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Form 990-PF
**Return of Private Foundation
or Section 4947(a)(1) Nonexempt Charitable Trust
Treated as a Private Foundation**

OMB No 1545-0052

2010Department of the Treasury
Internal Revenue Service

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

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

PHP, INC

Number and street (or P O box number if mail is not delivered to street address)

P. O. BOX 319

Room/suite

City or town, state, and ZIP code

HOPKINSVILLE KY 42240H Check type of organization Section 501(c)(3) exempt private foundation Section 4947(a)(1) nonexempt charitable trust Other taxable private foundationI Fair market value of all assets at
end of year (from Part II, col (c),
line 16) ◆ \$ **605,120**J Accounting method Cash Accrual
 Other (specify)

(Part I, column (d) must be on cash basis)

A Employer identification number

31-1041193

B Telephone number (see page 10 of the instructions)

270-886-0267C 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 ◆ **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)

Revenue	1 Contributions, gifts, grants, etc , received (attach schedule)	1,000		
	2 Check ◆ <input checked="" type="checkbox"/> if the foundation is not required to attach Sch. B			
	3 Interest on savings and temporary cash investments	91	91	
	4 Dividends and interest from securities	6,165	6,165	
	5a Gross rents			
	b Net rental income or (loss)			
	6a Net gain or (loss) from sale of assets not on line 6a Stmt 1	-2,119		
	b Gross sales price for all assets on line 6a 107,055			
	7 Capital gain net income (from Part IV, line 2)		0	
	8 Net short-term capital gain			0
	9 Income modifications			
	10a Gross sales less returns & allowances			
RECEIVED Operating and Administrative Expenses	b Less Cost of goods sold			
	c Gross profit or (loss) (attach schedule)			
	11 Other income (attach schedule) Stmt 2	1,118,073		
	12 Total. Add lines 1 through 11	1,123,210	6,256	0
	13 Compensation of officers, directors, trustees, etc	0		
	14 Other employee salaries and wages			
	15 Pension plans, employee benefits			
	16a Legal fees (attach schedule) Stmt 3	7,360		
	b Accounting fees (attach schedule)			
	c Other professional fees (attach schedule)	2,215		
	17 Interest			
Operating and Administrative Expenses	18 Taxes (attach schedule) (see page 14 of the instructions)			
	19 Depreciation (attach schedule) and depletion Stmt 4			
	20 Occupancy	34,880		
	21 Travel, conferences, and meetings			
	22 Printing and publications			
	23 Other expenses (att sch) Stmt 5	949,380		
	24 Total operating and administrative expenses.			
	Add lines 13 through 23	993,835	0	0
	25 Contributions, gifts, grants paid	93,712		93,712
	26 Total expenses and disbursements. Add lines 24 and 25	1,087,547	0	93,712
	27 Subtract line 26 from line 12			
	a Excess of revenue over expenses and disbursements	35,663		
	b Net investment income (if negative, enter -0-)		6,256	
	c Adjusted net income (if negative, enter -0-)			0

Assets	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
1	Cash—non-interest-bearing		15,041	20,333	20,333
2	Savings and temporary cash investments		17,220	19,984	19,984
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 (att schedule) See Wrk	38,000	0	38,000	38,000
	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 (attach schedule)				
b	Investments—corporate stock (attach schedule)	See Stmt 6	539,126	517,574	517,574
c	Investments—corporate bonds (attach schedule)				
11	Investments—land, buildings, and equipment basis ◆				
	Less accumulated depreciation (attach sch) ◆				
12	Investments—mortgage loans				
13	Investments—other (attach schedule) See Statement 7		-59,139	9,229	9,229
14	Land, buildings, and equipment basis ◆	11,842	11,842		
	Less accumulated depreciation (attach sch) Stmt 8				
15	Other assets (describe ◆)				
16	Total assets (to be completed by all filers—see the instructions Also, see page 1, item I)		512,248	605,120	605,120
Liabilities	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, and other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe ◆)			
	23	Total liabilities (add lines 17 through 22)	0	0	0
Net Assets or Fund Balances	24	Foundations that follow SFAS 117, check here ◆ <input checked="" type="checkbox"/>			
		and complete lines 24 through 26 and lines 30 and 31.			
	512,248	605,120			
	25	Unrestricted			
	26	Temporarily restricted			
		Foundations that do not follow SFAS 117, check here ◆ <input type="checkbox"/>			
		and complete lines 27 through 31.			
	512,248	605,120			
	27	Capital stock, trust principal, or current funds			
	28	Paid-in or capital surplus, or land, bldg, and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds			
	30	Total net assets or fund balances (see page 17 of the instructions)	512,248	605,120	605,120
	31	Total liabilities and net assets/fund balances (see page 17 of the instructions)	512,248	605,120	605,120

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	512,248
2	Enter amount from Part I, line 27a	2	35,663
3	Other increases not included in line 2 (itemize) ◆ See Statement 9	3	57,209
4	Add lines 1, 2, and 3	4	605,120
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	605,120

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 N/A				
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				
e				
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)	If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7		2	
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))
2009	94,327	406,789	0.231882
2008	107,345	485,897	0.220921
2007	75,079	498,441	0.150628
2006	70,593	488,484	0.144514
2005	755,890	541,849	1.395020

2 Total of line 1, column (d)

2 2.142965

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 0.428593

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

4 514,811

5 Multiply line 4 by line 3

5 220,644

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

6 63

7 Add lines 5 and 6

7 220,707

8 Enter qualifying distributions from Part XII, line 4

8 93,712

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

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948—see page 18 of the 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 <input type="checkbox"/> (attach copy of letter if necessary—see instructions)	1	125
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		
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	125
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	125
6	Credits/Payments		
a	2010 estimated tax payments and 2009 overpayment credited to 2010	6a	1,531
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	1,531
8	Enter any penalty for underpayment of estimated tax Check here <input type="checkbox"/> 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 <input type="checkbox"/>	9	
10	Overpayment If line 7 is more than the total of lines 5 and 8, enter the amount overpaid <input type="checkbox"/>	10	1,406
11	Enter the amount of line 10 to be Credited to 2011 estimated tax <input type="checkbox"/>	11	Refunded <input type="checkbox"/>

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
1a		X	
1b	Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)? If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities		
1b		X	
1c	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 <input type="checkbox"/> \$ _____ (2) On foundation managers <input type="checkbox"/> \$ _____		
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers <input type="checkbox"/> \$ _____		
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities	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?	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 page 19 of the instructions) <input type="checkbox"/> None		
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 2010 or the taxable year beginning in 2010 (see instructions for Part XIV on page 27)? 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)

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 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? Website address ◆ N/A 13 X

14 The books are in care of ◆ WILLIAM P. MUNDAY
1003 SOUTH VIRGINIA STREET

Telephone no ◆ 270-886-0267

Located at ◆ HOPKINSVILLE KY ZIP+4 ◆ 42240

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

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 ◆

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

(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 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? 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 2010, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2010? Yes No

If "Yes," list the years ◆ 20 , 20 , 20 , 20

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 22 of the instructions) N/A 2b

c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ◆ 20 , 20 , 20 , 20

3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? Yes 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 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 2010? 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	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
	(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
	(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
	(3) Provide a grant to an individual for travel, study, or other similar purposes?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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)? Organizations relying on a current notice regarding disaster assistance check here	<input checked="" type="checkbox"/> N/A	5b	
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? If "Yes," attach the statement required by Regulations section 53.4945-5(d)	<input type="checkbox"/> Yes <input type="checkbox"/> No		
6a	Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? If "Yes" to 6b, file Form 8870		6b	<input checked="" type="checkbox"/>
7a	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If Yes, did the foundation receive any proceeds or have any net income attributable to the transaction?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	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 (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
WILLIAM P. MUNDAY 1003 SOUTH VIRGINIA ST	HOPKINSVILLE KY 42240	PRESIDENT 0.00	0	0
SUE CUMBEE - BADGETT 22 NORTH MAIN ST	MADISONVILLE KY 42431	VICE PRESIDE 0.00	0	0
TRACEY BLANE 1704 IVY LYNN CT	HOPKINSVILLE KY 42240	SECY/TREASUR 0.00	0	0

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

►

0

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 ◆**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 24 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 **N/A**

2

All other program-related investments. See page 24 of the instructions

3

Total. Add lines 1 through 3 ►

Form 990-PF (2010)

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	531,692
b	Average of monthly cash balances	1b	-9,041
c	Fair market value of all other assets (see page 25 of the instructions)	1c	0
d	Total (add lines 1a, b, and c)	1d	522,651
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	522,651
4	Cash deemed held for charitable activities Enter 1½ % of line 3 (for greater amount, see page 25 of the instructions)	4	7,840
5	Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4	5	514,811
6	Minimum investment return. Enter 5% of line 5	6	25,741

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	25,741
2a	Tax on investment income for 2010 from Part VI, line 5	2a	125
b	Income tax for 2010 (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	125
3	Distributable amount before adjustments Subtract line 2c from line 1	3	25,616
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	25,616
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	25,616

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

1	Amounts paid (including administrative expenses) to accomplish charitable, etc , purposes	1a	93,712
a	Expenses, contributions, gifts, etc —total from Part I, column (d), line 26	1b	
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	93,712
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	93,712
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)		
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 XII Undistributed Income (see page 26 of the instructions)

	(a) Corpus	(b) Years prior to 2009	(c) 2009	(d) 2010
1 Distributable amount for 2010 from Part XI, line 7				25,616
2 Undistributed income, if any, as of the end of 2010				
a Enter amount for 2009 only				
b Total for prior years 20____, 20____, 20____				
3 Excess distributions carryover, if any, to 2010				
a From 2005	729,412			
b From 2006	49,146			
c From 2007	53,409			
d From 2008	83,244			
e From 2009	74,097			
f Total of lines 3a through e	989,308			
4 Qualifying distributions for 2010 from Part XII, line 4 ◆ \$ 93,712				
a Applied to 2009, but not more than line 2a				
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 2010 distributable amount				25,616
e Remaining amount distributed out of corpus	68,096			
5 Excess distributions carryover applied to 2010 (If an amount appears in column (d), the same amount must be shown in column (a))				
6 Enter the net total of each column as indicated below:	1,057,404			
a Corpus Add lines 3f, 4c, and 4e Subtract line 5				
b Prior years' undistributed income Subtract line 4b from line 2b				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b Taxable amount—see page 27 of the instructions				
e Undistributed income for 2009 Subtract line 4a from line 2a Taxable amount—see page 27 of the instructions				
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) (see page 27 of the instructions)				
8 Excess distributions carryover from 2005 not applied on line 5 or line 7 (see page 27 of the instructions)	729,412			
9 Excess distributions carryover to 2011. Subtract lines 7 and 8 from line 6a	327,992			
10 Analysis of line 9				
a Excess from 2006	49,146			
b Excess from 2007	53,409			
c Excess from 2008	83,244			
d Excess from 2009	74,097			
e Excess from 2010	68,096			

Part XIV Private Operating Foundations (see page 27 of the instructions and Part VII-A, question 9)

1a	If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2010, enter the date of the ruling				◆ <input type="checkbox"/>
1b	Check box to indicate whether the foundation is a private operating foundation described in section				<input type="checkbox"/> 4942(j)(3) or <input type="checkbox"/> 4942(j)(5)
2a	Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed				(e) Total
2b	85% of line 2a				
2c	Qualifying distributions from Part XII, line 4 for each year listed				
2d	Amounts included in line 2c not used directly for active conduct of exempt activities				
2e	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				
3a	"Assets" alternative test—enter				
	(1) Value of all assets				
	(2) Value of assets qualifying under section 4942(j)(3)(B)(i)				
3b	"Endowment" alternative test—enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed				
3c	"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 page 28 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))

N/A

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

N/A2 **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 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

WILLIAM P. MUNDAY 270-886-0267**1003 SOUTH VIRGINIA STREET HOPKINSVILLE KY 42240**

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

N/A

c Any submission deadlines

N/A

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

N/A

Part XV Supplementary Information (continued)**3 Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a Paid during the year SEE ATTACHED SCHEDULE				93,712
Total			◆ 3a	93,712
b Approved for future payment N/A				
Total			◆ 3b	

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 (See page 28 of the instructions)
	(a) Business code	(b) Amount	(c) Exclusion 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			14	91	
4 Dividends and interest from securities			14	6,165	
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	-2,119	
9 Net income or (loss) from special events			2	128,476	
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		132,613	0
13 Total. Add line 12, columns (b), (d), and (e)	13			132,613	

(See worksheet in line 13 instructions on page 29 to verify calculations)

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

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

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
- (2) Other assets

- b Other transactions
 - (1) Sales of assets to a noncharitable
 - (2) Purchases of assets from a nonch
 - (3) Rental of facilities, equipment, or c
 - (4) Reimbursement arrangements
 - (5) Loans or loan guarantees
 - (6) Performance of services or memb

c Sharing of facilities, equipment, mailing lists, other assets, or paid employees

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

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 of officer or trustee

8/12/11
Date

PRESIDENT

Print/Type preparer's name		Preparer's signature	Date	Check <input type="checkbox"/> if self-employed
Paid	Chris Johns, CPA	Chris Johns CPA	08/12/11	
Preparer				
Use Only	Firm's name ◆ Thurman Campbell Group, PLC		PTIN	P00970108
	Firm's address ◆ 117 West Ninth Street Hopkinsville, KY 42240-2139		Firm's EIN ◆	26-3683574
			Phone no	270-885-8481

Forms
990 / 990-PF**Other Notes and Loans Receivable****2010**

For calendar year 2010, or tax year beginning _____, and ending _____

Name

PHP, INC

Employer Identification Number

31-1041193**Form 990-PF, Part II, Line 7 - Additional Information**

Name of borrower		Relationship to disqualified person
(1) Loan Receivable		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		

Original amount borrowed	Date of loan	Maturity date	Repayment terms	Interest rate
(1)				
(2)				
(3)				
(4)				
(5)				
(6)				
(7)				
(8)				
(9)				
(10)				

Security provided by borrower		Purpose of loan
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		

Consideration furnished by lender	Balance due at beginning of year	Balance due at end of year	Fair market value (990-PF only)
(1)		38,000	38,000
(2)			
(3)			
(4)			
(5)			
(6)			
(7)			
(8)			
(9)			
(10)			
Totals		38,000	38,000

003837 PHP, INC
31-1041193
FYE: 12/31/2010

Federal Statements

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

Whom Sold	Description	Date Acquired	Date Sold	How Received		Depreciation	Net Gain / Loss
				Sale Price	Cost		
INCOME FUND OF AMERICA		6/11/02	9/30/10	\$ 44,517	\$ 45,569	\$	\$ -1,052
FIRST HORIZON		5/22/09	9/30/10	Purchase 18,211	16,968		\$ 1,243
ENTERGY CORP NEW		10/13/09	9/30/10	Purchase 15,154	16,087		\$ -933
INTEL CORP		10/13/09	9/30/10	Purchase 13,304	14,698		\$ -1,394
LORILLIARD INC		10/13/09	9/30/10	Purchase 15,869	15,852		
Total				\$ 107,055	\$ 109,174	\$ 0	\$ 17

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

Description	Revenue per Books	Net Investment Income		Adjusted Net Income
		\$	\$	
CHARITABLE GAMING	\$ 1,118,073			\$ 0
Total	\$ 1,118,073			\$ 0

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

Description	Total	Net Investment		Adjusted Net
		\$	\$	
CHARITABLE GAMING	\$ 5,700			\$ 0
Indirect Accounting Fees	\$ 1,660			\$ 0
Total	\$ 7,360			\$ 0

003837 PHP, INC
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Statement 4 - Form 990-PF, Part I, Line 19 - Depreciation

<u>Description</u>					
<u>Date Acquired</u>	<u>Cost Basis</u>	<u>Prior Year Depreciation</u>	<u>Method</u>	<u>Life</u>	<u>Current Year Depreciation</u>
GAMING EQUIPMENT 7/01/01	\$ 11,842	\$ 11,842	S/L	7	\$ 0
Total	\$ 11,842	\$ 11,842			\$ 0

Statement 5 - Form 990-PF, Part I, Line 23 - Other Expenses

<u>Description</u>					
<u>Total</u>					
<u>Net Investment</u>					
CHARITABLE GAMING PRIZES AWARDED		\$ 876,555			\$ 0
STATE GAMING FEES		7,600			
OTHER GAMING EXPENSES		7,604			
Supplies		57,258			
Expenses					
OTHER EXPENSES		338			
BANK FEES		25			
Total		\$ 949,380			\$ 0

003837 PHP, INC
31-1041193
FYE: 12/31/2010

Federal Statements

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Statement 6 - Form 990-PF, Part II, Line 10b - Corporate Stock Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
HILLIARD LYONS BROKERAGE A/C	\$ 539,126	\$ 517,574	Market	\$ 517,574
Total	\$ 539,126	\$ 517,574		\$ 517,574

Statement 7 - Form 990-PF, Part II, Line 13 - Other Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
HILLIARD LYONS CASH EQUIVALENTS	\$ -59,139	\$ 9,229	Market	\$ 9,229
Total	\$ -59,139	\$ 9,229		\$ 9,229

Statement 8 - Form 990-PF, Part II, Line 14 - Land, Building, and Equipment

Description	Beginning Net Book	End Cost / Basis	End Accumulated Depreciation	Net FMV
	\$ 0	\$ 11,842	\$ 11,842	\$ 0
Total	\$ 0	\$ 11,842	\$ 11,842	\$ 0

003837 PHP, INC
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FYE: 12/31/2010

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Statement 9 - Form 990-PF, Part III, Line 3 - Other Increases

Description	Amount
CHANGE IN UNREALIZED APPRECIATION	\$ 57,209
Total	\$ <u>57,209</u>

PHP, Inc.
2010 Contributions Paid
31-1041193

Recipient	Amount	Relationship	Recipient Status	Purpose
HARBOR INSURANCE	453	None	Public Charity	Financial Support
AG GLOBAL	1,200	None	CHURCH	Religious Support
MOVERS AND SHAKERS	250	None	CHURCH	Religious Support
HEATH & PAGE WILSON	2,000	None	Individual	Financial Support
BOYS & GIRLS CLUB	3,000	None	Public Charity	Charitable Support
FIRST BAPTIST CHURCH	500	None	CHURCH	Religious Support
SHIRLEY MULLINS	1,000	None	Individual	Financial Support
ALICE TAYLOR	1,000	None	Individual	Financial Support
K & A GLOVER	1,000	None	CHURCH	Religious Support
ROBIN MOLER	300	None	Individual	Financial Support
JO ANN MALONE	500	None	Individual	Financial Support
FAMILY FOUNDATION	5,000	None	CHURCH	Religious Support
HHBFRG	500	None	Public Charity	Financial Support
RESTORATION HOUSE	650	None	Public Charity	Religious Support
Cindy Powell	750	None	Individual	Financial Support
Subtotal for Heritage Bank and HL Investment Acct	18,103			
A W_Walts Senior Citizens Center	1,000	None	Public Charity	Charitable Support
Ark of Salvation	1,200	None	Public Charity	Religious Support
Austin/Jennie Roberts	1,000	None	Individual	Religious Support
Boys & Girls Club	500	None	Public Charity	Charitable Support
Campus Crusade for Christ	1,200	None	Public Charity	Religious Support
Challenge House	1,000	None	Public Charity	Charitable Support
Crossroads Christian	2,400	None	Public Charity	Religious Support
Elevate New York	2,500	None	Public Charity	Religious Support
Family Foundation	3,600	None	Public Charity	Religious Support
Galloway School	2,500	None	Educational Institution	Educational Support
Greater HP Chamber of Commerce	200	None	Public Charity	Charitable Support
Heritage Christian Academy	6,500	None	Educational Institution	Educational Support
Hop CC Youth Baseball League	2,000	None	Public Charity	Charitable Support
Hospice	650	None	Public Charity	Charitable Support
Kent Ostrander	250	None	Individual	Religious Support
KidsRWorth It Golf Scramble	500	None	Public Charity	Charitable Support
Kiwanis Club	250	None	Public Charity	Charitable Support
Lauren Putty	1,000	None	Individual	Religious Support
League of Women Voters	300	None	Public Charity	Charitable Support
Lela Hale	100	None	Individual	Financial Support
Living Waters	1,200	None	Public Charity	Religious Support
Means Ave_Baptist Church	2,000	None	Public Charity	Religious Support
Pennyrite RC&D Jeffers Bend	250	None	Public Charity	Charitable Support
Pennyrite Cancer Walk	100	None	Public Charity	Charitable Support
Restoration House	16,900	None	Public Charity	Religious Support
St_Luke	1,000	None	Public Charity	Charitable Support
Ty Sweeney	900	None	Individual	Religious Support
United Way	3,000	None	Public Charity	Charitable Support
University Heights Academy	1,500	None	Educational Institution	Educational Support
Warm the Children	1,200	None	Public Charity	Charitable Support
WNKJ	4,000	None	Public Charity	Religious Support
Quest Church	500	None	Public Charity	Religious Support
YMCA	225	None	Public Charity	Charitable Support
Subtotal for Munday Foundation	61,425			
Alpha Alternative Center	12,000	None	Public Charity	Charitable Support
University Heights Academy	250	None	Educational Institution	Educational Support
Walmart	1,434	None	Public Charity	Charitable Support
Oak Grove Com Cares	500	None	Public Charity	Charitable Support
Subtotal for Bingo Gaming account	14,184			
GRAND TOTAL ALL ACCOUNTS	93,712			