



See a Social Security Number? Say Something!
Report Privacy Problems to <https://public.resource.org/privacy>
Or call the IRS Identity Theft Hotline at 1-800-908-4490



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

Department of the Treasury
Internal Revenue Service

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

2010

For calendar year 2010, 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

Name of foundation

THE JAMES KERNEY FOUNDATION

Number and street (or P O box number if mail is not delivered to street address) **P. O. BOX 6698** Room/suite

City or town, state, and ZIP code

TRENTON, NJ 08648

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 **► \$ 2,808,672.** (Part I, column (d) must be on cash basis) J Accounting method: Cash Accrual
 (from Part II, col (c), line 16) Other (specify) _____

A Employer identification number

22-6055884

B Telephone number

609-737-1905

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 ►
 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 ►

Revenue	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)
1 Contributions, gifts, grants, etc., received					
2 Check ► <input checked="" 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					
5a Gross rents					
b Net rental income or (loss)					
6a Net gain or (loss) from sale of assets not on line 10					
b Gross sales price for all assets on line 6a					
7 Capital gain net income (from Part IV, line 2)					
8 Net short-term capital gain					
9 Income modifications					
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		151,560.	151,560.		
13 Compensation of officers, directors, trustees, etc					
14 Other employee salaries and wages					
15 Pension plans, employee benefits					
16a Legal fees	STMT 2	2,311.	2,311.		
b Accounting fees					
c Other professional fees	STMT 3	16,314.	16,314.		
17 Interest					
18 Taxes	STMT 4	1,070.	1,070.		
19 Depreciation and depletion					
20 Occupancy					
21 Travel, conferences, and meetings		1,374.	687.		687.
22 Printing and publications					
23 Other expenses	STMT 5	620.	329.		291.
24 Total operating and administrative expenses. Add lines 13 through 23		49,689.	29,111.		20,578.
25 Contributions, gifts, grants paid		75,515.			75,515.
26 Total expenses and disbursements. Add lines 24 and 25		125,204.	29,111.		96,093.
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements		26,356.			
b Net investment income (if negative, enter -0-)			122,449.		
c Adjusted net income (if negative, enter -0-)				N/A	

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only	Beginning of year	End of year		
			(a) Book Value	(b) Book Value	(c) Fair Market Value	
Assets	1	Cash - non-interest-bearing	6,462.	7,868.	7,868.	
	2	Savings and temporary cash investments	26,722.	35,334.	35,334.	
	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 ►				
		Less: allowance for doubtful accounts ►				
	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	782,101.	805,371.	2,158,681.
	c	Investments - corporate bonds	STMT 7	478,875.	478,875.	478,507.
	11	Investments - land, buildings, and equipment basis ►				
		Less accumulated depreciation ►				
	12	Investments - mortgage loans				
	13	Investments - other	STMT 8	59,228.	52,296.	128,282.
	14	Land, buildings, and equipment: basis ►				
		Less accumulated depreciation ►				
	15	Other assets (describe ►)		276.	276.	0.
	16	Total assets (to be completed by all filers)		1,353,664.	1,380,020.	2,808,672.
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 ► <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 ► <input checked="" type="checkbox"/>					
	and complete lines 27 through 31.					
	27	Capital stock, trust principal, or current funds		276,584.	276,584.	
	28	Paid-in or capital surplus, or land, bldg., and equipment fund		0.	0.	
	29	Retained earnings, accumulated income, endowment, or other funds		1,077,080.	1,103,436.	
	30	Total net assets or fund balances		1,353,664.	1,380,020.	
	31	Total liabilities and net assets/fund balances		1,353,664.	1,380,020.	

Part III Analysis of Changes in Net Assets or Fund Balances

1	Total net assets or fund balances at beginning of year - Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	1,353,664.
2	Enter amount from Part I, line 27a	2	26,356.
3	Other increases not included in line 2 (itemize) ►	3	0.
4	Add lines 1, 2, and 3	4	1,380,020.
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	1,380,020.

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	147,377.		81,221.		66,156.
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) 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					66,156.
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	66,156.	
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))
2009	106,278.	2,431,300.	.043712
2008	169,260.	3,003,692.	.056351
2007	182,167.	3,403,312.	.053526
2006	212,156.	3,293,156.	.064423
2005	189,666.	3,339,747.	.056791

2 Total of line 1, column (d)

2 .274803

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 .054961

4 Enter the net value of noncharitable-use assets for 2010 from Part X, line 5

4 2,585,030.

5 Multiply line 4 by line 3

5 142,076.

6 Enter 1% of net investment income (1% of Part I, line 27b)

6 1,224.

7 Add lines 5 and 6

7 143,300.

8 Enter qualifying distributions from Part XII, line 4

8 96,093.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 ► <input type="checkbox"/> and enter "N/A" on line 1.	} Date of ruling or determination letter: _____ (attach copy of letter if necessary-see instructions)	} b Domestic foundations that meet the section 4940(e) requirements in Part V, check here ► <input type="checkbox"/> and enter 1% of Part I, line 27b	1	2,449.
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	2,449.
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	2,449.
6	Credits/Payments:				
a	2010 estimated tax payments and 2009 overpayment credited to 2010	6a	149.		
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	149.		
8	Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8	29.		
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	2,329.		
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10			
11	Enter the amount of line 10 to be: Credited to 2011 estimated tax ►	11		Refunded ►	

Part VII-A Statements Regarding Activities

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?	Yes	No
1b	Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for definition)? <i>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.</i>	X	
1c	c Did the foundation file Form 1120-POL for this year?	X	
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. ► \$ 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? <i>If "Yes," attach a detailed description of the activities</i>	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? <i>If "Yes," attach a conformed copy of the changes</i>	X	
4a	Did the foundation have unrelated business gross income of \$1,000 or more during the year?	X	
b	If "Yes," has it filed a tax return on Form 990-T for this year?	X	
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If "Yes," attach the statement required by General Instruction T</i>	X	
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7	Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col. (c), and Part XV.</i>	X	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ►		
NJ			
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	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 2010 or the taxable year beginning in 2010 (see instructions for Part XIV)? If "Yes," complete Part XIV	X	
10	Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	X	

Part VII-A Statements Regarding Activities (continued)

11		X
12		X
13		X
Website address ► N/A		
14	The books are in care of ► T. LINCOLN KERNEY, II	Telephone no. ► (802) 295-9835
	Located at ► P.O. BOX 6698, TRENTON, NJ	ZIP+4 ► 08648-0698
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
16	At any time during calendar year 2010, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See page 20 of the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country ►	► 16 Yes No X

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)	<input type="checkbox"/>	Yes <input checked="" type="checkbox"/> No
(2)	<input type="checkbox"/>	Yes <input checked="" type="checkbox"/> No
(3)	<input type="checkbox"/>	Yes <input checked="" type="checkbox"/> No
(4)	<input type="checkbox"/>	Yes <input checked="" type="checkbox"/> No
(5)	<input type="checkbox"/>	Yes <input checked="" type="checkbox"/> No
(6)	<input type="checkbox"/>	Yes <input checked="" type="checkbox"/> No
b	If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 22 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here ► N/A	
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 2010?	
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 2010, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2010? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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	
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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
b	If "Yes," did it have excess business holdings in 2010 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 2010) N/A	
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes? 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 2010? 4b	

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	N/A	
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	N/A	
2		

All other program-related investments. See instructions.

3		

Total. Add lines 1 through 3



0.

Form 990-PF (2010)

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	2,572,459.
b	Average of monthly cash balances	1b	51,937.
c	Fair market value of all other assets	1c	
d	Total (add lines 1a, b, and c)	1d	2,624,396.
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	2,624,396.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	39,366.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	2,585,030.
6	Minimum investment return Enter 5% of line 5	6	129,252.

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	129,252.
2a	Tax on investment income for 2010 from Part VI, line 5	2a	2,449.
b	Income tax for 2010. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	2,449.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	126,803.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	126,803.
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	126,803.

Part XII Qualifying Distributions (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:	1a	96,093.
a	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	1b	0.
b	Program-related investments - total from Part IX-B	2	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	3a	
3	Amounts set aside for specific charitable projects that satisfy the:	3b	
a	Suitability test (prior IRS approval required)	4	96,093.
b	Cash distribution test (attach the required schedule)	5	0.
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	6	96,093.
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		
6	Adjusted qualifying distributions. Subtract line 5 from line 4		

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 2009	(c) 2009	(d) 2010
1 Distributable amount for 2010 from Part XI, line 7				126,803.
2 Undistributed income, if any, as of the end of 2010			0.	
a Enter amount for 2009 only				
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2010:				
a From 2005	26,553.			
b From 2006	52,996.			
c From 2007	15,230.			
d From 2008	20,919.			
e From 2009				
f Total of lines 3a through e	115,698.			
4 Qualifying distributions for 2010 from Part XII, line 4: ► \$ 96,093.			0.	
a Applied to 2009, but not more than line 2a				
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 2010 distributable amount				96,093.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2010 (If an amount appears in column (d), the same amount must be shown in column (a))	30,710.			30,710.
6 Enter the net total of each column as indicated below:	84,988.			
a Corpus Add lines 3f, 4c, and 4e Subtract line 5			0.	
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		0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
e Undistributed income for 2009. Subtract line 4a from line 2a. Taxable amount - see instr.				0.
f Undistributed income for 2010. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2011				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 2005 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2011. Subtract lines 7 and 8 from line 6a	84,988.			
10 Analysis of line 9:				
a Excess from 2006	48,839.			
b Excess from 2007	15,230.			
c Excess from 2008	20,919.			
d Excess from 2009				
e Excess from 2010				

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
<i>a Paid during the year</i> SEE ATTACHED LIST	NONE			75,515.
Total			► 3a	75,515.
<i>b Approved for future payment</i>				
NONE				
Total			► 3b	0.

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income
	(a) Business code	(b) Amount	(c) Exclu- sion code	(d) Amount	
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	85,404.
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	66,156.
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.	151,560.
13 Total. Add line 12, columns (b), (d), and (e) (See worksheet in line 13 instructions to verify calculations.)				13	151,560.

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

THE JAMES KERNEY FOUNDATION

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.)
a 1000 SHS JOHNSON & JOHNSON			P	01/02/96	04/21/10
b 1500 GENERAL ELECTRIC CO			P	11/17/88	06/30/10
c 1000 WEINGARTEN REALTY INVESTORS			P	04/01/08	06/30/10
d 700 SH BANK OF AMERICA CORP			P	03/12/07	11/01/10
e 500 SHS JOHNSON & JOHNSON			P	01/02/96	11/01/10
f CAPITAL GAINS DIVIDENDS					
g					
h					
i					
j					
k					
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 65,939.		2,948.	62,991.		
b 21,756.		5,447.	16,309.		
c 19,510.		35,750.	-16,240.		
d 8,029.		35,602.	-27,573.		
e 31,970.		1,474.	30,496.		
f 173.			173.		
g					
h					
i					
j					
k					
l					
m					
n					
o					
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) 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			62,991.		
b			16,309.		
c			-16,240.		
d			-27,573.		
e			30,496.		
f			173.		
g					
h					
i					
j					
k					
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	66,156.		
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		

FORM 990-PF	DIVIDENDS AND INTEREST FROM SECURITIES	STATEMENT	1
-------------	--	-----------	---

SOURCE	GROSS AMOUNT	CAPITAL GAINS	COLUMN (A)
		DIVIDENDS	AMOUNT
RBC	85,577.	0.	85,577.
TOTAL TO FM 990-PF, PART I, LN 4	85,577.	0.	85,577.

FORM 990-PF	LEGAL FEES	STATEMENT	2
-------------	------------	-----------	---

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
LEGAL FEES	2,311.	2,311.		0.
TO FM 990-PF, PG 1, LN 16A	2,311.	2,311.		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 ADVISORY FEES	16,314.	16,314.		0.
TO FORM 990-PF, PG 1, LN 16C	16,314.	16,314.		0.

FORM 990-PF	TAXES	STATEMENT	4
-------------	-------	-----------	---

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FEDERAL TAXES	811.	811.		0.
FOREIGN TAX	259.	259.		0.
TO FORM 990-PF, PG 1, LN 18	1,070.	1,070.		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
OFFICE	559.	280.		279.
PROCESSING FEES	37.	37.		0.
LEGAL ADVERTISING	24.	12.		12.
TO FORM 990-PF, PG 1, LN 23	620.	329.		291.

FORM 990-PF

CORPORATE STOCK

STATEMENT

6

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
SEE ATTACHED SCHEDULE	805,371.	2,158,681.
TOTAL TO FORM 990-PF, PART II, LINE 10B	805,371.	2,158,681.

FORM 990-PF

CORPORATE BONDS

STATEMENT

7

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
SEE ATTACHED SCHEDULE	478,875.	478,507.
TOTAL TO FORM 990-PF, PART II, LINE 10C	478,875.	478,507.

FORM 990-PF

OTHER INVESTMENTS

STATEMENT

8

DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
SEE ATTACHED SCHEDULE	COST	52,296.	128,282.
TOTAL TO FORM 990-PF, PART II, LINE 13		52,296.	128,282.

FORM 990-PF

PART VIII - LIST OF OFFICERS, DIRECTORS
TRUSTEES AND FOUNDATION MANAGERS

STATEMENT 9

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN EXPENSE CONTRIB ACCOUNT
JOSEPH R. COMLY, III ONE BLUE SPRUCE PENNINGTON, NJ 08534	TRUSTEE 1.00	4,000.	0. 0.
J. REGAN KERNEY 2 EDGEWOOD AVENUE LAWRENCEVILLE, NJ 08648	TRUSTEE 1.00	4,000.	0. 0.
T. LINCOLN KERNEY, II P.O. BOX 981 QUECHEE, VT 05059	TREASURER 1.00	4,000.	0. 0.
EDWARD F. MEARA III 5 HIGH ACRES ROAD EWING, NJ 08628	TRUSTEE 1.00	4,000.	0. 0.
JUDITH M. PERSICHILLI 14 CAMPUS BLVD., SUITE 300 NEWTOWN SQUARE, PA 19073	PRESIDENT 1.00	4,000.	0. 0.
SHEILA MCNEIL WELCH P.O. BOX 1359 PINEHURST, NC 28370	SECRETARY 1.00	4,000.	0. 0.
JOHN E. KERNEY JR 1105 NEW JERSEY AVE CAPE MAY, NJ 08204	VICE PRESIDENT 1.00	4,000.	0. 0.
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		28,000.0.	0.

FORM 990-PF

GRANT APPLICATION SUBMISSION INFORMATION
PART XV, LINES 2A THROUGH 2D

STATEMENT 10

NAME AND ADDRESS OF PERSON TO WHOM APPLICATIONS SHOULD BE SUBMITTED

THE JAMES KERNEY FOUNDATION, C/O LINCOLN KERNEY
P.O. BOX 6698
LAWRENCEVILLE, NJ 08648

TELEPHONE NUMBER

FORM AND CONTENT OF APPLICATIONS

THE APPLICATION SHOULD STATE THE NAME OF THE ORGANIZATION, ITS EXEMPT STATUS, AND THE SPECIFIC PURPOSE FOR WHICH THE GRANT FUNDS ARE TO BE USED. GRANTS ARE AWARDED ON AN ONGOING BASIS.

ANY SUBMISSION DEADLINES

SEE ABOVE.

RESTRICTIONS AND LIMITATIONS ON AWARDS

SEE ABOVE.

The James Kerney Foundation

Part XV Supplementary Information

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

a. Paid during the year

1 Upper Valley Haven	\$ 60.00
2 Portsmouth Abbey School	\$150.00
3 Habitat for Humanity	\$500.00
4 Quechee Community	\$100.00
5 Anchor House	\$1,000.00
6 Stuart Country Day School	\$500.00
7 The Environmental Learning Center	\$250.00
8 St. Edwards School	\$200.00
9 QLLA Charities	\$100.00
10 House of Charities	\$100.00
11 christopher & Dána	\$30.00
12 Middlebury College	\$100.00
13 Catholic Youth Organization	\$20,000.00
14 Family Guidance Center	\$4,000.00
15 KidsBridge	\$5,000.00
16 Mt. Carmel Guild	\$25,000.00
17 Trenton Children's Charity	\$2,000.00
18 The Visitation Home	\$5,000.00
19 YWCA Trenton	\$6,500.00
20 FirstHealth Foundation	\$2,500.00
21 Princeton Day School	\$500.00
22 Quechee Community	\$50.00
23 Blue Sky Fund	\$50.00
24 Norris Cotton Cancer	\$75.00
25 Dartmouth Hitchcock	\$75.00
26 Vermont Symphony Orchestra	\$75.00
27 Classicopia	\$900.00
28 St. Anthony's Church	\$300.00
29 Portsmouth Abbey School	\$ 200.00
30 Boys & Girls Club	\$ 100.00
31 Our Lady of Mercy	\$ 100.00
	<hr/>
	\$ 75,515.00