enter the smaller of line 32 or line 33 here and on line 1a of Schedule G, Form 1041 (or line 36 of Form 990-T)			34

The Goldstone Fund, Inc

Contributions

FYE 5/31/09

PAYEE

Greenwich Hospital	\$ 3,000.00
Lenox Hill Hospital	\$ 3,000.00
MT. Sinai Adolescent Health Center	\$ 1,000.00
MT. Sinai Breast Health Resource Program	\$ 1,000.00
FSH Society, INC.	\$ 1,000.00
MT. Sinai Dept Of OB/GYN	\$ 7,500.00
The Jewish Guild for the Blind	\$ 5,000.00
Richard Tucker Music FDN	\$ 3,000.00
Friends Of Little Compton Nursing Association	\$ 500.00
Horace Mann School	\$ 10,000.00
Congregation Emanu-EL	\$ 2,000.00
New York Hospital For Joint Diseases	\$ 1,000.00
Children's Aid Society	\$ 1,000.00
Hertzberg Palliative Care Institute	\$ 1,000.00
Round Hill Volunteer Fire Company	\$ 500.00
Whitney Museum	\$ 1,000.00
ST. Bernard's School	\$ 2,500.00
ST. Bernard's School	\$ 2,500.00
East Side House Settlement	\$ 1,350.00
Jewish Guild For The Blind	\$ 20,000.00
Blythedale Children's Hospital	\$ 10,000.00
Mt.Sinai Medical Center Auxiliary Board	\$ 5,000.00
Charley's Fund	\$ 2,500.00
Cancer Research Institute	\$ 2,500.00
Brown University	\$ 2,500.00
Doe Fund,INC	\$ 1,000.00
Riverdale Country School	\$ 1,000.00
Mt.Sinai Medical Center /OB-GYN Dept	\$ 1,000.00
NY Times Neediest Cases Fund	\$ 1,000.00
Mt.Sinai Medical Center Dept. Of Ophthalmolog	\$ 10,000.00
Holy Comforter Lutheran Church	\$ 500.00
The American Folk Art Museum	\$ 1,100.00
FSH Society, INC.	\$ 3,000.00
Bachmann-Strauss Dystonia & Parkinson Fund	\$ 2,000.00
Citizen's Committee For Children	\$ 1,500.00
Chron's Colitis Foundation Of America	\$ 1,200.00
Jeffrey Modell Foundation	\$ 2,500.00
Mt.Sinai Medical Center/Crystal Ball	\$ 2,500.00
Richard Tucker Music FDN	\$ 1,000.00
United Hospital Fund	\$ 1,000.00

Albert Einstein College Of Medicine	\$ 1,000.00
Metropolitan Museum Of Art	\$ 1,800.00
Museum Of Modern Art	\$ 1,000.00
The Jewish Women 's Foundation Of NY	\$ 1,000.00
Little Compton Assistance Assoc	\$ 1,000.00
Lenox Hill Neighborhood House	\$ 1,000.00
Horace Mann School	\$ 2,500.00
Charley's Fund	\$ 1,000.00
Fund For Park Avenue	\$ 1,000.00
The Chappaqua Orchestra	\$ 2,500.00
The Nature Conservancy	\$ 10,000.00
Westchester Reform Temple	\$ 10,000.00
Blythedale Children's Hospital	\$ 10,000.00
Carnegie Hall	\$ 5,000.00
FHS Society Inc	\$ 5,000.00
Lincoln Center for the Performing Arts	\$ 5,000.00
McCarton Foundation	\$ 5,000.00
Central Park Conservancy	\$ 5,000.00
Harace Mann School	\$ 2,500.00
The Doe Fund	\$ 2,500.00
The Fresh Air Fund	\$ 2,500.00
Richard Tucker Music FDN	\$ 2,500.00
New York Hospital For Joint Diseases	\$ 2,500.00
Charley's Fund	\$ 3,000.00
Children's Aid Society	\$ 2,500.00
National Alopecia Areata Foundation	\$ 1,000.00
Damon Runyon Cancer Research Foundation	\$ 1,000.00
The Nature Conservancy	\$ 50,000.00
ST. Bernard's School	\$ 50,000.00
Little Compton Agricultural Conservancy Trust	\$ 10,000.00
Cornell University	\$ 30,000.00
Cornell University- Johnson Library	\$ 7,500.00
Sakonnet Preservation Association	\$ 3,500.00
Brownell Library	\$ 1,500.00
United Congregational Church	\$ 2,500.00
Rockefeller University	\$ 3,000.00
Total Contributions	\$367,450.00

The Goldstone Fund, Inc
 FEIN : 13-6028782
 FYE 5/31/2009

<u>Shs</u>	<u>Description</u>	<u>Purchase Date</u>	<u>Sales Date</u>	<u>Proceeds</u>	<u>Cost</u>	<u>Gain/Loss</u>
100,000.0000	US TREAS NOTE 5%	08/17/06	07/31/08	100,000.00	100,190.00	(190.00)
200,000.0000	US TREAS NOTE 5%	08/04/06	07/31/08	200,000.00	200,340.00	(340.00)
400,000.0000	US TREAS BILL DUE 7/3/08		07/03/08	400,000.00	400,000.00	0.00
313.4290	AMERICAN INTL GROUP INC.	07/23/91	09/16/08	967.61	1,063.42	(95.81)
1,265.2380	AMERICAN INTL GROUP INC.	11/03/93	09/16/08	3,906.02	17,249.33	(13,343.31)
421.3330	AMERICAN INTL GROUP INC.	09/20/96	09/16/08	1,300.73	9,762.45	(8,461.72)
2,000.0000	BANK OF AMERICA CORP	01/14/98	09/18/08	56,234.68	14,085.80	42,148.88
2,000.0000	BANK OF AMERICA CORP	01/14/98	10/06/08	65,184.23	14,085.79	51,098.44
2,000.0000	CHUBB CORPORATION	10/11/02	10/06/08	95,286.46	57,544.30	37,742.16
1,000.0000	PROCTOR AND GAMBLE	03/01/05	10/23/08	58,393.90	53,472.70	4,921.20
200.0000	PROCTOR AND GAMBLE	05/09/05	10/23/08	11,678.78	10,970.00	708.78
2,000.0000	UNION PACIFIC CORP	12/13/02	10/23/08	110,277.11	59,130.00	51,147.11
400.0000	UNION PACIFIC CORP	04/20/04	10/23/08	22,055.42	11,504.00	10,551.42
1,500.0000	CERNER CORP	03/19/08	10/24/08	47,603.38	60,366.72	(12,763.34)
1,500.0000	SUNTECH POWER HLDGS	03/13/08	11/20/08	9,213.08	48,750.95	(39,537.87)
300.0000	SUNTECH POWER HLDGS	03/18/08	11/20/08	1,842.61	9,612.35	(7,769.74)
2,500.0000	ENERGY SOLUTIONS INC	11/15/07	11/20/08	8,641.70	57,667.50	(49,025.80)
400,000.0000	RED US TREAS BILL DUE	05/20/08	11/20/08	400,000.00	400,000.00	0.00
2,000.0000	TEVA PHARM INDS LTD	08/03/04	11/18/08	84,033.92	57,631.20	26,402.72
300,000.0000	US TREAS BILL	07/30/08	12/01/08	299,955.10	299,955.10	0.00
50,000.0000	US TREAS BILL	11/19/08	01/12/09	49,827.78	49,827.78	0.00
100,000.0000	US TREAS BILL	11/19/08	02/18/09	99,538.20	99,538.20	0.00
800.0000	INTL BUSINESS MACHINES	07/16/04	03/03/09	71,080.64	68,814.28	2,266.36
375,000.0000	US TREAS BILL	11/19/08	04/28/09	374,292.00	374,292.00	0.00
100.0000	WASHINGTON POST CO	11/12/92	04/23/09	41,414.53	21,796.57	19,617.96
1,200.0000	CERNER CORP	01/08/09	05/01/09	63,588.92	42,056.24	21,532.68
1,200.0000	FREEMONT MCMORAN COPPEL	04/24/09	05/07/09	62,318.39	49,157.12	13,161.27
Totals				2,738,635.19	2,588,863.80	149,771.39

Application for Extension of Time To File an Exempt Organization Return

Department of the Treasury
Internal Revenue Service

► **File a separate application for each return.**

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box **X**
 - If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form)
- Do not complete Part II unless** you have already been granted an automatic 3-month extension on a previously filed Form 8868

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

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

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

Electronic Filing (e-file). Generally, you can electronically file Form 8868 if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for a corporation required to file Form 990-T). However, you cannot file Form 8868 electronically if (1) you want the additional (not automatic) 3-month extension or (2) you file Forms 990-BL, 6069, or 8870, group returns, or a composite or consolidated Form 990-T. Instead, you must submit the fully completed and signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit www.irs.gov/efile and click on *e-file for Charities & Nonprofits*

Type or print <small>File by the due date for filing your return. See instructions.</small>	Name of Exempt Organization THE GOLDSTONE FUND, INC.	Employer identification number 13-6028782
	Number, street, and room or suite no. If a P O box, see instructions C/O TANTON & COMPANY, LLP	
	37 WEST 57TH STREET, 5TH FLOOR	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions NEW YORK, NY 10019	

Check type of return to be filed (file a separate application for each return)

- | | | |
|---|--|------------------------------------|
| <input type="checkbox"/> Form 990 | <input type="checkbox"/> Form 990-T (corporation) | <input type="checkbox"/> Form 4720 |
| <input type="checkbox"/> Form 990-BL | <input type="checkbox"/> Form 990-T (sec 401(a) or 408(a) trust) | <input type="checkbox"/> Form 5227 |
| <input type="checkbox"/> Form 990-EZ | <input type="checkbox"/> Form 990-T (trust other than above) | <input type="checkbox"/> Form 6069 |
| <input checked="" type="checkbox"/> Form 990-PF | <input type="checkbox"/> Form 1041-A | <input type="checkbox"/> Form 8870 |

• The books are in the care of ► JANET L. MULLIGAN

Telephone No ► 212 583-1100 FAX No ► _____

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

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until 01/15, 2010 to file the exempt organization return for the organization named above. The extension is for the organization's return for:

- calendar year _____ or
- tax year beginning 06/01, 2008, and ending 05/31, 2009

2 If this tax year is for less than 12 months, check reason: Initial return Final return Change in accounting period

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions	3a	\$ <u>1,437.</u>
b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit	3b	\$ <u>3,500.</u>
c Balance Due. Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions	3c	\$ _____

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

For Privacy Act and Paperwork Reduction Act Notice, see Instructions.