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

OMB No 1545-0052

2010

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

For calendar year 2010, or tax year beginning May 1, 2010, and ending Apr 30, 2011

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

Friends Foundation for the Aging

A Employer identification number

22-1524182

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

Room/suite

B Telephone number (see the instructions)

(215) 478-6663

City or town

State ZIP code

Philadelphia PA 19119

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

I Fair market value of all assets at end of year (from Part II, column (c), line 16)

J Accounting method: ☐ Cash ☒ Accrual  
☐ Other (specify) \_\_\_\_\_

&gt;\$ 12,634,638.

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

## 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 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 (att sch)

5,297.

2 Ck ☐ if the foundn is not req to att Sch B

3 Interest on savings and temporary cash investments

38.

38.

4 Dividends and interest from securities

301,034.

301,034.

5a Gross rents

55,727.

55,727.

b Net rental income or (loss) -9,052.

L-6a Stmt

6a Net gain/(loss) from sale of assets not on line 10

816,632.

b Gross sales price for all assets on line 6a 5,708,191.

7 Capital gain net income (from Part IV, line 2)

816,632.

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/(loss) (att sch)

11 Other income (attach schedule)

INSURANCE

34,200.

12 Total. Add lines 1 through 11

1,212,928.

1,173,431.

13 Compensation of officers, directors, trustees, etc

74,287.

74,287.

14 Other employee salaries and wages

4,358.

15 Pension plans, employee benefits

16a Legal fees (attach schedule) L-16a Stmt

16,884.

16,884.

b Accounting fees (attach sch) L-16b Stmt

12,290.

9,220.

c Other prof fees (attach sch) L-16c Stmt

37,145.

37,066.

17 Interest

18 Taxes (attach schedule)(see instr) See Line 18 Stmt

43,590.

5,946.

19 Depreciation (attach sch) and depletion

116.

20 Occupancy

3,287.

3,287.

21 Travel, conferences, and meetings

9,434.

9,434.

22 Printing and publications

23 Other expenses (attach schedule)

See Line 23 Stmt

124,038.

119,248.

4,790.

24 Total operating and administrative expenses. Add lines 13 through 23

325,429.

119,248.

160,914.

25 Contributions, gifts, grants paid

412,244.

225,924.

26 Total expenses and disbursements. Add lines 24 and 25

737,673.

119,248.

386,838.

27 Subtract line 26 from line 12:

a Excess of revenue over expenses and disbursements

475,255.

b Net investment income (if negative, enter -0-)

1,054,183.

c Adjusted net income (if negative, enter -0-)

<b>Part II Balance Sheets</b>		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		
<b>ASSETS</b>	1 Cash — non-interest-bearing	46,287.	16,217.	16,217.		
	2 Savings and temporary cash investments	479,200.	253,952.	253,952.		
	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 the instructions)					
	7 Other notes and loans receivable (attach sch.)					
	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) L-10b Stmt	2,305,683.	4,935,632.	4,935,632.		
	c Investments — corporate bonds (attach schedule) L-10c Stmt	3,166,622.	4,235,414.	4,235,414.		
	<b>LIABILITIES</b>	11 Investments — land, buildings, and equipment basis	373,431.			
Less: accumulated depreciation (attach schedule) L-11. Stmt		0.	382,483.	373,431.		
12 Investments — mortgage loans						
13 Investments — other (attach schedule) L-13 Stmt.		5,470,853.	2,805,118.	2,805,118.		
14 Land, buildings, and equipment: basis		847.				
Less: accumulated depreciation (attach schedule) L-14. Stmt		673.	290.	174.		
15 Other assets (describe L-15 Stmt)		27,957.	14,700.	14,700.		
16 <b>Total assets</b> (to be completed by all filers — see instructions. Also, see page 1, item I)		11,879,375.	12,634,638.	12,634,638.		
17 Accounts payable and accrued expenses		34,000.	34,569.			
18 Grants payable		83,232.	269,552.			
19 Deferred revenue						
20 Loans from officers, directors, trustees, & other disqualified persons						
21 Mortgages and other notes payable (attach schedule)						
22 Other liabilities (describe)						
23 <b>Total liabilities</b> (add lines 17 through 22)	117,232.	304,121.				
<b>FUND ASSETS</b>	<b>Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31.</b> <input checked="" type="checkbox"/>					
	24 Unrestricted	11,762,143.	12,330,517.			
	25 Temporarily restricted					
	26 Permanently restricted					
	<b>Foundations that do not follow SFAS 117, check here and complete lines 27 through 31.</b> <input type="checkbox"/>					
	27 Capital stock, trust principal, or current funds					
	28 Paid-in or capital surplus, or land, building, and equipment fund					
	29 Retained earnings, accumulated income, endowment, or other funds					
30 <b>Total net assets or fund balances</b> (see the instructions)	11,762,143.	12,330,517.				
31 <b>Total liabilities and net assets/fund balances</b> (see the instructions)	11,879,375.	12,634,638.				

**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	11,762,143.
2 Enter amount from Part I, line 27a	2	475,255.
3 Other increases not included in line 2 (itemize) <b>UNREALIZED GAIN/LOSS</b>	3	93,119.
4 Add lines 1, 2, and 3	4	12,330,517.
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	12,330,517.

**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 shares MLC Company)		(b) How acquired P — Purchase D — Donation	(c) Date acquired (month, day, year)	(d) Date sold (month, day, year)
<b>1 a PUBLICLY TRADED SECURITIES</b>		<b>P</b>	<b>Various</b>	<b>Various</b>
<b>b</b>				
<b>c</b>				
<b>d</b>				
<b>e</b>				

(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)
<b>a</b> 5,708,191.	<b>0.</b>	<b>4,891,559.</b>	<b>816,632.</b>
<b>b</b>			
<b>c</b>			
<b>d</b>			
<b>e</b>			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (Column (h) gain minus column (k), but not less than -0-) or Losses (from column (h))
(i) Fair Market Value as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of column (i) over column (j), if any	
<b>a</b> 0.	<b>0.</b>	<b>0.</b>	<b>816,632.</b>
<b>b</b>			
<b>c</b>			
<b>d</b>			
<b>e</b>			

<b>2</b> Capital gain net income or (net capital loss).	<div style="border: 1px solid black; padding: 2px; display: inline-block;">           If gain, also enter in Part I, line 7            If (loss), enter -0- in Part I, line 7         </div>		<b>2</b>	<b>816,632.</b>
<b>3</b> Net short-term capital gain or (loss) as defined in sections 1222(5) and (6):	<div style="border: 1px solid black; padding: 2px; display: inline-block;">           If gain, also enter in Part I, line 8, column (c) (see the instructions). If (loss), enter -0-            in Part I, line 8         </div>		<b>3</b>	

**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.

<b>1</b> Enter the appropriate amount in each column for each year, see 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 (column (b) divided by column (c))
2009			
2008			
2007			
2006			
2005			

<b>2</b> Total of line 1, column (d)	<b>2</b>	
<b>3</b> 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	<b>3</b>	
<b>4</b> Enter the net value of noncharitable-use assets for 2010 from Part X, line 5	<b>4</b>	
<b>5</b> Multiply line 4 by line 3	<b>5</b>	
<b>6</b> Enter 1% of net investment income (1% of Part I, line 27b)	<b>6</b>	
<b>7</b> Add lines 5 and 6	<b>7</b>	
<b>8</b> Enter qualifying distributions from Part XII, line 4	<b>8</b>	

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 the instructions)**

1 a 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 instr.)			
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	21,084.
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, column (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	21,084.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-) .		4	0.
5 <b>Tax based on investment income.</b> Subtract line 4 from line 3. If zero or less, enter -0- . . . . .		5	21,084.
6 Credits/Payments:			
a 2010 estimated tax pmts and 2009 overpayment credited to 2010	6a		
b Exempt foreign organizations – tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c	32,000.	
d Backup withholding erroneously withheld . . . . .	6d		
7 Total credits and payments. Add lines 6a through 6d . . . . .	7	32,000.	
8 Enter any <b>penalty</b> 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	9		
10 <b>Overpayment.</b> If line 7 is more than the total of lines 5 and 8, enter the amount overpaid . . . . .	10	10,916.	
11 Enter the amount of line 10 to be: Credited to 2011 estimated tax <input type="checkbox"/> 10,916.   Refunded <input type="checkbox"/>	11		

**Part VII-A Statements Regarding Activities**

	Yes	No
1 a 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?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see the instructions for definition)?		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 <b>Form 1120-POL</b> 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 <input type="checkbox"/> \$ 0. (2) On foundation managers <input type="checkbox"/> \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers <input type="checkbox"/> \$ 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.		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		X
4 a 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 <b>Form 990-T</b> for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If 'Yes,' attach the statement required by General Instruction T		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? If 'Yes,' complete Part II, column (c), and Part XV . . .	X	
8 a Enter the states to which the foundation reports or with which it is registered (see the instructions) . . . . .		
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

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**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 instructions) . . . . . See Line 11 Stmt	11	X	
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008? . . . . .	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? . . . . .	13	X	
Website address . . . . . ▶ N/A				
14	The books are in care of ▶ DEBORAH FRAZER . . . . . Telephone no. ▶ (215) 478-6663			
Located at ▶ 606 UPSAL STREET . . . . . PHILADELPHIA PA ZIP + 4 ▶ 19119				
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 — Check here . . . . . ▶ <input type="checkbox"/>			
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? . . . . .	16	Yes	No
				X
See 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.

	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? . . . . . <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? . . . . . <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? . . . . . <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? . . . . . <input checked="" type="checkbox"/> Yes <input type="checkbox"/> 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)? . . . . . <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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.) . . . . . <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 the instructions)? Organizations relying on a current notice regarding disaster assistance check here . . . . . ▶ <input type="checkbox"/>	1b	X
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 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? . . . . . <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
If 'Yes,' list the years ▶ 20__ , 20__ , 20__ , 20__ .		
b Are there any years listed in 2a for which the foundation is <b>not</b> 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 the instructions ) . . . . .	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? . . . . . <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.) . . . . .	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:(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No(3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☒ No(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions) ☐ Yes ☒ No(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No**b** If any answer is 'Yes' to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?Organizations relying on a current notice regarding disaster assistance check here ☐**c** If the answer is 'Yes' to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? ☐ Yes ☐ No

If 'Yes,' attach the statement required by Regulations section 53.4945-5(d).

**6a** Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☒ No**b** Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? ☐ Yes ☒ No

If '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? ☐ Yes ☒ No**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 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
<u>ERIC ANDREWS</u> 2 LONGVIEW TERRACE MORRISTOWN NJ 07960	VICE PRESIDENT 2.00	0.	0.	0.
<u>CHARLEY FLINT</u> 245 W. 4TH AVE ROSELLE NJ 07203	TRUSTEE 2.00 <del>1.00</del> W	0.	0.	0.
<u>HOWARD FREUND</u> 519 WHITON RD NESHANIC STATION NJ 08853	TREASURER 2.00	0.	0.	0.
See Information about Officers, Directors, Trustees, Etc.		74,287.	0.	2,759.

**2** Compensation of five highest-paid employees (other than those included on line 1— see 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				
0				
0				
0				
0				

Total number of other employees paid over \$50,000

None

**Part VIII** Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)**3** Five highest-paid independent contractors for professional services (see instructions). If none, enter 'NONE.'

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

Total number of others receiving over \$50,000 for professional services . . . . . **None****Part IX-A** Summary of Direct Charitable Activities

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

	Expenses
1	
2	
3	
4	

**Part IX-B** Summary of Program-Related Investments (see instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.	Amount
1	
2	
All other program-related investments. See instructions	
3	
Total. Add lines 1 through 3	

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**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	11,142,118.
b	Average of monthly cash balances	1b	364,674.
c	Fair market value of all other assets (see instructions)	1c	
d	Total (add lines 1a, b, and c)	1d	11,506,792.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2	Acquisition indebtedness applicable to line 1 assets	2	
3	Subtract line 2 from line 1d	3	11,506,792.
4	Cash deemed held for charitable activities. Enter 1-1/2% of line 3 (for greater amount, see instructions)	4	172,602.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	11,334,190.
6	Minimum investment return. Enter 5% of line 5	6	566,710.

**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	566,710.
2a	Tax on investment income for 2010 from Part VI, line 5	2a	21,084.
b	Income tax for 2010. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	21,084.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	545,626.
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	545,626.
6	Deduction from distributable amount (see instructions)	6	
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	545,626.

**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	386,838.
b	Program-related investments — total from Part IX-B	1b	
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	386,838.
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 instructions)	5	0.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	386,838.

**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
<b>1</b> Distributable amount for 2010 from Part XI, line 7				<b>545,626.</b>
<b>2</b> Undistributed income, if any, as of the end of 2010				
<b>a</b> Enter amount for 2009 only				
<b>b</b> Total for prior years 20__, 20__, 20__				
<b>3</b> Excess distributions carryover, if any, to 2010.				
<b>a</b> From 2005				
<b>b</b> From 2006				
<b>c</b> From 2007				
<b>d</b> From 2008				
<b>e</b> From 2009				
<b>f</b> Total of lines 3a through e				
<b>4</b> Qualifying distributions for 2010 from Part XII, line 4: <b>\$ 386,838.</b>				
<b>a</b> Applied to 2009, but not more than line 2a			<b>0.</b>	
<b>b</b> Applied to undistributed income of prior years (Election required — see instructions)		<b>0.</b>		
<b>c</b> Treated as distributions out of corpus (Election required — see instructions)	<b>0.</b>			
<b>d</b> Applied to 2010 distributable amount				<b>386,838.</b>
<b>e</b> Remaining amount distributed out of corpus	<b>0.</b>			
<b>5</b> Excess distributions carryover applied to 2010 (If an amount appears in column (d), the same amount must be shown in column (a).)				
<b>6</b> Enter the net total of each column as indicated below:				
<b>a</b> Corpus Add lines 3f, 4c, and 4e Subtract line 5	<b>0.</b>			
<b>b</b> Prior years' undistributed income. Subtract line 4b from line 2b		<b>0.</b>		
<b>c</b> 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				
<b>d</b> Subtract line 6c from line 6b. Taxable amount — see instructions		<b>0.</b>		
<b>e</b> Undistributed income for 2009 Subtract line 4a from line 2a. Taxable amount — see instructions			<b>0.</b>	
<b>f</b> Undistributed income for 2010. Subtract lines 4d and 5 from line 1 This amount must be distributed in 2011				<b>158,788.</b>
<b>7</b> Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)				
<b>8</b> Excess distributions carryover from 2005 not applied on line 5 or line 7 (see instructions)	<b>0.</b>			
<b>9</b> Excess distributions carryover to 2011. Subtract lines 7 and 8 from line 6a	<b>0.</b>			
<b>10</b> Analysis of line 9:				
<b>a</b> Excess from 2006	<b>0.</b>			
<b>b</b> Excess from 2007	<b>0.</b>			
<b>c</b> Excess from 2008	<b>0.</b>			
<b>d</b> Excess from 2009	<b>0.</b>			
<b>e</b> Excess from 2010	<b>0.</b>			

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

N/A

- 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 . . . . .

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

**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(i)(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 organization had \$5,000 or more in assets at any time during the year – see 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:

**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	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)				
<b>a Paid during the year</b> <b>SEE ATTACHED SCHEDULE</b> <b>CASH PAYMENTS</b> .		<b>PUBLIC</b>	<b>SEE ATTACHED</b>	<b>225,924.</b>
<b>Total</b> .....			<b>3a</b>	<b>225,924.</b>
<b>b Approved for future payment</b> <b>SEE ATTACHED SCHEDULE</b> <b>APPROVED FOR FUTURE PAYMENT</b> .		<b>PUBLIC</b>	<b>SEE ATTACHED</b>	<b>186,320.</b>
<b>Total</b> .....			<b>3b</b>	<b>186,320.</b>

**Part XVI-A Analysis of Income-Producing Activities**

Enter gross amounts unless otherwise indicated.

Enter gross amounts unless otherwise indicated.		Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (see the instructions)
	(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	301,034.	
5	Net rental income or (loss) from real estate.					
a	Debt-financed property . . . . .					
b	Not debt-financed property . . . . .			16	-9,052.	
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	816,632.	
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) . . . .				1,108,614.	
13	Total. Add line 12, columns (b), (d), and (e)				13	1,108,614.

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

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

[illegible]



**Schedule B**  
**(Form 990, 990-EZ,**  
**or 990-PF)**

Department of the Treasury  
Internal Revenue Service

**Schedule of Contributors**

► **Attach to Form 990, 990-EZ, or 990-PF**

OMB No 1545-0047

**2010**

Name of the organization

**Friends Foundation for the Aging**

Employer identification number

**22-1524182**

Organization type (check one)

Filers of:

Form 990 or 990-EZ

Section:

- ☐ 501(c)(\_\_\_\_) (enter number) organization  
☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation  
☐ 527 political organization

Form 990-PF

- ☒ 501(c)(3) exempt private foundation  
☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation  
☐ 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**.

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

**General Rule**

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

**Special Rules**

- ☐ For a section 501(c)(3) organization filing Form 990 or 990-EZ, that met the 33-1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h or (ii) Form 990-EZ, line 1. Complete Parts I and II.
- ☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ, that received from any one contributor, during the year, aggregate contributions of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.
- ☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ, that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not aggregate to more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year . . . . . ► \$ \_\_\_\_\_

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

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

**Schedule B (Form 990, 990-EZ, or 990-PF) (2010)**

Name of organization

Employer identification number

Friends Foundation for the Aging

22-1524182

**Part I** Contributors (see instructions.)

(a) Number	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	NYYM - DIETRICH FUND 15 RUTHERFORD PLACE NEW YORK NY 10003	\$ 5,097.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)



Friends Foundation for the Aging, Inc.  
2010 Form 990-PF Part XV Supplementary Information  
Grants Paid During FFA's Fiscal Year 2011 (5/1/10-4/30/11)

Grant Recipients	Relshp	Fdn Status	Purpose	Amount
New York Yearly Meeting 15 Rutherford Place New York, NY 10003	N/A	Public	Pastoral care for seniors and adults with disabilities; including small publication	49,327
Chandler Hall Health Services, Inc 99 Barclay St Newtown, PA 18940	N/A	Public	Support behavioral healthcare services in a long-term care setting	47,000
Philadelphia Yearly Meeting 1515 Cherry St Philadelphia, PA 19102-1479	N/A	Public	Develop resources to connect seniors and caregivers to information in the context of spiritual community	16,500
Ralston Center 3615 Chestnut St Philadelphia, PA 19104	N/A	Public	Develop prototype program for affordable access to services for seniors to age in their homes	50,000
Friends Services for the Aging 350 Sentry Parkway East Bluebell, PA 19422	N/A	Public	Summer internship for students to learn about services provided by Quaker senior communities	972
Friends Council on Education 1507 Cherry St Philadelphia PA 19102	N/A	Public	Forum to discuss Mindfulness Program to promote wellness in Quaker schools and senior communities	5,000
The TRECS Institute 105 Thatcher Court North Wales, PA 19454	N/A	Public	Forum on innovative behavioral health approaches with seniors	1,000
The Hickman 400 N. Walnut St West Chester, PA 19380	N/A	Public	Study and analysis re: suitability of providing in-home services to seniors living in low-income housing units	39,375
Quaker Heights Care Community 514 West High Street Waynesville, OH 45068	N/A	Public	Affordable housing market analysis to determine viability	4,750
Friends Home and Village 50 South Congress Street Newtown, PA 18940	N/A	Public	Development of strategic plan to continue mission of affordable housing with caring environment	12,000
<b>TOTAL GRANTS PAID IN FY11</b>				<b>\$ 225,924</b>

Friends Foundation for the Aging, Inc.  
 2010 Form 990-PF Part XV Supplementary Information  
 Grants Approved for Future Payment During FFA's Fiscal Year 2011 (5/1/10-4/30/11)

Grant Recipients	Relshp	Fdn Status	Purpose	Amount
New York Yearly Meeting 15 Rutherford Place New York, NY 10003	N/A	Public	Pastoral care for seniors and adults with disabilities	27,710
Chandler Hall Health Services, Inc 99 Barclay St Newtown, PA 18940	N/A	Public	Support behavioral health services in a long-term care setting and intergenerational work	57,542
Philadelphia Yearly Meeting 1515 Cherry St Philadelphia, PA 19102-1479	N/A	Public	Develop resources to connect seniors and caregivers to information in the context of spiritual community	16,500
Friends Services for the Aging 350 Sentry Parkway East Bluebell, PA 19422	N/A	Public	Leadership development and internships for students to learn about services provided by Quaker senior communities	47,000
Friends Council on Education 1507 Cherry St Philadelphia PA 19102	N/A	Public	Introduction of the Mindfulness Program to Quaker senior living communities to promote wellness	53,300
The Hickman 400 N. Walnut St West Chester, PA 19380	N/A	Public	Study and analysis re: suitability of providing in-home services to seniors living in low-income housing units	25,000
Friends Life Care 531 Plymouth Road, Sute 500 Plymouth Meeting, PA 19462	N/A	Public	Evaluation of program to promote seniors' mental and physical wellness	25,000
Friends House 684 Benicia Drive Santa Rosa, CA 95409	N/A	Public	Pastoral care for seniors and adults with disabilities	17,500
Total Approved in FFA's for future payment, balance @ 4/30/2011				269,552
less grants approved in prior yrs				(83,232)
Total Approved for future payments during fiscal yr ending 4/30/2011				<u>\$ 186,320</u>

Form **4562**Department of the Treasury  
Internal Revenue Service (99)**Depreciation and Amortization**  
(Including Information on Listed Property)

▶ See separate instructions. ▶ Attach to your tax return.

OMB No. 1545-0172

**2010**Attachment  
Sequence No **67**

Name(s) shown on return

**Friends Foundation for the Aging**

Identifying number

**22-1524182**

Business or activity to which this form relates

**Form 990-PF page 1****Part I Election To Expense Certain Property Under Section 179**

Note: If you have any listed property, complete Part V before you complete Part I

1	Maximum amount (see instructions)	1	
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2009 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instrs)	11	
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2011. Add lines 9 and 10, less line 12	13	

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.

**Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.)** (See instructions.)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	

**Part III MACRS Depreciation (Do not include listed property.)** (See instructions.)**Section A**

17	MACRS deductions for assets placed in service in tax years beginning before 2010	17	<b>116.</b>
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here <input type="checkbox"/>		

**Section B — Assets Placed in Service During 2010 Tax Year Using the General Depreciation System**

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only — see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			<b>25 yrs</b>		<b>S/L</b>	
h Residential rental property			<b>27.5 yrs</b>	<b>MM</b>	<b>S/L</b>	
i Nonresidential real property			<b>39 yrs</b>	<b>MM</b>	<b>S/L</b>	

**Section C — Assets Placed in Service During 2010 Tax Year Using the Alternative Depreciation System**

20a Class life				<b>S/L</b>	
b 12-year			<b>12 yrs</b>	<b>S/L</b>	
c 40-year			<b>40 yrs</b>	<b>MM</b>	<b>S/L</b>

**Part IV Summary** (See instructions.)

21	Listed property. Enter amount from line 28	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations — see instructions	22	<b>116.</b>
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

**Part V Listed Property** (Include automobiles, certain other vehicles, certain computers, and property used for entertainment, recreation, or amusement.)

**Note:** For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete **only** 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

**Section A – Depreciation and Other Information** (Caution: See the instructions for limits for passenger automobiles.)

<b>24a</b> Do you have evidence to support the business/investment use claimed?				<input type="checkbox"/> Yes	<input type="checkbox"/> No	<b>24b</b> If 'Yes,' is the evidence written?				<input type="checkbox"/> Yes	<input type="checkbox"/> No
(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/Convention	(h) Depreciation deduction	(i) Elected section 179 cost			
<b>25</b> Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see instructions) . . . . .								<b>25</b>			
<b>26</b> Property used more than 50% in a qualified business use:											
<b>27</b> Property used 50% or less in a qualified business use:											
<b>28</b> Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1 . . . . .								<b>28</b>			
<b>29</b> Add amounts in column (i), line 26. Enter here and on line 7, page 1 . . . . .								<b>29</b>			

**Section B – Information on Use of Vehicles**

Complete this section for vehicles used by a sole proprietor, partner, or other 'more than 5% owner,' or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

	(a) Vehicle 1		(b) Vehicle 2		(c) Vehicle 3		(d) Vehicle 4		(e) Vehicle 5		(f) Vehicle 6	
<b>30</b> Total business/investment miles driven during the year (do not include commuting miles) . . . . .												
<b>31</b> Total commuting miles driven during the year . . . . .												
<b>32</b> Total other personal (noncommuting) miles driven . . . . .												
<b>33</b> Total miles driven during the year. Add lines 30 through 32 . . . . .												
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
<b>34</b> Was the vehicle available for personal use during off-duty hours? . . . . .												
<b>35</b> Was the vehicle used primarily by a more than 5% owner or related person? . . . . .												
<b>36</b> Is another vehicle available for personal use? . . . . .												

**Section C – Questions for Employers Who Provide Vehicles for Use by Their Employees**

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons (see instructions).

<b>37</b> Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees? . . . . .	Yes	No
<b>38</b> Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners . . . . .		
<b>39</b> Do you treat all use of vehicles by employees as personal use? . . . . .		
<b>40</b> Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received? . . . . .		
<b>41</b> Do you meet the requirements concerning qualified automobile demonstration use? (See instructions) . . . . .		
<b>Note:</b> If your answer to 37, 38, 39, 40, or 41 is 'Yes,' do not complete Section B for the covered vehicles.		

**Part VI Amortization**

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
<b>42</b> Amortization of costs that begins during your 2010 tax year (see instructions):					
<b>43</b> Amortization of costs that began before your 2010 tax year . . . . .					<b>43</b>
<b>44</b> Total. Add amounts in column (f). See the instructions for where to report . . . . .					<b>44</b>

**Form 990-PF**  
**Part I, Line 6a**

**Net Gain or Loss From Sale of Assets**

**2010**

Name <b>Friends Foundation for the Aging</b>	Employer Identification Number <b>22-1524182</b>
---	---

**Asset Information:**

Description of Property:	<b>VARIOUS SECURITIES</b>		
Date Acquired:		How Acquired:	
Date Sold:		Name of Buyer:	
Sales Price:	<b>5,708,191.</b>	Cost or other basis (do not reduce by depreciation)	<b>4,891,559.</b>
Sales Expense:		Valuation Method:	
Total Gain (Loss):	<b>816,632.</b>	Accumulation Depreciation:	

  

Description of Property:			
Date Acquired:		How Acquired:	
Date Sold:		Name of Buyer:	
Sales Price:		Cost or other basis (do not reduce by depreciation)	
Sales Expense:		Valuation Method:	
Total Gain (Loss):		Accumulation Depreciation:	

  

Description of Property:			
Date Acquired:		How Acquired:	
Date Sold:		Name of Buyer:	
Sales Price:		Cost or other basis (do not reduce by depreciation)	
Sales Expense:		Valuation Method:	
Total Gain (Loss):		Accumulation Depreciation:	

  

Description of Property:			
Date Acquired:		How Acquired:	
Date Sold:		Name of Buyer:	
Sales Price:		Cost or other basis (do not reduce by depreciation)	
Sales Expense:		Valuation Method:	
Total Gain (Loss):		Accumulation Depreciation:	

  

Description of Property:			
Date Acquired:		How Acquired:	
Date Sold:		Name of Buyer:	
Sales Price:		Cost or other basis (do not reduce by depreciation)	
Sales Expense:		Valuation Method:	
Total Gain (Loss):		Accumulation Depreciation:	

  

Description of Property:			
Date Acquired:		How Acquired:	
Date Sold:		Name of Buyer:	
Sales Price:		Cost or other basis (do not reduce by depreciation)	
Sales Expense:		Valuation Method:	
Total Gain (Loss):		Accumulation Depreciation:	

  

Description of Property:			
Date Acquired:		How Acquired:	
Date Sold:		Name of Buyer:	
Sales Price:		Cost or other basis (do not reduce by depreciation)	
Sales Expense:		Valuation Method:	
Total Gain (Loss):		Accumulation Depreciation:	

  

Description of Property:			
Date Acquired:		How Acquired:	
Date Sold:		Name of Buyer:	
Sales Price:		Cost or other basis (do not reduce by depreciation)	
Sales Expense:		Valuation Method:	
Total Gain (Loss):		Accumulation Depreciation:	

Form 990-PF, Page 1, Part I, Line 18

**Line 18 Stmt**

Taxes (see the instructions)	Rev/Exp Book	Net Inv Inc	Adj Net Inc	Charity Disb
<b>PAYROLL/TERMINATION BENEF</b>	<b>7,564.</b>			<b>5,946.</b>
<b>REAL ESTATE TAXES</b>	<b>36,026.</b>			
<b>Total</b>	<b>43,590.</b>			<b>5,946.</b>

Form 990-PF, Page 1, Part I, Line 23

**Line 23 Stmt**

Other expenses:	Rev/Exp Book	Net Inv Inc	Adj Net Inc	Charity Disb
<b>BANK/CUSTODIAL ACCOUNT FE</b>	<b>54,469.</b>	<b>54,469.</b>		
<b>INSURANCE</b>	<b>4,790.</b>			<b>4,790.</b>
<b>RENTAL EXPENSES-INVESTMENT PROPE</b>	<b>64,779.</b>	<b>64,779.</b>		
<b>Total</b>	<b>124,038.</b>	<b>119,248.</b>		<b>4,790.</b>

Form 990-PF, Page 6, Part VIII, Line 1

**Information about Officers, Directors, Trustees, Etc.**

(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
Person <input checked="" type="checkbox"/> Business <input type="checkbox"/> <b>SUSAN HOSKINS</b> <b>BOX 4342, GEORGE RD School</b> <b>NEWTOWN PA 18940</b>	<b>TRUSTEE</b> <b>2.00</b>	<b>0.</b>	<b>0.</b>	<b>0.</b>
Person <input checked="" type="checkbox"/> Business <input type="checkbox"/> <b>BETH HUDSON KELLER</b> <b>353 CAMBRIDGE LANE</b> <b>NEWTOWN PA 18940</b>	<b>TRUSTEE</b> <b>2.00</b>	<b>0.</b>	<b>0.</b>	<b>0.</b>
Person <input checked="" type="checkbox"/> Business <input type="checkbox"/> <b>PAULA MCCLURE</b> <b>13 LYMAN</b> <b>PEQUANNOCK NJ 07440</b>	<b>TRUSTEE</b> <b>2.00</b>	<b>0.</b>	<b>0.</b>	<b>0.</b>
Person <input checked="" type="checkbox"/> Business <input type="checkbox"/> <b>JAMES WHITELY</b> <b>46 COLONIAL WAY</b> <b>SHORT HILLS NJ 07078</b>	<b>PRESIDENT</b> <b>5.00</b>	<b>0.</b>	<b>0.</b>	<b>1,844.</b>
Person <input checked="" type="checkbox"/> Business <input type="checkbox"/> <b>BETH YINGLING</b> <b>34 MOUNTAIN HEIGHTS AVE</b> <b>LINCOLN PK NJ 07035</b>	<b>TRUSTEE</b> <b>2.00</b>	<b>0.</b>	<b>0.</b>	<b>0.</b>
Person <input checked="" type="checkbox"/> Business <input type="checkbox"/> <b>WARREN WITTE</b> <b>1382 NEWTOWN-LANGHORNE RD, E201</b> <b>NEWTOWN PA 18940</b>	<b>EXEC DIRECTOR</b> <b>23.00</b>	<b>74,287.</b>	<b>0.</b>	<b>915.</b>

Total

**74,287. 0. 2,759.**

Form 990-PF, Part VII-A, Line 11, Statements Regarding Activities  
**Schedule of Information Regarding Transfers To a Controlled Entity**

(A) Name and Address of Each Controlled Entity	(B) Employer ID number	(C) Description of Transfer	(D) Amount of Transfer
26 ROCKVIEW AVE LLC 112 LINDEN AVENUE NORTH PLAINFIELD NJ 07060		NO TRANSFERS MADE	
	22-3734217		0.

Total

0.

Form 990-PF, Page 1, Part I  
**Line 16a - Legal Fees**

Name of Provider	Type of Service Provided	Amount Paid Per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
MCCARTER & ENGLISH,	LEGAL	16,884.			

Total

16,884.

Form 990-PF, Page 1, Part I  
**Line 16b - Accounting Fees**

Name of Provider	Type of Service Provided	Amount Paid Per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
FRAZER, EVANGELISTA &	ACCOUNTING	12,290.			

Total

12,290.

Form 990-PF, Page 1, Part I  
**Line 16c - Other Professional Fees**

Name of Provider	Type of Service Provided	Amount Paid Per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
LARSON ALLEN, LLP	RECRUITMENT SERVICES	34,321.			
PAYCHEX	PAYROLL SERVICES	1,423.			
DEBORAH FRAZER	CONSULTING	1,401.			

Total

37,145.

Form 990-PF, Page 2, Part II, Line 10b

**L-10b Stmt**

Line 10b - Investments - Corporate Stock:	End of Year	
	Book Value	Fair Market Value
<b>EQUITY SECURITIES</b>	<b>4,935,632.</b>	<b>4,935,632.</b>
Total	<b>4,935,632.</b>	<b>4,935,632.</b>

Form 990-PF, Page 2, Part II, Line 10c

**L- 10c Stmt**

Line 10c - Investments - Corporate Bonds:	End of Year	
	Book Value	Fair Market Value
<b>FIXED INCOME SECURITIES</b>	<b>4,235,414.</b>	<b>4,235,414.</b>
Total	<b>4,235,414.</b>	<b>4,235,414.</b>

Form 990-PF, Page 2, Part II, Line 13

**L-13 Stmt**

Line 13 - Investments - Other:	End of Year	
	Book Value	Fair Market Value
<b>ALTERNATIVE ASSET INVESTMENTS</b>	<b>1,537,930.</b>	<b>1,537,930.</b>
<b>MUTUAL FUND</b>	<b>1,267,188.</b>	<b>1,267,188.</b>
Total	<b>2,805,118.</b>	<b>2,805,118.</b>

Form 990-PF, Page 2, Part II, Line 11

**L-11 Stmt**

Line 11b - Description of Investments Land, Buildings and Equipment	(a) Cost/Other Basis	(b) Accumulated Depreciation	(c) Book Value
<b>26 ROCKVIEW LLC</b>	<b>373,431.</b>	<b>0.</b>	<b>373,431.</b>
Total	<b>373,431.</b>	<b>0.</b>	<b>373,431.</b>

Form 990-PF, Page 2, Part II, Line 14

**L-14 Stmt**

Line 14b - Description of Land, Buildings, and Equipment	(a) Cost/Other Basis	(b) Accumulated Depreciation	(c) Book Value
<b>ACCUMULATED DEPRECIATION</b>	<b>847.</b>	<b>673.</b>	<b>174.</b>
Total	<b>847.</b>	<b>673.</b>	<b>174.</b>



Form 990-PF, Page 2, Part II, Line 15

**Other Assets Stmt**

Line 15 - Other Assets:	Beginning Year Book Value	End of Year	
		Book Value	Fair Market Value
ACCRUED INTEREST RECEIVAB	10,832.	12,606.	12,606.
RECEIVABLE FROM R/E TAX R	14,896.	0.	0.
PREPAID INSURANCE	2,229.	2,094.	2,094.
Total	27,957.	14,700.	14,700.

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**Supporting Statement of:**

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**Form 990-PF, p2/Line 13(a)**

Description	Amount
MORTGAGE BACKED BONDS	1,523.
MUTUAL FUNDS - BROKERAGE	4,344,373.
MUTUAL FUNDS - OTHER	1,124,957.
Total	<u>5,470,853.</u>

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**Supporting Statement of:**

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**Legal and Professional Fees/Line 16a Book Amount-1**

Description	Amount
AMOUNTS RECORDED PER BOOKS	24,114.
LESS PROFESSIONAL SERVICES DONATED	-7,230.
Total	<u>16,884.</u>

**FRIENDS FOUNDATION FOR THE AGING**

**FINANCIAL STATEMENTS**

**YEARS ENDED APRIL 30, 2011 AND 2010**

**FRIENDS FOUNDATION FOR THE AGING  
FINANCIAL STATEMENTS  
YEARS ENDED APRIL 30, 2011 AND 2010**

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# *Frazer, Evangelista & Company, LLC*



American Institute of Certified  
Public Accountants  
New Jersey Society of Certified  
Public Accountants  
National Association of Certified  
Valuation Analysts

Certified Public Accountants and Consultants  
245 Livingston Avenue  
New Brunswick, New Jersey 08901

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Additional Offices in East Brunswick, NJ

Board of Trustees  
Friends Foundation for the Aging  
Philadelphia, PA

## **INDEPENDENT AUDITORS' REPORT**

We have audited the accompanying statements of financial position of the Friends Foundation for the Aging, (a private foundation) as of April 30, 2011 and 2010, and the related statements of activities, and cash flows for the years then ended. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audits

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Friends Foundation for the Aging as of April 30, 2011 and 2010, and the changes in its net assets, and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedules on Page 10 are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*Frazer, Evangelista & Company, LLC*

New Brunswick, New Jersey  
October 13, 2011

**FRIENDS FOUNDATION FOR THE AGING  
STATEMENTS OF FINANCIAL POSITION  
APRIL 30, 2011 AND 2010**

	<u>2011</u>	<u>2010</u>
<b>ASSETS</b>		
Cash	\$ 270,169	\$ 525,487
Other receivables	-	14,896
Interest and dividends receivable	12,606	10,832
Prepaid expenses	2,094	2,229
Investments at fair value	11,976,164	10,943,158
Investment in LLC	373,431	382,483
Property and equipment - net	<u>174</u>	<u>290</u>
 <b>TOTAL ASSETS</b>	 <b><u>\$ 12,634,638</u></b>	 <b><u>\$ 11,879,375</u></b>
 <b>LIABILITIES</b>		
Accrued expenses	\$ 34,569	\$ 34,000
Grants payable	269,552	83,232
 <b>NET ASSETS UNRESTRICTED</b>	 <b><u>12,330,517</u></b>	 <b><u>11,762,143</u></b>
 <b>TOTAL LIABILITIES AND NET ASSETS</b>	 <b><u>\$ 12,634,638</u></b>	 <b><u>\$ 11,879,375</u></b>

See accompanying notes

**FRIENDS FOUNDATION FOR THE AGING  
STATEMENTS OF ACTIVITIES  
YEARS ENDED APRIL 30, 2011 AND 2010**

	<u>2011</u>	<u>2010</u>
<b>REVENUE, SUPPORT AND GAINS</b>		
Investment income - interest	\$ 13,177	\$ 41,282
Investment income - dividends	287,894	243,283
Investment income - LLC	(9,052)	(3,697)
Gain on sale of investments - net	816,632	465,284
Unrealized gain on investments - net	93,119	1,124,608
Gifts and bequests	12,527	15,966
	<u>1,214,297</u>	<u>1,886,726</u>
<b>EXPENSES</b>		
Program expenses	412,244	307,814
Management and general	176,116	137,630
Investment custodial fees	54,469	53,361
Investment income taxes	21,130	-
	<u>663,959</u>	<u>498,805</u>
<b>INCREASE IN NET ASSETS FROM CONTINUING OPERATIONS</b>	<u>550,338</u>	<u>1,387,921</u>
<b>DISCONTINUED OPERATIONS</b>		
Gain from discontinued operations of McCutchen Friends Home	<u>18,036</u>	<u>-</u>
<b>DISCONTINUED OPERATIONS GAIN</b>	<u>18,036</u>	<u>-</u>
<b>INCREASE IN NET ASSETS</b>	<b>568,374</b>	<b>1,387,921</b>
<b>NET ASSETS BEGINNING OF YEAR</b>	<u>11,762,143</u>	<u>10,374,222</u>
<b>NET ASSETS END OF YEAR</b>	<u><u>\$ 12,330,517</u></u>	<u><u>\$ 11,762,143</u></u>

See accompanying notes

**FRIENDS FOUNDATION FOR THE AGING  
STATEMENTS OF CASH FLOWS  
YEARS ENDED APRIL 30, 2011 AND 2010**

	<u>2011</u>	<u>2010</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 568,374	\$ 1,387,921
Adjustments to reconcile change in net assets to net cash from operating activities		
Depreciation	116	193
Noncash investment income from LLC	9,052	3,697
(Gain) loss on sale of investments	(816,632)	(465,284)
Unrealized (gain) loss on investments	(93,119)	(1,124,608)
Changes in		
Receivables	13,122	24,593
Prepaid expenses	135	(49)
Accrued expenses	569	20,000
Grants payable	186,320	73,232
	<hr/>	<hr/>
Cash From Operating Activities	(132,063)	(80,305)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of investments	(5,831,446)	(7,603,545)
Proceeds from sale of investments	5,708,191	4,901,021
	<hr/>	<hr/>
Cash From Investing Activities	(123,255)	(2,702,524)
<b>NET CHANGE IN CASH</b>	(255,318)	(2,782,829)
<b>CASH BEGINNING OF YEAR</b>	525,487	3,308,316
	<hr/>	<hr/>
<b>CASH END OF YEAR</b>	\$ 270,169	\$ 525,487

See accompanying notes



**FRIENDS FOUNDATION FOR THE AGING  
NOTES TO THE FINANCIAL STATEMENTS  
YEARS ENDED APRIL 30, 2011 AND 2010**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Religious Society of Friends Foundation for the Aging, Inc. is the new name for a nonprofit corporation formerly known as Yearly Meeting Friends Home and doing business as McCutchen Friends Home.

McCutchen Friends Home was a nonprofit nursing and residential home located in North Plainfield, New Jersey, affiliated with the Society of Friends, a religious organization. The Home has ceased operations pursuant to a closure plan approved by the Board of Trustees on January 11, 2007.

The Foundation, also affiliated with the Religious Society of Friends, will continue to support and promote high-quality programs and services for older adults that enhance their quality of life through collaboration with other institutions and grant making organizations

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

Cash

For purposes of reporting cash flows, cash includes amounts in demand deposit accounts with federally insured banks and amounts held in cash in the investment brokerage account.

At times throughout the year, the Foundation's cash balance may exceed amounts insured by the Federal Deposit Insurance Corporation (FDIC) and the Securities Investor Protection Corporation (SIPC). At April 30, 2011 and 2010 the balances in the brokerage account was \$3,952 and \$229,201 in excess of insurance limits of \$250,000.

Investments

The Foundation's investments in equity securities and in debt securities are reported at fair value using quoted market prices with gains and losses reported as increases or decreases in net assets. The Foundation's investment in the LLC is reported using the equity method. The LLC's assets are valued at the lower of cost or fair market value. See Note 2 for discussion of fair value measurement.

Fair Value of Financial Instruments

The carrying value of cash in banks, receivables, accrued expenses and grants payable approximate fair value due to the relative short maturities of these instruments.

Depreciation of Property and Equipment

Depreciation is calculated by use of the straight-line method over the estimated useful lives of the assets of five years for property and equipment.

Grants Payable

An unconditional promise to give others cash or other assets is recognized as an expense and as a liability when the promise is made. A promise is considered to be made when the Foundation notifies the recipient. Long-term promises to give are recognized at fair value, using present value techniques.

**FRIENDS FOUNDATION FOR THE AGING  
NOTES TO THE FINANCIAL STATEMENTS  
YEARS ENDED APRIL 30, 2011 AND 2010**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)**

Income Taxes

The Foundation is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. The Foundation is currently operating under the Internal Revenue Service determination letter for Yearly Meeting Friends Home. As of May 1, 2010 the Foundation no longer qualifies as a public charity under Section 509 of the Internal Revenue code and is now considered a private foundation. As such, the Foundation is liable for federal taxes based on its investment income. The provision for April 30, 2011 is included in the accompanying statement of activity and the related liability is included with accrued expenses on the Statement of Financial Position.

Subsequent Events

Management has evaluated subsequent events through October 13, 2011, the date the financial statements were available to be issued.

**NOTE 2 INVESTMENTS**

U S generally accepted accounting principles establish a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The Hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The fair values of the Foundation's stocks, notes, bonds and mutual funds have been determined by quoted market prices at April 30, 2011 and 2010, with the exception of a single non-publicly traded mutual fund\* the value of which has been determined by The Friends Fiduciary Corporation at March 31, 2011 and 2010. The Friends Fiduciary Corporation determines and issues fair value only on the four-calendar quarter dates during the year. The fair value of the remaining stocks, mutual funds, corporate and government bonds and obligations are determined by the custodian, JP Morgan at April 30, 2011 and 2010.

A summary of fair value and unrealized appreciation (depreciation) follows:

	2011		
	Cost	Fair Value	Unrealized- Appreciation (Depreciation)
<b>EQUITIES - LEVEL 1</b>			
US Large Cap Equity	\$ 2,087,261	\$ 2,338,706	\$ 251,444
US Mid Cap Equity	558,961	777,089	218,127
EAFE Equity	1,037,259	1,121,120	83,862
Asia Ex-Japan Equity	361,096	465,957	104,861
Emerging Market Equity	201,269	232,760	31,491
<b>ALTERNATIVE ASSETS - LEVEL 2</b>			
Hedge Funds	856,428	850,626	(5,802)
Real Estate & Infrastructure	212,000	251,934	39,934
Hard Assets	345,236	435,370	90,134
<b>FIXED INCOME - LEVEL 1</b>			
US Fixed Income	3,533,216	3,852,511	319,295
Complementary Structured Strategies	145,840	157,957	12,117
Foreign Exchange & Non-USD Fixed Income	208,500	224,946	16,446
<b>FRIENDS FIDUCIARY CORP FUND - LEVEL 2</b>	<b>1,356,848</b>	<b>1,267,188</b>	<b>(89,659)</b>
<b>Total</b>	<b>\$ 10,903,914</b>	<b>\$ 11,976,164</b>	<b>\$ 1,072,250</b>

**FRIENDS FOUNDATION FOR THE AGING  
NOTES TO THE FINANCIAL STATEMENTS  
YEARS ENDED APRIL 30, 2011 AND 2010**

**NOTE 2 INVESTMENTS (cont.)**

	2010		
	Cost	Fair Value	Unrealized Appreciation (Depreciation)
Stocks	\$ 1,865,330	\$ 2,305,683	\$ 440,353
Corporate Bonds	2,945,000	3,166,622	221,622
US Gov't Obligations	-	-	-
Mortgage Backed Bonds	1,417	1,523	106
Mutual Funds	3,858,130	4,344,373	486,243
Friends Fiduciary Corp Fund*	1,294,149	1,124,957	(169,192)
Total	<u>\$ 9,964,026</u>	<u>\$ 10,943,158</u>	<u>\$ 979,132</u>

The components of investment return consist of the following

	2011	2010
Interest income	\$ 13,177	\$ 41,282
Dividend income	287,894	243,283
Net realized gain (loss) on sale of investments	816,632	465,284
Net unrealized gain (loss) on investments	93,119	1,124,608
Custodial fees	(54,469)	(53,361)
Total Investment Return	<u>\$ 1,156,353</u>	<u>\$ 1,821,096</u>

**NOTE 3 INVESTMENT IN LLC**

On June 15, 2000, the Organization purchased a residential rental building located at 26 Rockview Avenue, North Plainfield, New Jersey. The building was purchased as an investment and is owned by the separate legal entity, 26 Rockview Ave, LLC. This property was held for sale at April 30, 2007 but due to market conditions, the Trustees have decided to keep the investment as part of the Foundation's assets. The net rental income from the LLC has been reported on the statement of activities and the Foundation's 100% interest in the LLC has been reported on the statement of financial position.

**FRIENDS FOUNDATION FOR THE AGING  
NOTES TO THE FINANCIAL STATEMENTS  
YEARS ENDED APRIL 30, 2011 AND 2010**

**NOTE 3 INVESTMENT IN LLC (cont.)**

The investment in the LLC consists of the following:

	<u>2011</u>	<u>2010</u>
Cash	\$ 75,789	\$ 72,620
Prepaid insurance	4,671	5,082
Deposits-lease accounts	1,342	-
Building	274,849	274,849
Land	64,471	64,471
Property & improvements	68,938	68,938
Furniture & fixtures	482	482
Accumulated depreciation	(117,111)	(103,959)
Net Assets	<u>\$ 373,431</u>	<u>\$ 382,483</u>
 Gross Rents	 <u>\$ 55,726</u>	 <u>\$ 60,015</u>
 Rental Expenses		
Taxes	\$ 20,363	\$ 17,826
Depreciation	13,152	13,188
Repairs/miscellaneous	4,210	8,058
Utilities	5,173	4,788
Management fees	3,150	4,095
Maintenance fees	5,367	2,182
Garbage	1,895	1,573
Insurance	10,154	10,504
Professional fees	1,230	-
License, permit fees	84	1,498
	<u>64,778</u>	<u>63,712</u>
Net Rental Income	<u>\$ (9,052)</u>	<u>\$ (3,697)</u>

**NOTE 4 PROPERTY AND EQUIPMENT**

At April 30, 2011, all assets are recorded at their carrying amounts

	<u>2011</u>	<u>2010</u>
Furniture, fixtures and equipment	\$ 847	\$ 847
Accumulated depreciation	(673)	(557)
	<u>\$ 174</u>	<u>\$ 290</u>

**NOTE 5 GRANTS PAYABLE**

Grants payable consist of amounts awarded, but not paid, to nonprofit organizations under the Foundation's grants policy. All payables recorded are due within one year.

**FRIENDS FOUNDATION FOR THE AGING  
NOTES TO THE FINANCIAL STATEMENTS  
YEARS ENDED APRIL 30, 2011 AND 2010**

**NOTE 6 COMMITMENTS**

The Foundation has approved the following grants as of the date of issuance:

*Friends Services for the Aging Grant* approved \$30,608 over a five year period, \$6,000 paid July, 2011.

*Neighborhood Interfaith Movement Grant* \$35,000 approved September 21, 2011 Payable in one lump sum in September 2011.

**NOTE 7 RELATED PARTY DISCLOSURES**

Legal services for 2011 and 2010 in the amounts of \$24,114 and \$7,482, respectively, have been provided to the Organization by a legal firm, which employs a member of the Board of Trustees. These amounts include legal services provided pro bono in the amount of \$7,230 and \$6,927, which have been recorded on the books in 2011 and 2010, respectively.

As stated in Note 3, 26 Rockview Avenue, LLC is a residential rental business owned entirely by the Foundation

**NOTE 8 RISKS AND UNCERTAINTIES**

The Foundation invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statements of financial position.

**NOTE 9 DISCONTINUED OPERATIONS**

The Home notified the State of New Jersey by letter dated January 18, 2007 of the Board of Trustees' decision to discontinue operations and close the nursing home, residential home, and independent apartment facilities located in North Plainfield, New Jersey. The final closure date was June 1, 2007. At May 15, 2008, all operations had ceased, all residents were relocated, and all assets were being held for sale. During 2011 a refund was received related to a deposit made by the McCutchen for insurance capitalization. A net gain of \$18,036 was reported for the year ended April 30, 2011.

Because of the changes in operations, North Plainfield Township levied real estate taxes on the North Plainfield location until the property was sold. The Foundation's attorneys were able to negotiate a \$15,000 refund for part of the taxes paid. However, the Foundation has not been successful in collecting and has written-off the receivable as of April 30, 2011.

## **SUPPLEMENTARY SCHEDULES**

**FRIENDS FOUNDATION FOR THE AGING  
SUPPLEMENTAL INFORMATION  
YEARS ENDED APRIL 30, 2011 AND 2010**

	<u>2011</u>	<u>2010</u>
<b>SCHEDULE 1 PROGRAM EXPENSES</b>		
Seed Grants	\$ 14,375	\$ 28,000
Discretionary Grants	6,436	63,814
Associational Grants	58,369	79,000
Strategic Grants	<u>333,064</u>	<u>137,000</u>
 Total Program Expenses	 <u><u>\$ 412,244</u></u>	 <u><u>\$ 307,814</u></u>

<b>SCHEDULE 2 MANAGEMENT AND GENERAL EXPENSES</b>		
Salaries	\$ 78,645	\$ 70,016
Payroll taxes and benefits	6,295	20,369
Office and miscellaneous expenses	2,038	2,719
Insurance - liability	4,790	5,380
Dues, conference and training	5,246	4,197
Professional services	73,549	28,746
Telephone	1,249	1,203
Travel	2,759	1,888
Board meetings and retreats	1,429	2,919
Depreciation	<u>116</u>	<u>193</u>
 Total Management and General Expenses	 <u><u>\$ 176,116</u></u>	 <u><u>\$ 137,630</u></u>