Form **990-PF**

Department of the Treasury
Internal Revenue Service

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

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

OMB No 1545-0052

2009

For calendar year 2009, or tax year beginning , and ending

G Check all that apply: ☐ Initial return ☐ Initial return of a former public charity ☐ Final return ☐ Amended return ☐ Address change ☐ Name change

Use the IRS label. Otherwise, print or type. See Specific Instructions.

Name of foundation: THE ALLEN HILLES FUND

A Employer identification number: 51-6154986

Number and street (or P O box number if mail is not delivered to street address): 16 E. LANCASTER AVENUE — Room/suite: 102

B Telephone number: 610-896-3868

City or town, state, and ZIP code: ARDMORE, PA 19003

C If exemption application is pending, check here ▶☐

D 1. Foreign organizations, check here ▶☐

2. Foreign organizations meeting the 85% test, check here and attach computation ▶☐

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

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

I Fair market value of all assets at end of year (from Part II, col (c), line 16) ▶$ 4,667,997.

J Accounting method: [X] Cash ☐ Accrual ☐ Other (specify) (Part I, column (d) must be on cash basis.)

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

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

		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received			N/A	
	2 Check ▶ [X] if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	97,378.	97,378.		STATEMENT 1
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	66,227.			
	b Gross sales price for all assets on line 6a 546,467.				
	7 Capital gain net income (from Part IV, line 2)		66,227.		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
	b Less Cost of goods sold				
	c Gross profit or (loss)				
	11 Other income				
	12 **Total.** Add lines 1 through 11	163,605.	163,605.		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	25,199.	0.		25,199.
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees				
	b Accounting fees STMT 2	3,975.	1,987.		0.
	c Other professional fees STMT 3	20,872.	20,872.		0.
	17 Interest	122.	122.		0.
	18 Taxes STMT 4	6,285.	522.		0.
	19 Depreciation and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings	1,398.	0.		1,398.
	22 Printing and publications				
	23 Other expenses STMT 5	10,079.	102.		9,977.
	24 **Total operating and administrative expenses.** Add lines 13 through 23	67,930.	23,605.		36,574.
	25 Contributions, gifts, grants paid	216,500.			216,500.
	26 **Total expenses and disbursements.** Add lines 24 and 25	284,430.	23,605.		253,074.
	27 Subtract line 26 from line 12:				
	a Excess of revenue over expenses and disbursements	<120,825.>			
	b **Net investment income** (if negative, enter -0-)		140,000.		
	c **Adjusted net income** (if negative, enter -0-)			N/A	

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Part II Balance Sheets Attached schedules and amounts in the description column should be for end-of-year amounts only

		Beginning of year (a) Book Value	End of year (b) Book Value	End of year (c) Fair Market Value
Assets	1 Cash - non-interest-bearing			
	2 Savings and temporary cash investments	72,125.	56,490.	56,490.
	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			
	7 Other notes and loans receivable ▶ 10,000.			
	Less: allowance for doubtful accounts ▶	10,000.	10,000.	10,000.
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments - U.S. and state government obligations			
	b Investments - corporate stock STMT 6	4,569,447.	4,465,715.	4,597,753.
	c Investments - corporate bonds STMT 7	4,872.	3,414.	3,754.
	11 Investments - land, buildings, and equipment: basis ▶			
	Less accumulated depreciation ▶			
	12 Investments - mortgage loans			
	13 Investments - other			
	14 Land, buildings, and equipment: basis ▶			
	Less accumulated depreciation ▶			
	15 Other assets (describe ▶)			
	16 **Total assets** (to be completed by all filers)	4,656,444.	4,535,619.	4,667,997.
Liabilities	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable			
	22 Other liabilities (describe ▶)			
	23 **Total liabilities** (add lines 17 through 22)	0.	0.	
Net Assets or Fund Balances	**Foundations that follow SFAS 117, check here** ▶ ☐ **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 ▶ [X] **and complete lines 27 through 31.**			
	27 Capital stock, trust principal, or current funds	3,650,848.	3,650,848.	
	28 Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.	
	29 Retained earnings, accumulated income, endowment, or other funds	1,005,596.	884,771.	
	30 **Total net assets or fund balances**	4,656,444.	4,535,619.	
	31 **Total liabilities and net assets/fund balances**	4,656,444.	4,535,619.	

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	4,656,444.
2	Enter amount from Part I, line 27a	2	<120,825.>
3	Other increases not included in line 2 (itemize) ▶	3	0.
4	Add lines 1, 2, and 3	4	4,535,619.
5	Decreases not included in line 2 (itemize) ▶	5	0.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	4,535,619.

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				
b	SEE ATTACHED STATEMENT			
c				
d				
e				

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a				
b				
c				
d				
e	546,467.		480,240.	66,227.

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

	(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
a				
b				
c				
d				
e				66,227.

2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7; If (loss), enter -0- in Part I, line 7 } — 2 — 66,227.

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).
If (loss), enter -0- in Part I, line 8 — 3 — N/A

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 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))
2008	260,822.	5,256,479.	.049619
2007	288,529.	6,222,185.	.046371
2006	270,623.	5,675,119.	.047686
2005	265,706.	5,267,923.	.050438
2004	268,226.	5,012,234.	.053514

2	**Total** of line 1, column (d)	2	.247628
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	.049526
4	Enter the net value of noncharitable-use assets for 2009 from Part X, line 5	4	3,892,241.
5	Multiply line 4 by line 3	5	192,767.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	1,400.
7	Add lines 5 and 6	7	194,167.
8	Enter qualifying distributions from Part XII, line 4	8	253,074.

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate.
See the Part VI instructions.

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

1a Exempt operating foundations described in section 4940(d)(2), check here ▶ [ ] and enter "N/A" on line 1. Date of ruling or determination letter: ______ (attach copy of letter if necessary-see instructions)				
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ [X] and enter 1% of Part I, line 27b			1	1,400.
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b)				
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)			2	0.
3 Add lines 1 and 2			3	1,400.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)			4	0.
5 **Tax based on investment income.** Subtract line 4 from line 3. If zero or less, enter -0-			5	1,400.
6 Credits/Payments:				
a 2009 estimated tax payments and 2008 overpayment credited to 2009	6a	6,800.		
b Exempt foreign organizations - tax withheld at source	6b			
c Tax paid with application for extension of time to file (Form 8868)	6c			
d Backup withholding erroneously withheld	6d			
7 Total credits and payments. Add lines 6a through 6d			7	6,800.
8 Enter any **penalty** for underpayment of estimated tax. Check here [ ] if Form 2220 is attached			8	
9 **Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶			9	
10 **Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶			10	5,400.
11 Enter the amount of line 10 to be: **Credited to 2010 estimated tax** ▶ 1,600. **Refunded** ▶			11	3,800.

Part VII-A Statements Regarding Activities

		Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		X
b Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see instructions for definition)?	1b		X
If the answer is "Yes" to **1a** *or* **1b**, *attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities*			
c Did the foundation file **Form 1120-POL** for this year?	1c		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. ▶ $ 0. (2) On foundation managers. ▶ $ 0.			
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ▶ $ 0.			
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? *If "Yes," attach a detailed description of the activities*	2		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If "Yes," attach a conformed copy of the changes*	3		X
4a Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
b If "Yes," has it filed a tax return on **Form 990-T** for this year? N/A	4b		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T*	5		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	X	
7 Did the foundation have at least $5,000 in assets at any time during the year? *If "Yes," complete Part II, col. (c), and Part XV.*	7	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ DE			
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by *General Instruction G? If "No," attach explanation*	8b	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2009 or the taxable year beginning in 2009 (see instructions for Part XIV)? *If "Yes," complete Part XIV*	9		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	10		X

Part VII-A Statements Regarding Activities *(continued)*

			Yes	No
11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		X
12	Did the foundation 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 ▶ WWW.HILLESFUND.ORG

14 The books are in care of ▶ ST CLAIR CPAS, PC Telephone no. ▶ 610-862-1998

Located at ▶ 101 WEST ELM STREET, SUITE 500, CONSHOHOCKEN, PA ZIP+4 ▶ 19428

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of **Form 1041** - Check here ▶ ☐

and enter the amount of tax-exempt interest received or accrued during the year ▶ | 15 | N/A

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

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

			Yes	No
1a	During the year did the foundation (either directly or indirectly):			
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☒ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☒ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☒ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☒ Yes ☐ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes ☒ No			
	(6) Agree to pay money or property to a government official? (**Exception.** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) ☐ Yes ☒ No			
b	If any answer is "Yes" to 1a(1)-(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)?	1b		X
	Organizations relying on a current notice regarding disaster assistance check here ▶ ☐			
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2009?	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 2009, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2009? ☐ Yes ☒ No			
	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 instructions.) N/A	2b		
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here. ▶ ______, ______, ______, ______			
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☐ Yes ☒ No			
b	If "Yes," did it have excess business holdings in 2009 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 2009.)* N/A	3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2009?	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)? ☐ Yes ☒ No
(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No

b If any answer is "Yes" to 5a(1)-(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)? N/A | 5b |
Organizations relying on a current notice regarding disaster assistance check here ▶ ☐

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? N/A ☐ Yes ☐ No
If "Yes," attach the statement required by Regulations section 53 4945-5(d)

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☒ No
b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? | 6b | | X
If "Yes" to 6b, file Form 8870

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☒ No
b If yes, did the foundation receive any proceeds or have any net income attributable to the transaction? N/A | 7b |

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

1 List all officers, directors, trustees, foundation managers and their compensation.

(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
ROBERT L. DEWEES, JR. ESQ. C/O NIXON PEABODY LLP, 101 FEDERAL ST BOSTON, MA 021101832	PRESIDENT 0.00	0.	0.	0.
STEPHANIE D. JUDSON C/O WILLIAM PENN CHARTER SCHOOL, 3000 PHILADELPHIA, PA 19144	DIRECTOR 0.00	0.	0.	0.
EDWARD D. DEWEES C/O DOUGLAS C. LANE & ASSOC, 100 PARK NEW YORK, NY 10017	TREASURER 0.00	0.	0.	0.
PEMBROKE PHILANTHROPY ADVISORS 16 E. LANCASTER AVENUE, SUITE 102 ARDMORE, PA 19003	EXECUTIVE DIRECTOR 8.00	25,199.	0.	0.

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

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

Total number of other employees paid over $50,000 ▶ 0

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

3 Five highest-paid independent contractors for professional services. 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 ▶		0

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 NONE	0.
2	
3	
4	

Part IX-B Summary of Program-Related Investments

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.	Amount
1 NONE	0.
2	
All other program-related investments. See instructions.	
3	
Total. Add lines 1 through 3 ▶	0.

Form **990-PF** (2009)

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

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	3,892,928.
b	Average of monthly cash balances	1b	58,586.
c	Fair market value of all other assets	1c	
d	**Total** (add lines 1a, b, and c)	1d	3,951,514.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) — 1e: 0.		
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	3,951,514.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	59,273.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4	5	3,892,241.
6	**Minimum investment return.** Enter 5% of line 5	6	194,612.

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

1	Minimum investment return from Part X, line 6	1	194,612.
2a	Tax on investment income for 2009 from Part VI, line 5 — 2a: 1,400.		
b	Income tax for 2009. (This does not include the tax from Part VI.) — 2b:		
c	Add lines 2a and 2b	2c	1,400.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	193,212.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	193,212.
6	Deduction from distributable amount (see instructions)	6	0.
7	**Distributable amount** as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	193,212.

Part XII Qualifying Distributions (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	1a	253,074.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	**Qualifying distributions.** Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	253,074.
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	5	1,400.
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	251,674.

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

Part XIII **Undistributed Income** (see instructions)

	(a) Corpus	(b) Years prior to 2008	(c) 2008	(d) 2009
1 Distributable amount for 2009 from Part XI, line 7				193,212.
2 Undistributed income, if any, as of the end of 2009				
a Enter amount for 2008 only			0.	
b Total for prior years: ____, ____, ____		0.		
3 Excess distributions carryover, if any, to 2009:				
a From 2004 — 18,998.				
b From 2005 — 9,287.				
c From 2006				
d From 2007				
e From 2008 — 4,533.				
f **Total** of lines 3a through e	32,818.			
4 Qualifying distributions for 2009 from Part XII, line 4: ▶ $ 253,074.				
a Applied to 2008, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2009 distributable amount				174,214.
e Remaining amount distributed out of corpus	78,860.			
5 Excess distributions carryover applied to 2009 (If an amount appears in column (d), the same amount must be shown in column (a).)	18,998.			18,998.
6 **Enter the net total of each column as indicated below:**				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	92,680.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
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		0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
e Undistributed income for 2008. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2009. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2010				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2004 not applied on line 5 or line 7	0.			
9 **Excess distributions carryover to 2010.** Subtract lines 7 and 8 from line 6a	92,680.			
10 Analysis of line 9:				
a Excess from 2005 — 9,287.				
b Excess from 2006				
c Excess from 2007				
d Excess from 2008 — 4,533.				
e Excess from 2009 — 78,860.				

Part XIV Private Operating Foundations (see instructions and Part VII-A, question 9) N/A

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 2009, enter the date of the ruling ▶

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

	Tax year	Prior 3 years			
	(a) 2009	(b) 2008	(c) 2007	(d) 2006	(e) Total
2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon. a "Assets" alternative test - enter: (1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test - enter: (1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the foundation had $5,000 or more in assets at any time during the year-see 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 ▶ ☐ if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

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

SEE STATEMENT 8

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid dunng the year*				
SEE SCHDULE ATTACHED	NONE	PUBLIC	SEE ATTTACHED	216,500.
Total			▶ 3a	216,500.
b *Approved for future payment*				
NONE				
Total			▶ 3b	0.

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.	Unrelated business income (a) Business code	Unrelated business income (b) Amount	Excluded by section 512, 513, or 514 (c) Exclusion code	Excluded by section 512, 513, or 514 (d) Amount	(e) Related or exempt function income
1 Program service revenue:					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities			14	97,378.	
5 Net rental income or (loss) from real estate:					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income					
8 Gain or (loss) from sales of assets other than inventory			18	66,227.	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue:					
a					
b					
c					
d					
e					
12 Subtotal. Add columns (b), (d), and (e)		0.		163,605.	0.
13 Total. Add line 12, columns (b), (d), and (e)				13	163,605.

(See worksheet in line 13 instructions to verify calculations.)

Part XVI-B Relationship of Activities to the Accomplishment of Exempt Purposes

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes).

Part XVII **Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations**

			Yes	No
1	Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?			
a	Transfers from the reporting foundation to a noncharitable exempt organization of:			
	(1) Cash	1a(1)		X
	(2) Other assets	1a(2)		X
b	Other transactions:			
	(1) Sales of assets to a noncharitable exempt organization	1b(1)		X
	(2) Purchases of assets from a noncharitable exempt organization	1b(2)		X
	(3) Rental of facilities, equipment, or other assets	1b(3)		X
	(4) Reimbursement arrangements	1b(4)		X
	(5) Loans or loan guarantees	1b(5)		X
	(6) Performance of services or membership or fundraising solicitations	1b(6)		X
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c		X

d If the answer to any of the above is "Yes," complete the following schedule. Column **(b)** should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column **(d)** the value of the goods, other assets, or services received.

(a) Line no	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements
		N/A	

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ☐ Yes ☒ No

b If "Yes," complete the following schedule.

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

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer or fiduciary) is based on all information of which preparer has any knowledge

▶ [signature] 5/14/10 ▶ Executive Director

Signature of officer or trustee Date Title

Paid Preparer's Use Only

Preparer's signature ▶ [signature] CPA	Date 5/4/10	Check if self-employed ▶ ☐ Preparer's identifying number
Firm's name (or yours if self-employed), address, and ZIP code ▶ ST. CLAIR CPAS, P.C. 101 W. ELM STREET, STE 500 CONSHOHOCKEN, PA 19428		EIN ▶ Phone no. 610-8621998

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	SECURITY LITIGATION - ENRON CORP	P	VARIOUS	02/13/09
b	SECURITY LITIGATION - ENRON CORP	P	VARIOUS	12/23/09
c	SECURITY LITIGATION - SPRINT	P	VARIOUS	03/13/09
d	SECURITY LITIGATION - TYCO INTERNATIONAL	P	VARIOUS	03/13/09
e	SECURITY LITIGATION - MOTOROLA	P	VARIOUS	05/12/09
f	SECURITY LITIGATION - AIG	P	VARIOUS	06/17/09
g	SECURITY LITIGATION - ITT CORP	P	VARIOUS	08/03/09
h	SECURITY LITIGATION - UNUM PROVIDENT	P	VARIOUS	09/08/09
i	SEE ATTACHED	P	VARIOUS	VARIOUS
j	SEE ATTACHED	P	VARIOUS	VARIOUS
k	CAPITAL GAINS DIVIDENDS			
l				
m				
n				
o				

	(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	7,075.			7,075.
b	1,361.			1,361.
c	247.			247.
d	2,393.			2,393.
e	570.			570.
f	604.			604.
g	52.			52.
h	324.			324.
i	28,361.		27,900.	461.
j	505,346.		452,340.	53,006.
k	134.			134.
l				
m				
n				
o				

	Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
	(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				7,075.
b				1,361.
c				247.
d				2,393.
e				570.
f				604.
g				52.
h				324.
i				461.
j				53,006.
k				134.
l				
m				
n				
o				

2	Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 / If (loss), enter "-0-" in Part I, line 7 }	2	66,227.
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). If (loss), enter "-0-" in Part I, line 8	3	N/A

923591
04-24-09

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 1

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
DIVIDEND INCOME - CORPORATE STOCK	69,145.	0.	69,145.
DIVIDEND INCOME - MONEY MARKET	5.	0.	5.
DIVIDEND INCOME - MUTUAL FUNDS	27,992.	134.	27,858.
INTEREST INCOME	370.	0.	370.
TOTAL TO FM 990-PF, PART I, LN 4	97,512.	134.	97,378.

FORM 990-PF ACCOUNTING FEES STATEMENT 2

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING	3,975.	1,987.		0.
TO FORM 990-PF, PG 1, LN 16B	3,975.	1,987.		0.

FORM 990-PF OTHER PROFESSIONAL FEES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INVESTMENT EXPENSES	20,872.	20,872.		0.
TO FORM 990-PF, PG 1, LN 16C	20,872.	20,872.		0.

FORM 990-PF TAXES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
EXCISE TAX	5,763.	0.		0.
FOREIGN TAXES	522.	522.		0.
TO FORM 990-PF, PG 1, LN 18	6,285.	522.		0.

FORM 990-PF OTHER EXPENSES STATEMENT 5

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST-MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
BANK CHARGES AND MUTUAL FUND FEES	102.	102.		0.
OFFICE	3,242.	0.		3,242.
COMPUTER SOFTWARE & WEBSITE	3,915.	0.		3,915.
DUES AND MEMBERSHIPS	2,820.	0.		2,820.
TO FORM 990-PF, PG 1, LN 23	10,079.	102.		9,977.

FORM 990-PF CORPORATE STOCK STATEMENT 6

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
COMMON STOCK	2,991,952.	3,146,627.
TIFF INTERNATIONAL EQUITY FUND	459,774.	427,235.
WILSHIRE TARGET FDS	1,013,989.	1,023,891.
TOTAL TO FORM 990-PF, PART II, LINE 10B	4,465,715.	4,597,753.

FORM 990-PF	CORPORATE BONDS	STATEMENT 7

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
MORTGAGE BACKED SECURITIES	3,414.	3,754.
TOTAL TO FORM 990-PF, PART II, LINE 10C	3,414.	3,754.

FORM 990-PF GRANT APPLICATION SUBMISSION INFORMATION STATEMENT 8
PART XV, LINES 2A THROUGH 2D

NAME AND ADDRESS OF PERSON TO WHOM APPLICATIONS SHOULD BE SUBMITTED

TRUSTEES OF THE ALLEN HILLS FUND
16 E. LANCASTER AVENUE, SUITE 102
ARDMORE, PA 19003

TELEPHONE NUMBER

BY MAIL ONLY

FORM AND CONTENT OF APPLICATIONS

GUIDELINES AND PROCEDURES FORM AND PROPOSAL COVER SHEET (AVAILABLE UPON REQUEST)

ANY SUBMISSION DEADLINES

FEBRUARY 1, MAY 1 AND OCTOBER 1

RESTRICTIONS AND LIMITATIONS ON AWARDS

GRANTS ARE MADE ON A ONE-YEAR BASIS. DONEES MUST BE TAX EXEMPT UNDER IRC SEC. 501 C (3). AWARDS ARE LIMITED TO AREAS OF CHIDREN'S EDUCATION, ECONOMIC DEVELOPMENT IN DISADVANTAGED COMMUNITIES AND ACTIVITIES OF THE RELIGIOUS SOCIETY OF FRIENDS. GRANTS ARE GENERALLY LIMITED TO $3,000 TO $10,000 PER RECIPIENT AND FOCUS ON THE CITY OF PHILADELPHIA.

Douglas C Lane & Associates, Inc
REALIZED GAINS AND LOSSES
THE ALLEN HILLES FUND
From 01-01-09 Through 12-31-09

Open Date	Close Date	Quantity	Security	Cost Basis	Proceeds	Gain or Loss Short Term	Gain or Loss Long Term
COMMON STOCK							
12/7/00	12/10/09	0 1818	AOL INC	13 60	4 20		(9 40)
12/9/08	11/18/09	250 00	AMERICAN INTL GROUP NEW	9,760 00	9,024 39	(735 61)	
6/5/03	11/18/09	25 00	AMERICAN INTL GROUP NEW	29,380 00	902 44		(28,477 56)
10/22/04	11/18/09	25 00	AMERICAN INTL GROUP NEW	27,859 95	902 44		(26,957 51)
6/18/08	11/18/09	25 00	AMERICAN INTL GROUP NEW	15,795 00	902 44		(14,892 56)
				82,794 95	11,731 71	(735 61)	(70,327 63)
7/20/04	7/2/09	287 50	AMERICAN TOWER CORP	3,258 60	8,886 68		5,628 08
7/20/04	7/2/09	212 50	AMERICAN TOWER CORP	2,485 80	6,568 42		4,082 62
				5,744 40	15,455 10		9,710 70
9/20/01	7/2/09	500 00	ARCHER-DANIELS-MIDLAND CO	6,623 81	13,370 15		6 746 34
9/20/01	9/21/09	100 00	APACHE CORP	1,836 80	9,144 76		7 307 96
4/23/04	7/2/09	500 00	COCA COLA COMPANY	26,134 98	24,524 86		(1 610 12)
2/23/01	9/21/09	500 00	COCA COLA COMPANY	26,134 97	26,509 31		374 34
				52,269 95	51,034 17	-	(1,235 78)
4/23/04	11/18/09	500 00	CAMERON INTL CORP	5,918 75	20,389 67		14,470 92
8/27/06	11/18/09	500 00	DISNEY WALT CO	14,590 12	15,175 10		584 98
3/22/01	3/26/09	500 00	GENENTECH INC NEW	9,992 50	47,490 05		37,497 55
	4/13/09		GENENTECH INC - CASH MERGER	-	9 95		9 95
				9,992 50	47,500 00	-	37,507 50
4/19/07	5/5/09	1,000 00	IMS HEALTH INC	27,839 95	12,945 36		(14,894 59)
4/21/06	5/5/09	1,000 00	IMS HEALTH INC	29,559 00	12,945 37		(16,613 63)
				57,398 95	25,890 73	-	(31,508 22)
12/16/03	11/18/09	500 00	INTERNATIONAL PAPER CO	20,270 00	12,539 77		(7,730 23)
3/2/05	11/18/09	300 00	NEWMONT MINING CORP	13,070 97	15,707 19		2,636 22
3/22/01	9/21/09	500 00	QUALCOMM INC	13,841 25	22,314 92		8,473 67
3/22/01	11/18/09	500 00	QUALCOMM INC	13,841 25	22,674 46		8,833 21
				27,682 50	44,989 38	-	17,306 88
1/7/03	9/21/09	1,000 00	SCHERING PLOUGH CORP	23,250 00	27,886 48		4,636 48
6/5/03	9/21/09	1,500 00	SCHERING PLOUGH CORP	27,360 00	41,829 72		14,469 72
				50,610 00	69,716 20	-	19,106 20
2/5/02	5/5/09	500 00	SPECTRA ENERGY CORP	14,024 77	7,771 97		(6,252 80)
10/31/02	5/5/09	500 00	SPECTRA ENERGY CORP	8,432 46	7,771 97		(660 49)
4/7/03	5/5/09	500 00	SPECTRA ENERGY CORP	6,551 33	7,771 96		1,220 63
				29,008 56	23,315 90	-	(5,692 66)
5/18/01	3/13/09	500 00	TEVA PHARM INDS LTD	6,772 50	22,665 37		15,892 87
12/7/00	4/2/09	0 3320	TIME WARNER INC NEW	33 12	7 22		(25 90)
	3/27/09		TIME WARNER CABLE - CASH IN LIEU	-	18 61		18 61
12/7/00	5/5/09	41 155	TIME WARNER CABLE	5,389 20	1,408 29		(3,980 91)
12/29/00	5/5/09	41 835	TIME WARNER CABLE	4,268 85	1,431 56		(2,837 29)
9/20/01	5/5/09	83 67	TIME WARNER CABLE	7,407 61	2,863 12		(4,544 49)
7/17/02	5/5/09	83 67	TIME WARNER CABLE	3,219 30	2,863 11		(356 19)
9/30/03	5/5/09	83 67	TIME WARNER CABLE	3,757 09	2,863 12		(893 97)
				24,042 05	11,429 20	-	(12,612 85)
8/1/06	5/5/09	500 00	TRANSDIGM GROUP INC	18,140 00	19,336 90	1,196 90	
8/1/06	9/21/09	500 00	TRANSDIGM GROUP INC	12,594 98	23,965 38		11,370 40
8/1/06	11/18/09	500 00	TRANSDIGM GROUP INC	12,594 97	20,929 86		8,334 89
				43,329 95	64,232 14	1,196 90	19,705 29
4/9/02	11/18/09	720 00	ZIMMER HOLDINGS INC	24,566 40	41,673 25		17,106 85
7/31/06	11/18/09	280 00	ZIMMER HOLDINGS INC	2,212 82	16,206 26		13,993 44
				26,779 22	57 879 51		31,100 29

Douglas C Lane & Associates, Inc
REALIZED GAINS AND LOSSES
THE ALLEN HILLES FUND
From 01-01-09 Through 12-31-09

Open Date	Close Date	Quantity	Security	Cost Basis	Proceeds	Gain or Loss Short Term	Gain or Loss Long Term
				478,782 70	532,196 08	461 29	52 952 09
GNMA							
1/1/50	1/15/09	59 57	GNMA PASS-THRU X SINGLE FAMILY 9 000% Due 06-15-16	57 47	59 57		2 10
1/1/50	2/15/09	190 06	GNMA PASS-THRU X SINGLE FAMILY 9 000% Due 06-15-16	183 34	190 06		6 72
1/1/50	3/15/09	123 61	GNMA PASS-THRU X SINGLE FAMILY 9 000% Due 06-15-16	119 24	123 61		4 37
1/1/50	4/15/09	79 29	GNMA PASS-THRU X SINGLE FAMILY 9 000% Due 06-15-16	76 49	79 29		2 80
1/1/50	5/15/09	146 23	GNMA PASS-THRU X SINGLE FAMILY 9 000% Due 06-15-16	141 06	146 23		5 17
1/1/50	6/15/09	111 15	GNMA PASS-THRU X SINGLE FAMILY 9 000% Due 06-15-16	107 22	111 15		3 93
1/1/50	7/15/09	467 48	GNMA PASS-THRU X SINGLE FAMILY 9 000% Due 06-15-16	450 96	467 48		16 52
1/1/50	8/15/09	140 18	GNMA PASS-THRU X SINGLE FAMILY 9 000% Due 06-15-16	135 23	140 18		4 95
1/1/50	9/15/09	97 66	GNMA PASS-THRU X SINGLE FAMILY 9 000% Due 06-15-16	94 21	97 66		3 45
1/1/50	10/15/09	31 68	GNMA PASS-THRU X SINGLE FAMILY 9 000% Due 06-15-16	30 56	31 68		1 12
1/1/50	11/16/09	31 93	GNMA PASS-THRU X SINGLE FAMILY 9 000% Due 06-15-16	30 80	31 93		1 13
1/1/50	12/15/09	32 19	GNMA PASS-THRU X SINGLE FAMILY 9 000% Due 06-15-16	31 05	32 19		1 14
				1,457 63	1,511 03	-	53 40
			Short Term	27,900 00	28,361 29	461 29	
			Long Term	452,340 33	505,345 82	-	53,005 49
REALIZED GAINS		**53,466 78**		**480,240 33**	**533,707 11**	**461.29**	**53,005 49**

THE ALLEN HILLES FUND
SCHEDULE ACCOMPANYING FORM 990-PF

EIN #: 51-6154986
DECEMBER 31, 2009

PAGE 2 - BALANCE SHEET

	Beginning of Year	End of Year	
	Book Value	Book Value	Market Value
INVESTMENTS - CORPORATE BONDS			
3374 UTS GNMA 9.0% 06/15/16	4,872	3,414	3,754
	4,872	3,414	3,754

THE ALLEN HILLES FUND | EIN #: 51-6154986
SCHEDULE ACCOMPANYING FORM 990-PF | DECEMBER 31, 2009

PAGE 2 - BALANCE SHEET

	Beginning of Year Book Value	End of Year Book Value	End of Year Market Value
INVESTMENTS - CORPORATE STOCKS AND MUTUAL FUNDS			
1,500 shs Campbell Soup	43,760	43,760	50,700
187 shs CCE Spinco Inc	23	23	0
2,000 shs Dentsply Intl Inc	55,958	55,958	70,340
1,000 shs Zimmer Holdings Inc	26,779	0	0
2,000 shs Disney Walt Co	60,665	46,075	64,500
1,000 shs Johnson & Johnson	6,043	6,043	64,410
3,000 shs General Electric	23,339	39,759	45,390
2,500 shs Schering Plough	50,610	0	0
2,000 shs Verizon Communications	44,387	44,387	66,260
2,500 shs Vodaphone Group PLC	70,598	70,598	57,725
2,000 shs JP Morgan Chase & Co	63,142	63,142	83,340
2,500 shs International Paper	84,929	64,659	66,950
700 shs Newmont Mining	40,225	27,154	33,117
3,000 shs Worthington Industries Inc.	28,445	28,445	39,210
1,000 shs Schlumberger Ltd	35,093	35,093	65,090
2,000 shs Qualcomm Inc	67,953	40,270	92,520
4,000 shs Cisco Systems	98,935	98,935	95,760
1,454 shs Time Warner Inc New / AOL Inc (Spinoff)	97,370	73,282	41,661
10,000 shs Citigroup Inc	113,477	134,737	33,100
4,000 shs Comcast Corp	82,677	82,677	64,040
3,000 shs News Corp	46,987	46,987	41,070
1,000 shs Coca Cola Co	97,270	45,000	57,000
3,000 shs Alcoa Inc	62,034	62,034	48,360
500 shs Genentech Inc.	9,993	0	0
2,500 shs Pfizer Corp	70,632	70,632	45,475
2,500 shs Dow Chemical Co	68,404	68,404	69,075
1,000 shs Teva Pharmaceutical Inds Adr	20,318	13,545	56,180
1,000 shs Archer Daniels Midland Co	19,871	13,248	31,310
400 shs Apache Corp	9,184	7,347	41,268
2,000 shs Southwest Airlines Co	28,340	28,340	22,860
325 shs American International Group New	82,795	0	0
1,000 shs Baker Hughes	34,900	34,900	40,480
1,886 shs Bank of New York	59,224	59,224	52,751
1,000 shs Cameron International	17,756	11,838	41,800
1,500 shs Medtronic Inc	75,712	75,712	65,970
3,000 shs Patterson-UTI Energy	46,025	46,025	46,050
1,500 shs American Tower Corp	22,746	17,001	64,815
4,000 shs Applied Materials	71,772	71,772	55,760
1,500 shs Transdigm Group Inc	43,330	0	0
3,000 shs Liberty Global Inc Ser C	61,970	61,970	65,580
1,500 shs Kraft Foods Inc	50,065	50,065	40,770

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	Beginning of Year	End of Year	
	Book Value	Book Value	Market Value
1,000 shs Abbott Laboraties	40,560	40,560	53,990
2,000 shs IMS Health Inc	57,399	0	0
5,000 shs Service Corp Intl	39,413	39,413	40,950
1,000 shs Ebay Inc	23,598	23,598	23,530
2,500 shs Western Union Co	56,470	56,470	47,125
106,544 shs Wilshire Target Fds	1,013,989	1,013,989	1,023,891
35,811.777 shs TIFF Intl Equity Fund	431,782	459,774	427,235
1,000 shs Avery Dennison Corp	64,153	64,153	36,490
1,000 shs Expeditors Intl Wash	41,406	41,406	34,770
2,000 shs Iron Mountain Inc	54,003	54,003	45,520
10,000 shs Istar Financial Inc	100,667	100,667	25,600
1,000 shs Millipore Corp Common	73,716	73,716	72,350
1,500 shs Spectra Energy Corp	29,009	0	0
1,000 shs Novartis A G Spon Adr F	57,282	57,282	54,430
1,000 shs Cerner Corp	40,176	40,176	82,440
800 shs Danaher Corp	54,133	54,133	60,160
4,000 shs Gannett Co Inc Del	73,021	73,021	59,400
2,000 shs Lamar Advertising Co	51,968	51,968	62,180
1,000 shs Linear Technology Corp	31,699	31,699	30,560
2,500 shs Microsoft Corp	64,758	64,758	76,200
700 shs Nestles A Reg B Adr	24,860	24,860	33,993
2,500 shs UBS AG New	51,653	51,653	38,775
1,000 shs Borg Warner Inc	0	31,828	33,220
500 shs Stericycle Inc	0	23,629	27,585
500 shs United Technologies Corp	0	25,744	34,705
1,000 shs McCormick & Co Inc	0	29,269	36,130
1,000 shs Unilever N.V.	0	31,279	32,330
700 shs Thermo Fisher Scientific	0	24,704	33,383
1,000 shs Diebold Inc	0	27,000	28,450
500 shs Itron Inc	0	31,989	33,785
500 shs Visa Inc Cl A	0	37,040	43,730
2,000 shs Marsh & McLennan Companies, Inc	0	46,897	44,160
	4,569,451	4,465,715	4,597,753

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RECIPIENT NAME AND ADDRESS	AMOUNT	DATE
THE ACHIEVEMENT PROJECT 4700 Wissahickon Avenue, Suite 126 Philadelphia, PA 19144-4248	$5,000	12/11/2009
AMERICAN CIVIL LIBERTIES FOUNDATION OF PA PO Box 40008 Philadelphia, PA 19106	$3,000	12/11/2009
ARAB AMERICAN DEVELOPMENT CORP 1501 Germantown Avenue Philadelphia, PA 19122	$4,000	12/11/2009
THE ATTIC YOUTH CENTER 255 South 16th Street Philadelphia, PA 19102	$4,000	12/11/2009
AWBURY ARBORETUM ASSOCIATION *(THE FRANCIS COPE HOUSE)* One Awbury Road Philadelphia, PA 19138-1505	$3,000	7/1/2009
BAINBRIDGE HOUSE 1520 Christian Street Philadelphia, PA 19146	$3,000	12/11/2009
BRIDGING THE GAPS 911 Blockley Hall 423 Guardian Drive Philadelphia, PA 19104-6021	$5,000	3/18/2009
BUILD-A-BRIDGE 205 W Tulpehocken Street Philadelphia, PA 19144	$3,000	7/1/2009
CAMBODIAN ASSOCIATION OF GREATER PHILADELPHIA 5412 North 5th Street Philadelphia, PA 19120	$3,000	7/1/2009
CAMP DARK WATERS PO Box 263 Medford, NJ 08055-0263	$3,000	7/1/2009
CEIBA, INC 149 W Susquehanna Avenue Philadelphia, PA 19122	$4,000	7/1/2009
CENTRO NUEVA CREACION 185 West Tioga Street Philadelphia, PA 19140	$3,000	7/1/2009
CENTRO PEDRO CLAVER, INC 627 W Erie Avenue Philadelphia, PA 19140	$4,000	3/18/2009
CHARLES RIVER SCHOOL 6 Old Meadow Road Box 339 Dover, MA 02030	$1,500	12/18/2009
CHILDSPACE COOPERATIVE DEVELOPMENT INC 5517 Greene Street, 3rd Floor Philadelphia, PA 19144	$3,000	12/11/2009

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RECIPIENT NAME AND ADDRESS	AMOUNT	DATE
COLLEGE PREP AT PENN CHARTER 3000 West School House Lane Philadelphia, PA 19144	$4,000	7/1/2009
COMMUNITY LEARNING CENTER 2801 Frankford Avenue Philadelphia, PA 19134-4006	$4,000	7/1/2009
COMMUNITY WOMEN'S EDUCATION PROGRAM 2801 Frankford Avenue Philadelphia, PA 19134-4096	$4,000	3/18/2009
DARLINGTON ARTS CENTER 977 Shavertown Road Garnet Valley, PA 19061	$3,000	7/1/2009
EASTERN PENNSYLVANIA ORGANIZING GENERAL SUPPORT PROJECT 2625 B Street Philadelphia, PA 19125-1024	$4,000	7/1/2009
EMPOWERMENT GROUP 2111 N Front Street Philadelphia, PA 19122	$4,000	3/18/2009
ENDOW-A-HOME 3721 Midvale Avenue Philadelphia, PA 19129	$3,000	3/18/2009
FAIR HILL BURIAL GROUND CORP 1735 Market Street, 51st Floor Philadelphia, PA 19103	$3,000	7/1/2009
FRIENDS GENERAL CONFERENCE 1216 Arch Street, 2B Philadelphia, PA 19107	$2,000	7/1/2009
FRIENDS PUBLISHING CORPORATION 1216 Arch Street, Suite 2A Philadelphia, PA 19107	$3,500	12/17/2009
GREATER PHILADELPHIA COALITION AGAINST HUNGER 1725 Fairmount Avenue, Unit 102 Philadelphia, PA 19130	$5,000	3/18/2009
GREENE STREET FRIENDS SCHOOL 5511 Greene Street Philadelphia, PA 19144	$2,000	12/11/2009
GREENSGROW PHILADELPHIA PROJECT 2501 East Cumberland Street Philadelphia, PA 19125	$3,000	12/11/2009
HIAS & COUNCIL MIGRATION SERVICE OF PHILADELPHIA 2100 Arch Street, 3rd Floor Philadelphia, PA 19103	$4,000	12/11/2009
A LITTLE TASTE OF EVERYTHING 3451 Walnut Street Franklin Building Annex, Suite P-117A Philadelphia, PA 19104	$4,000	12/11/2009
MOUNT SINAI SCHOOL OF MEDICINE One Gustave L Levy Place	$5,000	12/11/2009

RECIPIENT NAME AND ADDRESS	AMOUNT	DATE
Box 1255 New York, NY 10029-6574		
NEIGHBORHOOD GARDENS ASSOCIATION - A PHILADELPHIA LAND TRUST 100 N 20th Street, 5th Floor Philadelphia, PA 19103	$4,000	3/18/2009
NEIGHBORHOOD INTERFAITH MOVEMENT 7047 Germantown Avenue Philadelphia, PA 19119	$4,000	12/11/2009
NEW SOCIETY EDUCATIONAL FOUNDATION PO Box 63724 Philadelphia, PA 19147	$2,000	11/4/2009
NORRIS SQUARE NEIGHBORHOOD PROJECT 2141 N Howard Street Philadelphia, PA 19122	$4,000	7/1/2009
NORTH STAR OUTREACH 1901 Walnut Street, #1201 Philadelphia, PA 19103	$4,000	3/18/2009
PHILABUNDANCE 3616 South Galloway Street Philadelphia, PA 19148	$3,000	12/11/2009
PHILADELPHIA PUBLIC SCHOOL NOTEBOOK 3721 Midvale Avenue Philadelphia, PA 19129	$5,000	3/18/2009
PHILADELPHIA STUDENT UNION 4205 Chestnut Street Philadelphia, PA 19104	$4,000	12/11/2009
PHILADELPHIA YEARLY MEETING - MIDDLE EAST WORKING GROUP 2 Taylors Lane Farm Riverton, NJ 08077	$5,000	12/22/2009
PHILLY FELLOWS 1515 Market Street, Suite 830 Philadelphia, PA 19102	$3,000	3/18/2009
POTTER'S HOUSE MISSION 524-26 South 52nd Street Philadelphia, PA 19143	$3,000	7/13/2009
THE PRINT CENTER 1614 Latimer Street Philadelphia, PA 19103	$4,000	7/1/2009
PROVIDENCE CENTER 2635 North 4th Street Philadelphia, PA 19133	$4,000	3/18/2009
PUBLIC CITIZENS FOR CHILDREN AND YOUTH 7 Benjamin Franklin Parkway Philadelphia, PA 19103	$5,000	3/18/2009
PUBLIC INTEREST PROJECTS 45 West 36th Street 6th Floor New York, NY 10018	$10,000	3/18/2009

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SIMPSON MEMORIAL UNITED METHODIST CHURCH KINSINGTON Kensington Avenue & Monmouth Street Philadelphia, PA 19134	$4,000	3/18/2009
SISTERS OF SAINT JOSEPH WELCOME CENTER 728 East Allegheny Avenue Philadelphia, PA 19134-2428	$4,000	7/1/2009
SOUTHWEST COMMUNITY ENRICHMENT CENTER 1341 S 46th Street Philadelphia, PA 19143-3827	$3,000	7/1/2009
SQUASHBUSTERS 795 Columbus Avenue Roxbury Crossing, MA 02120	$3,000	3/18/2009
SQUASHSMARTS The Lenfest Center 3890 N 10th Street Philadelphia, PA 19140	$3,000 $500	3/18/2009 7/1/2009
TALLER PUERTORRIQUENO 2721 North 5th Street Philadelphia, PA 19133	$3,000	7/1/2009
TREE HOUSE BOOKS 1430 W Susquehanna Ave Philadelphia, PA 19121	$4,000	12/11/2009
WOMEN'S MEDICAL FUND PO Box 59555 Philadelphia, PA 19102	$5,000	12/11/2009
WOMEN'S OPPORTUNITIES RESOURCE GENERAL SUPPORT CENTER 2010 Chestnut Street Philadelphia, PA 19103	$4,000	3/18/2009
WOMEN'S WAY 123 S Broad Street Suite 1399 Philadelphia, PA 19109	$3,000	7/1/2009
THE WYCK ASSOCIATION 6026 Germantown Avenue Philadelphia, PA 19144	$3,000	3/18/2009
YOUNG SCHOLARS CHARTER SCHOOL 1415 N Broad Street, 1st Floor Rear Philadelphia, PA 19122	$4,000	7/1/2009
TOTAL GRANTS PAID	$216,500	