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

**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 9/01, 2010, and ending 8/31, 2011

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

GURNEY FOUNDATION INC.  
778 PARK AVENUE  
NEW YORK, NY 10021

**A** Employer identification number  
56-6061042

**B** Telephone number (see the instructions)  
516-482-3260

**C** If exemption application is pending, check here

**D** 1 Foreign organizations, check here   
2 Foreign organizations meeting the 85% test, check here and attach computation

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

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

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

**I** Fair market value of all assets at end of year (from Part II, column (c), line 16)  
\$ 1,553,069.

**J** Accounting method:  Cash  Accrual  
 Other (specify) \_\_\_\_\_  
 (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)
<b>1</b> Contributions, gifts, grants, etc. received (att sch)				
<b>2</b> Cl <input checked="" type="checkbox"/> if the foundn is not req to att Sch B				
<b>3</b> Interest on savings and temporary cash investments	44.	44.	44.	
<b>4</b> Dividends and interest from securities	38,954.	38,954.	38,954.	
<b>5a</b> Gross rents				
<b>b</b> Net rental income or (loss)				
<b>6a</b> Net gain/(loss) from sale of assets not on line 10	150,717.			
<b>b</b> Gross sales price for all assets on line 6a	776,704.			
<b>7</b> Capital gain net income (from Part IV, line 2)		150,717.		
<b>8</b> Net short-term capital gain			150,717.	
<b>9</b> Income modifications				
<b>10a</b> Gross sales less returns and allowances				
<b>b</b> Less Cost of goods sold				
<b>c</b> Gross profit/(loss) (att sch)				
<b>11</b> Other income (attach schedule)				
<b>12 Total.</b> Add lines 1 through 11	189,715.	189,715.	189,715.	
<b>13</b> Compensation of officers, directors, trustees, etc	0.			
<b>14</b> Other employee salaries and wages				
<b>15</b> Pension plans, employee benefits				
<b>16a</b> Legal fees (attach schedule)				
<b>b</b> Accounting fees (attach sch) SEE ST 1	7,625.	7,625.		
<b>c</b> Other prof fees (attach sch) SEE ST 2	10,874.	10,874.		
<b>17</b> Interest	57.	57.		
<b>18</b> Taxes (attach schedule)(see instr) SEE STM 3	3,707.			
<b>19</b> Depreciation (attach sch) and depletion				
<b>20</b> Occupancy				
<b>21</b> Travel, conferences, and meetings				
<b>22</b> Printing and publications				
<b>23</b> Other expenses (attach schedule) SEE STATEMENT 4	177.	177.		
<b>24 Total operating and administrative expenses.</b> Add lines 13 through 23	22,440.	18,733.		
<b>25</b> Contributions, gifts, grants paid PART XV	72,000.			72,000.
<b>26 Total expenses and disbursements.</b> Add lines 24 and 25	94,440.	18,733.	0.	72,000.
<b>27 Subtract line 26 from line 12:</b>				
<b>a Excess of revenue over expenses and disbursements</b>	95,275.			
<b>b Net investment income</b> (if negative, enter -0-)		170,982.		
<b>c Adjusted net income</b> (if negative, enter -0-)			189,715.	

SCANNED BY 06/20/11

ADMINISTRATIVE AND OPERATING EXPENSES

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)		Beginning of year	End of year		
		(a) Book Value	(b) Book Value	(c) Fair Market Value			
ASSETS	1	Cash – non-interest-bearing		119,603.	80,941.	80,941.	
	2	Savings and temporary cash investments					
	3	Accounts receivable ▶					
		Less allowance for doubtful accounts ▶					
	4	Pledges receivable ▶					
		Less: allowance for doubtful accounts ▶					
	5	Grants receivable					
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see 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			2,626.		
	10a	Investments – US and state government obligations (attach schedule)			244,809.	331,675.	330,727.
		b Investments – corporate stock (attach schedule)			893,599.	944,651.	1,049,831.
		c Investments – corporate bonds (attach schedule)			89,197.	89,197.	91,370.
	11	Investments – land, buildings, and equipment basis ▶					
	Less accumulated depreciation (attach schedule) ▶						
12	Investments – mortgage loans						
13	Investments – other (attach schedule) STATEMENT 5			200.	200.	200.	
14	Land, buildings, and equipment. basis ▶						
	Less accumulated depreciation (attach schedule) ▶						
15	Other assets (describe ▶)						
16	<b>Total assets</b> (to be completed by all filers – see instructions Also, see page 1, item I)			1,350,034.	1,446,664.	1,553,069.	
LIABILITIES	17	Accounts payable and accrued expenses		7,350.	8,705.		
	18	Grants payable					
	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)			7,350.	8,705.	
NET ASSETS OR FUND BALANCES	Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31. <input checked="" type="checkbox"/>						
	24	Unrestricted		842,684.	937,959.		
	25	Temporarily restricted		500,000.	500,000.		
	26	Permanently restricted					
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. <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)			1,342,684.	1,437,959.	
	31	<b>Total liabilities and net assets/fund balances</b> (see the instructions)			1,350,034.	1,446,664.	

Part III Analysis of Changes in Net Assets or Fund Balances

1	Total net assets or fund balances at beginning of year – Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	1,342,684.
2	Enter amount from Part I, line 27a	2	95,275.
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	1,437,959.
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	1,437,959.

**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)
1a SCHEDULE ATTACHED	P		
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 776,704.		625,987.	150,717.
b			
c			
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) 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	
a			150,717.
b			
c			
d			
e			

2 Capital gain net income or (net capital loss) <span style="float:right">[ If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 ]</span>	2	150,717.
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 the instructions). If (loss), enter -0- in Part I, line 8 <span style="float:right">]</span>	3	150,717.

**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 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	75,000.	1,510,422.	0.049655
2008	89,888.	1,452,260.	0.061895
2007	92,780.	1,865,759.	0.049728
2006	86,999.	1,892,134.	0.045979
2005	85,000.	1,774,025.	0.047914

2 Total of line 1, column (d)	2	0.255171
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	0.051034
4 Enter the net value of noncharitable-use assets for 2010 from Part X, line 5	4	1,621,540.
5 Multiply line 4 by line 3	5	82,754.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	1,710.
7 Add lines 5 and 6	7	84,464.
8 Enter qualifying distributions from Part XII, line 4	8	72,000.

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	3,420.
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	3,420.
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	3,420.
6	Credits/Payments		
a	2010 estimated tax pmts and 2009 overpayment credited to 2010	6a	2,340.
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	2,340.
8	Enter any <b>penalty</b> for underpayment of estimated tax Check here <input type="checkbox"/> if Form 2220 is attached	8	
9	<b>Tax due.</b> If the total of lines 5 and 8 is more than line 7, enter <b>amount owed</b>	9	1,080.
10	<b>Overpayment.</b> If line 7 is more than the total of lines 5 and 8, enter the <b>amount overpaid</b>	10	
11	Enter the amount of line 10 to be <b>Credited to 2011 estimated tax</b> <input type="checkbox"/> <b>Refunded</b> <input type="checkbox"/>	11	

**Part VII-A Statements Regarding Activities**

	Yes	No
1 a		X
1 b		X
<i>If the answer is 'Yes' to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities</i>		
1 c		X
d		
(1) On the foundation ▶ \$ 0. (2) On foundation managers ▶ \$ 0.		
e		
Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ \$ 0.		
2		X
<i>If 'Yes,' attach a detailed description of the activities</i>		
3		X
<i>If 'Yes,' attach a conformed copy of the changes</i>		
4 a		X
4 b		N/A
5		X
<i>If 'Yes,' attach the statement required by General Instruction T</i>		
6	X	
7	X	
8 a		
N/A		
8 b	X	
9		X
10		X

BAA



**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)? 5b N/A
- Organizations relying on a current notice regarding disaster assistance check here ▶
- c** If the answer is 'Yes' to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? N/A  Yes  No
- If 'Yes,' attach the statement required by Regulations section 53.4945-5(d)
- 6a** Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?  Yes  No
- b** Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? 6b X
- If 'Yes' to 6b, file Form 8870
- 7a** At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?  Yes  No
- b** If yes, did the foundation receive any proceeds or have any net income attributable to the transaction? N/A 7b

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

**1 List all officers, directors, trustees, foundation managers and their compensation (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
PAUL LIPTON C/O GREENBERG TAUR 1221 BRICKELL AVENUE MIAMI, FL 33131	SECRETARY 0	0.	0.	0.
ROBERT WITTES C/O WARSHAW BURS 555 FIFTH AVENUE NEW YORK, NY 10017	PRESIDENT 0	0.	0.	0.
ARTHUR ENGLAND C/O GREENBERG T 1221 BRICKELL AVENUE MIAMI, FL 33131	TREASURER 0	0.	0.	0.
-----				

**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				
-----				
-----				
-----				
-----				

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 instructions). If none, enter 'NONE.'

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
-----		
-----		
-----		
-----		
-----		
<b>Total</b> number of others receiving over \$50,000 for professional services		<b>0</b>

**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 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 instructions		
3		
-----		
<b>Total.</b> Add lines 1 through 3		<b>0.</b>

BAA

**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	1,508,105.
b	Average of monthly cash balances	1b	138,128.
c	Fair market value of all other assets (see instructions)	1c	
d	<b>Total</b> (add lines 1a, b, and c)	1d	1,646,233.
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	1,646,233.
4	Cash deemed held for charitable activities Enter 1-1/2% of line 3 (for greater amount, see instructions)	4	24,693.
5	<b>Net value of noncharitable-use assets.</b> Subtract line 4 from line 3. Enter here and on Part V, line 4	5	1,621,540.
6	<b>Minimum investment return.</b> Enter 5% of line 5	6	81,077.

**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	81,077.
2a	Tax on investment income for 2010 from Part VI, line 5	2a	3,420.
b	Income tax for 2010. (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	3,420.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	77,657.
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	77,657.
6	Deduction from distributable amount (see instructions)	6	
7	<b>Distributable amount as adjusted</b> Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	77,657.

**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	72,000.
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	<b>Qualifying distributions</b> Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	72,000.
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	
6	<b>Adjusted qualifying distributions.</b> Subtract line 5 from line 4	6	72,000.

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

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

	(a) Corpus	(b) Years prior to 2009	(c) 2009	(d) 2010
1 Distributable amount for 2010 from Part XI, line 7				77,657.
2 Undistributed income, if any, as of the end of 2010				
a Enter amount for 2009 only			71,784.	
b Total for prior years 20 __, 20 __, 20 __		0.		
3 Excess distributions carryover, if any, to 2010				
a From 2005				
b From 2006				
c From 2007				
d From 2008				
e From 2009				
f Total of lines 3a through e	0.			
4 Qualifying distributions for 2010 from Part XII, line 4: ▶ \$ <u>72,000.</u>				
a Applied to 2009, but not more than line 2a			71,784.	
b Applied to undistributed income of prior years (Election required – see instructions)		0.		
c Treated as distributions out of corpus (Election required – see instructions)	0.			
d Applied to 2010 distributable amount				216.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2010. (If an amount appears in column (d), the same amount must be shown in column (a).)	0.			0.
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	0.			
b Prior years' undistributed income Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b. Taxable amount – see instructions		0.		
e Undistributed income for 2009 Subtract line 4a from line 2a Taxable amount – see instructions			0.	
f Undistributed income for 2010. Subtract lines 4d and 5 from line 1 This amount must be distributed in 2011				77,441.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)	0.			
8 Excess distributions carryover from 2005 not applied on line 5 or line 7 (see instructions)	0.			
9 Excess distributions carryover to 2011. Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9				
a Excess from 2006				
b Excess from 2007				
c Excess from 2008				
d Excess from 2009				
e Excess from 2010				

**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(j)(3) or  4942(j)(5)

	Prior 3 years				(e) Total
	(a) 2010	(b) 2009	(c) 2008	(d) 2007	
<b>2a</b> Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
<b>b</b> 85% of line 2a					
<b>c</b> Qualifying distributions from Part XII, line 4 for each year listed					
<b>d</b> Amounts included in line 2c not used directly for active conduct of exempt activities					
<b>e</b> Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
<b>3</b> Complete 3a, b, or c for the alternative test relied upon					
<b>a</b> 'Assets' alternative test – enter:					
<b>(1)</b> Value of all assets.					
<b>(2)</b> Value of assets qualifying under section 4942(j)(3)(B)(i)					
<b>b</b> 'Endowment' alternative test – enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
<b>c</b> 'Support' alternative test – enter:					
<b>(1)</b> Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
<b>(2)</b> Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
<b>(3)</b> Largest amount of support from an exempt organization					
<b>(4)</b> 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)				
a Paid during the year SCHEDULE ATTACHED ,		PUBLIC	SCIENTIFIC, EDUCATIONAL, CHARITABLE	72,000.
<b>Total</b> <span style="float: right;">▶ 3a</span>				72,000.
b Approved for future payment				
<b>Total</b> <span style="float: right;">▶ 3b</span>				





## GURNEY FOUNDATION INC.

56-6061042

STATEMENT 1  
FORM 990-PF, PART I, LINE 16B  
ACCOUNTING FEES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
PREPARATION OF REPORT & 990-PF	\$ 7,625.	\$ 7,625.		
TOTAL	<u>\$ 7,625.</u>	<u>\$ 7,625.</u>	<u>\$ 0.</u>	<u>\$ 0.</u>

STATEMENT 2  
FORM 990-PF, PART I, LINE 16C  
OTHER PROFESSIONAL FEES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INVESTMENT ADVISORY FEES	\$ 10,874.	\$ 10,874.		
TOTAL	<u>\$ 10,874.</u>	<u>\$ 10,874.</u>	<u>\$ 0.</u>	<u>\$ 0.</u>

STATEMENT 3  
FORM 990-PF, PART I, LINE 18  
TAXES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
EXCISE TAX	\$ 3,707.			
TOTAL	<u>\$ 3,707.</u>	<u>\$ 0.</u>	<u>\$ 0.</u>	<u>\$ 0.</u>

STATEMENT 4  
FORM 990-PF, PART I, LINE 23  
OTHER EXPENSES

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ADVERTISING	\$ 136.	\$ 136.		
BANK CHARGES	41.	41.		
TOTAL	<u>\$ 177.</u>	<u>\$ 177.</u>	<u>\$ 0.</u>	<u>\$ 0.</u>

STATEMENT 5  
FORM 990-PF, PART II, LINE 13  
INVESTMENTS - OTHER

<u>OTHER INVESTMENTS</u>	<u>VALUATION METHOD</u>	<u>BOOK VALUE</u>	<u>FAIR MARKET VALUE</u>
	COST	\$ 200.	\$ 0.
	TOTAL	<u>\$ 200.</u>	<u>\$ 0.</u>

Gurney Foundation Inc.  
Sale of Securities  
FYE 8/31/11

Wells Fargo A/c # 1

Date	Rate	Price	Share	Symbol	Acq. Price	Cost	Gain or (Loss)	LT
12/2/08	11/2/10	71	Adobe Systems Inc	265.77	1777-	48078	L	
3/11/10	11/2/10	90	Affiliated Managers Group	802516	6864-	116116	L	
12/4/08	11/2/10	7	CME Group Inc	199434	1307-	68734	L	
3/11/10	11/2/10	45	FS Networks Inc	1260469	6000-	660469	L	
12/4/08	11/2/10	150	Dollar Tree Stores Inc	840524	4143-	426244	L	
3/11/10	11/2/10	178	Guerr? Inc	869871	8014-	6871	L	
3/11/10	11/2/10	461	Ishares MSCI Australia	1119916	10901-	29816	L	
12/4/08	11/2/10	67	JM Smucker CO	421356	2817-	139656	L	
3/11/10	11/2/10	90	Joy Global Inc	694248	5136-	180648	L	
12/4/08	11/2/10	59	Qualcomm Inc	282132	1779-	104232	L	
12/4/08	11/2/10	64	Schlumberger Ltd	492220	2697-	22220	L	
4/11/09	11/2/10	655	SPDR S&P 500 Trust ETF	7855492	56854-	2170092	L	
5/11/10	11/2/10	295	SPDR K&W Regal Bkgs ETF	678329	7973-	(118991)	L	
5/11/10	11/2/10	140	US Bancorp New	337321	3457-	(8379)	L	
12/4/08	6/9/11	51	Dionex Corp	604350	2556-	348750	L	
3/11/10	7/27/11	147	Accenture Plc Ireland Shs	880128	6168-	263928	L	
3/11/10	7/27/11	86	Allergan Inc	696287	5276-	168687	L	
3/11/10	7/27/11	60	Apache Corp Common	748066	6431-	104966	L	
12/4/08	7/27/11	121	Bed Bath & Beyond Inc	699379	2756-	423779	L	
12/3/08	7/27/11	53	Best Buy Co Inc	152743	1123-	40443	L	
12/3/08	7/27/11	82	Danaher Corp	404662	2091-	195562	L	
4/22/09	7/27/11	380	Ishares Iboxx & Yield ETF Corp Bond Fund	3462243	28076-	654643	L	
12/4/08	7/28/11	79	Digital Realty Trust Inc	474386	2234-	250986	L	
3/11/10	7/28/11	63	Dolby Laboratories Inc	272155	3607-	(8854)	L	
12/4/08	7/28/11	110	Dominion Res Inc Va New	537714	3926-	145114	L	
12/4/08	7/28/11	93	Expeditors Intl Wash Inc	443601	2980-	145601	L	
12/4/08	7/28/11	63	Factset Research Systems	580219	2427-	337519	L	
4/22/09	7/28/11	100	Fastenal Co	335359	1802-	155159	L	
12/4/08	7/28/11	106	Fiserv Inc	650261	3462-	304061	L	
LT	7/28/11	274	General Electric Company	40999-	4850-	149-	L	
5/18/10	7/28/11	10	Google Inc Cl A	611868	5024-	109468	L	
3/11/10	7/28/11	259	Heartland Express Inc	393232	4172-	(23968)	L	
12/4/08	7/28/11	97	Heinz HI Co Common	513120	3634-	149720	L	
12/4/08	7/28/11	541	Ishares MSCI EAFE Ind Fd	3184265	21694-	1014865	L	
12/4/08	7/28/11	338	Ishares Morningstar Mid Growth Index Fund	3550216	16875-	1862716	L	
4/22/09	7/28/11	150	Ishares S&P 500 Growth Index Fund	1049184	6658-	383384	L	
					36823545	25754-	11069445	

Gurney Foundation, Inc.  
 Sale of Securities  
 FYE 8/31/11

		Wells Fargo: A/C #1 (CONTINUED)			Sales Price	Cost	Gain or (Loss)
Date Purch	Date Sold						
		Balances Forward		36823545	257541-	11069445	
LT	7/28/11	1,337	Ishares Tr MSCI Emerging MKTS Index Fd	6318942	46634-	1655542	
5/18/10	7/28/11	190	Knight Transportation Inc.	301040	4024-	(101360)	
3/11/10	7/28/11	138	Merck & Co Inc New	485574	5051-	(19526)	
12/4/08	7/28/11	208	Microsoft Corp	573125	4132-	159925	
3/11/10	7/28/11	177	Nalco Holding Co	630462	4184-	212062	
4/22/09	7/28/11	420	Powershares Dynamic Healthcare Sector Port	1281773	7604-	521373	
11/24/10	7/28/11	180	Rydex S+P Equal Weight Technology	957659	939960	17699	
3/11/10	7/28/11	115	SL Green Realty Corp REIT	946294	6520-	294294	
11/24/10	7/28/11	200	Select Sector SPDR Tr Utilities Sel.	673049	619928	53119	
3/11/10	7/28/11	206	Select Sector SPDR Fd Materials	802211	6772-	125011	
12/4/08	7/28/11	155	Staples Inc.	247921	2847-	(3679)	
12/4/08	7/28/11	121	Morgan Stanley TechETF	774022	3920-	382022	
12/4/08	7/28/11	113	Urban Outfitters Inc.	367955	2162-	151755	
3/11/10	7/28/11	414	Vanguard REIT ETF	2519970	19595-	560470	
11/24/10	7/28/11	132	Merck & Co, Inc New	464376	462346	2030	
		Totals	Wells Fargo #1	54167916	39120834	15047082	

Date Purchased	Date Sold	Description	Sales Price	Cost	Gain or (Loss)
2/19/10	9/16/10	25,000 FNMA 9/16/19	25000	2535672	(35672)
3/11/10	9/24/10	10,000 FNMA 3/24/15	10000	10005	(5)
3/11/10	9/29/10	10,000 FNMA 9/29/15	10000	1010243	(10243)
2/30/11	11/8/11	7,000 FHLMK 4/15/34	18597	25698	(7101)
2/30/11	11/8/11	Pink. Pymts. FHLMK 4/15/34	681403	681403	0
LT	9/16/10	Pink. Pymts. GNMA 3/15/15	2488	2488	0
LT	2/15/11	Pink. Pymts. FHLMK 3/15/34	3865681	3865681	0
LT	2/15/11	43,000 FHLMK 3/15/34	434320	377317	57003
11/6/05	1/24/11	25,000 Royal Bank Amnca	25000	25005	(5)
2/19/10	2/15/11	25,000 Freddie Mac 8/15/19	25000	2448625	1375
2/19/10	5/20/11	25,000 FNMA 2/24/20	25000	2491125	8875
7/2/08	7/11/11	25,000 Crescent Bank	25000	24901	99
11/24/10	8/23/11	20,000 FHLMK 11/23/16	20000	20005	(5)
11/24/10	8/29/11	20,000 FHLMK 11/15/19	20000	19980	20

Totals Wells Fargo # 2

23502489 23477852 24637

Grand Totals - All Accounts w/

77670405 62598686 15071719

GURNEY FOUNDATION, INC.

FINANCIAL STATEMENTS

AUGUST 31, 2011

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# Cummings & Carroll, P.C.

Certified Public Accountants

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## INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors  
Gurney Foundation, Inc.  
New York, New York

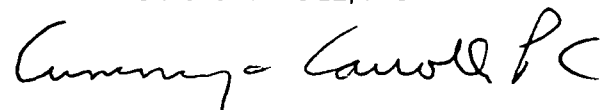
We have reviewed the accompanying statements of financial position of the Gurney Foundation, Inc. as of August 31, 2011 and 2010, and the related statements of activity and cash flows for the years then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management of the Gurney Foundation, Inc.

A review consists principally of inquiries of foundation management and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with generally accepted accounting principles.

Our review was made for the purpose of expressing limited assurance that there are no material modifications that should be made to the financial statements in order for them to be in conformity with generally accepted accounting principles. The information included in the accompanying schedules of marketable securities and charitable contributions is presented only for supplementary analysis purposes. Such information has not been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements, and we are not aware of any modifications that should be made to it.

CUMMINGS & CARROLL, P C



Certified Public Accountants

November 3, 2011  
Great Neck, New York

GURNEY FOUNDATION, INC.  
STATEMENTS OF FINANCIAL POSITION  
AUGUST 31,  
(Unaudited)

ASSETS

	<u>2011</u>	<u>2010</u>
<u>Special Bequest - Estate of Robert Gurney</u>		
Federal Home Loan Mortgage: face value \$391,000 and \$331,000, respectively, at market, cost \$328,902 and \$241,714, respectively	\$ 327,954	\$ 241,974
Accrued interest	2,773	3,095
Corporate Bonds- cost \$89,197	91,370	92,622
Certificates of Deposit - cost \$50,000 and \$99,906, respectively	51,607	103,765
Money market account	42,615	81,957
Total special bequest fund	516,319	523,413
Available for distribution	16,319	23,413
 Principal - special bequest assets	 500,000	 500,000
 <u>Unrestricted Assets</u>		
Cash - Branch Banking & Trust Company	35,027	34,487
Cash-Wells Fargo	3,299	3,159
Marketable securities at market, cost \$884,650 and \$808,401, respectively	988,224	908,401
Gurney Industrial, Inc. - 10,000 shares cost \$10,000 (market value - not available)	10,000	10,000
Special bequest fund - available for distribution	16,319	23,413
Other assets	200	200
Prepaid excise tax	-	2,627
Total unrestricted assets	1,053,069	982,287
 Total Assets	 \$ 1,553,069	 \$ 1,482,287

LIABILITIES AND FOUNDATION PRINCIPAL

<u>Liabilities</u>		
Accounts payable and accruals	\$ 8,704	\$ 7,350
 Foundation principal - restricted	 500,000	 500,000
- unrestricted	1,044,365	974,937
Total principal	1,544,365	1,474,937
 Total Liabilities and Foundation Principal	 \$ 1,553,069	 \$ 1,482,287

GURNEY FOUNDATION, INC.  
 STATEMENTS OF ACTIVITY  
 FOR THE YEARS ENDED AUGUST 31,  
 (Unaudited)

	<u>2011</u>	<u>2010</u>
Revenue		
Dividends and interest	\$ 38,998	\$ 37,471
Gain on sale of securities	<u>150,717</u>	<u>36,686</u>
Total revenue	<u>189,715</u>	<u>74,157</u>
Expenses		
Investment advisory fees	10,874	9,183
Accounting fees	7,625	7,350
Other	234	229
Excise tax	<u>3,707</u>	<u>748</u>
Total expenses	<u>22,440</u>	<u>17,510</u>
Excess or (deficit) of income over expenses	167,275	56,647
Contributions	<u>72,000</u>	<u>75,000</u>
Excess or (Deficit) of net revenue over contributions	95,275	(18,353)
Unrestricted Assets - increase (decrease) in unrealized appreciation of securities	(21,135)	15,249
Restricted Assets - Increase (decrease) in unrealized appreciation of securities	<u>(4,712)</u>	<u>9,007</u>
Increase (decrease) in foundation principal	69,428	5,903
Foundation principal - September 1, 2010-2009	<u>1,474,937</u>	<u>1,469,034</u>
Foundation principal - August 31, 2011-2010	<u>\$ 1,544,365</u>	<u>\$ 1,474,937</u>
Consisting of - Restricted Fund	\$ 500,000	\$ 500,000
- Unrestricted Fund	\$ 1,044,365	\$ 974,937

GURNEY FOUNDATION, INC  
 STATEMENTS OF CASH FLOWS  
 FOR THE YEARS ENDED AUGUST 31,  
 (Unaudited)

	<u>2011</u>	<u>2010</u>
Cash Flows From Operating Activities:		
Excess or (deficit) of net revenues over contributions	\$ 95,275	\$ (18,353)
Adjustments to reconcile excess of net revenue over contributions to cash from operating activities:		
Prepaid excise tax	2,627	748
Accrued interest income receivable	322	(1,485)
Accrued professional fees and other	1,354	200
	<u>99,578</u>	<u>(18,890)</u>
Net cash (used for) operating activities		
Cash Flows From Investing Activities:		
Purchases of marketable securities	(764,227)	(597,196)
Sales of marketable securities	625,987	414,118
	<u>(138,240)</u>	<u>(183,078)</u>
Net cash provided by (used for) investing activities		
Net increase (decrease) in cash	(38,662)	(201,968)
Cash - September 1, 2010-2009	<u>119,603</u>	<u>321,571</u>
Cash - August 31, 2011-2010	<u>\$ 80,941</u>	<u>\$ 119,603</u>

Supplemental disclosures of cash information:

Cash paid during the years for:

Interest	\$ 57	\$ -
Federal excise taxes	\$ -	\$ -

GURNEY FOUNDATION, INC  
NOTES TO FINANCIAL STATEMENTS  
AUGUST 31, 2011  
(Unaudited)

1. Summary of Significant Accounting Policies

Gurney Foundation, Inc. (the Foundation) operates as a private foundation under section 501(c)(3) of The Internal Revenue Code. The significant accounting policies followed by the Foundation are summarized as follows:

a. Security Valuation

Investments in securities were valued at market price by Morgan Stanley Dean Witter.

b. Federal Taxes

The Foundation pays a 2% (or if qualified a reduced 1%) federal excise tax on net investment income.

c. Income and Expense Recognition

Interest income and expenses are recognized on the accrual basis.

d. Undistributed Income

The Foundation is required to distribute for religious, charitable, educational and scientific purposes an amount determined in accordance with the Internal Revenue Code and Regulations. This amount must be distributed by the end of the next fiscal year of the Foundation. The amount that must be distributed by August 31, 2012 is \$78,000.

2. Restricted Fund

In January 1987, the Foundation received a \$500,000 bequest from the Estate of Robert Gurney. In accordance with a legal opinion furnished to the Foundation, distributions of principal can not be made without obtaining a court order. Income distributions are not restricted.

# Cummings & Carroll, P.C.

Certified Public Accountants

175 Great Neck Road  
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## INDEPENDENT ACCOUNTANTS' REVIEW REPORT ON SUPPLEMENTAL MATERIAL

To the Board of Directors  
Gurney Foundation, Inc.  
New York, New York

Our review of the basic financial statements included in the preceding section of this report was directed to an expression of limited assurance on those statements taken as a whole. The supplemental material in the following section is presented only for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the inquiry and analytical procedures applied in the reviews of the basic financial statements. Based on our reviews, we did not become aware of any material modifications that should be made to the supplemental material in order for such information to be in conformity with generally accepted accounting principals when considered in relation to the financial statements taken as a whole.

CUMMINGS & CARROLL, P C



Certified Public Accountants

November 3, 2011  
Great Neck, New York

GURNEY FOUNDATION, INC  
SCHEDULE OF INVESTMENTS  
AUGUST 31, 2011

Date Acquired	Description		Cost	Market Value
Various	391,000	FHLMC, FNMA, Freddie Mac and GNMA and US Treasury Notes	\$ 328,902	\$ 327,954
07/21/08	25,000	Gibraltar Private Bank CD	25,000	25,913
09/07/05	25,000	Provident Bank CD	25,000	25,694
03/11/10	10,000	AT&T Inc	10,730	11,456
03/11/10	10,000	Caterpillar Fin Serv Corp	10,785	10,855
03/11/10	10,000	Comcast Corp	10,956	10,969
03/11/10	10,000	Florida Power Corp	11,091	12,014
03/11/10	6,000	Hewlett Packard Co.	6,837	6,660
03/11/10	10,000	John Deere Capital Corp Due 9/10/18	11,056	11,990
03/11/10	10,000	John Deere Capital Corp Due 9/9/13	10,976	10,820
03/11/10	15,000	Wyeth	16,766	16,606
Various	121	shares Ace Limited	6,184	7,814
07/28/11	133	shares Altera Corporation	5,435	4,840
Various	53	shares Apple, Inc	8,050	20,396
Various	576	shares AT&T, Inc	16,378	16,404
12/03/08	500	shares Berkshire Hathaway, Inc	33,370	36,500
Various	150	shares Chevron Corporation	11,801	14,826
12/04/08	166	shares Church and Dwight, Inc	4,754	7,228
12/03/08	260	shares CISCO Systems, Inc	4,165	4,074
07/28/11	248	shares CMS Energy Corp	4,835	4,886
07/28/11	70	shares Cullen Frost Bankers Inc.	3,809	3,569
07/28/11	424	shares Cypress Semiconductor Corp	8,614	6,716
12/03/08	38	shares Deere and Co	1,279	3,071
11/24/10	320	shares Dicks Sporting Goods Inc.	11,042	11,242
Various	307	shares Donaldson Company, Inc.	15,740	18,107
07/28/11	108	shares Ensco P/C Sponsered ADR	5,682	5,212
12/04/08	140	shares Express Scripts, Inc.	3,863	6,572
12/04/08	78	shares Exxon Mobil Corp	6,095	5,774
Various	2,615	shares Financial Select Sector	33,033	34,989
07/28/11	123	shares Freeport-McMoran Copper & Gold Inc	6,672	5,795
03/11/10	156	shares Graco Incorporated Com	4,720	6,159
07/28/11	130	shares Hubbell Inc. CL B	8,007	7,687
03/11/10	482	shares Intel Corp	10,236	9,703
Various	400	shares International Paper Co.	10,101	10,860
12/04/08	1,029	shares Ishare Tr-S&P Sm Cap 600 Index Fnd	41,968	67,368
12/04/08	1,600	shares Ishares MSCI Eafe Ind Fund	64,156	85,712
11/25/10	550	shares Ishare Tr-S&P Mid Cap 400 Index Fnd	47,303	48,158
11/24/10	450	shares Jeffries Group	10,817	7,384
05/18/10	165	shares JPMorqan Chase & Co	6,514	6,197
07/28/11	214	shares KBR Inc.	7,839	6,431
12/04/08	105	shares Lab Corp of America Holdings	6,487	8,771
07/28/11	119	shares Lam Research Corp	4,989	4,422
07/28/11	99	shares MetLife Inc	3,929	3,326
12/04/08	59	shares Mohawk Inds, Inc	1,895	2,923
07/28/11	61	shares Newlife Exploration Company	4,198	3,114
12/04/08	97	shares Oneok, Inc	2,622	6,877
Subtotal carried forward			<u>894,681</u>	<u>974,038</u>

GURNEY FOUNDATION, INC  
SCHEDULE OF INVESTMENTS  
AUGUST 31, 2011  
(CONTINUED)

<u>Date Acquired</u>			<u>Description</u>	<u>Cost</u>	<u>Market Value</u>
			Subtotal carried forward	<u>894,681</u>	<u>974,038</u>
12/04/08	90	shares	Pepsico Inc	4,858	5,799
Various	1,060	shares	Powershares DB Comm Ind Track Fd.	28,460	31,970
07/28/11	360	shares	Powershares S&P Sm Cap Cons Discre Port	10,538	9,446
11/24/10	600	shares	Powershares S&P Sm Cap Utilities Port	16,699	17,946
07/28/11	690	shares	Powershares S&P Sm Cap Fin Port	18,829	17,588
07/28/11	389	shares	Powershares S&P Sm Cap Info Tech Port	11,308	10,130
07/28/11	313	shares	Powershares S&P Sm Cap Indust Port	9,063	8,329
05/18/10	260	shares	Powershares S&P Sm Cap Health Care Port	6,547	7,714
12/04/08	23	shares	Praxair Inc	1,206	2,265
12/04/08	116	shares	Proctor and Gamble Co.	7,271	7,387
Various	550	shares	Skyworks Solutions, Inc.	12,004	11,347
04/22/09	548	shares	SPDR S&P 500 Trust ET	47,571	66,977
12/04/08	82	shares	Target Corp	2,768	4,237
03/11/10	11	shares	Tiffany & Co New	5,008	7,916
12/04/08	108	shares	United Technologies Corp	5,130	8,019
05/18/10	2,310	shares	Vanquard MSCI EAFE ET	81,690	78,494
Various	3,086	shares	Vanquard Emerging Mkts	139,848	135,568
03/11/10	320	shares	Vanquard REIT ETF	15,143	18,435
11/25/10	310	shares	Verizon Communications Com	10,009	11,211
03/11/10	202	shares	Whiting Petroleum Corp	7,955	9,516
Various	85	shares	3M Co	6,375	7,053
07/16/08	1,774	shares	Invesco Van Kampen Sen Inc. Tr	9,788	7,770
				<u>\$ 1,352,749</u>	<u>\$ 1,459,155</u>

GURNEY FOUNDATION, INC  
SCHEDULE OF INVESTMENTS  
AUGUST 31, 2010

Date Acquired		Description	Cost	Market Value
Various	331,000	FHLMC, FNMA, Freddie Mac and GNMA	\$ 241,714	\$ 241,974
07/21/08	25,000	Crescent State Bank CD	24,901	25,733
07/21/08	25,000	Gibalter Private Bank CD	25,000	26,571
09/07/05	25,000	Provident Bank CD	25,000	26,096
11/16/05	25,000	Royal Bank America CD	25,005	25,365
03/11/10	10,000	AT&T Inc	10,730	11,565
03/11/10	10,000	Caterpillar Fin Serv Corp	10,785	10,968
03/11/10	10,000	Comcast Corp	10,956	11,144
03/11/10	10,000	Florida Power Corp	11,091	11,926
03/11/10	6,000	Hewlett Packard Co	6,837	6,944
03/11/10	10,000	John Deere Capital Corp. Due 9/10/18	11,056	11,965
03/11/10	10,000	John Deere Capital Corp Due 9/9/13	10,976	11,096
03/11/10	15,000	Wyeth	16,766	17,014
03/11/10	147	shares Accenture, Plc Ireland	6,168	5,380
12/04/08	86	shares Ace Limited	4,103	4,598
12/03/08	79	shares Adobe Systems, Inc.	1,777	2,188
03/11/10	90	shares Affiliated Managers Group	6,864	5,779
03/11/10	86	shares Allergan, Inc	5,276	5,282
03/11/10	60	shares Apache Corp Common	6,431	5,391
12/03/08	43	shares Apple, Inc	4,118	10,453
12/04/08	216	shares AT&T, Inc	6,235	5,838
12/04/08	121	shares Bed, Bath and Beyond, Inc	2,756	4,352
12/03/08	500	shares Berkshire Hathaway, Inc	33,370	39,390
12/03/08	53	shares Best Buy Co, Inc	1,123	1,664
12/03/08	75	shares Chevron Corporation	5,620	5,556
12/04/08	83	shares Church and Dwight, Inc.	4,754	5,082
12/03/08	260	shares CISCO Systems, Inc	4,165	5,196
12/04/08	7	shares CME Group, Inc	1,307	1,737
12/03/08	82	shares Danaher Corp	2,091	2,979
12/03/08	38	shares Deere and Co	1,279	2,404
12/04/08	79	shares Digital Realty Trust, Inc.	2,234	4,682
12/04/08	51	shares Dionex Corp	2,556	3,698
03/11/10	63	shares Dolby Laboratories, Inc	3,607	3,491
12/04/08	150	shares Dollar Tree Stores, Inc.	4,143	6,791
12/04/08	110	shares Dominion Res Inc VA New	3,926	4,700
05/18/10	135	shares Donaldson Company, Inc	5,990	5,657
12/04/08	93	shares Expeditors Int'l Wash, Inc	2,980	3,683
12/04/08	140	shares Express Scripts, Inc	3,863	5,964
12/04/08	78	shares Exxon Mobil Corp	6,095	4,611
12/04/08	63	shares Factset Research Systems, Inc	2,427	4,634
04/22/09	50	shares Fastenal Co	1,802	2,264
Various	2,615	shares Financial Select Sector	33,033	35,445
12/04/08	106	shares Fiserv, Inc	3,462	5,301
03/11/10	95	shares FS Networks, Inc	6,000	8,306
Various	274	shares General Electric Company	4,850	3,968
05/18/10	10	shares Google, Inc.	5,024	4,500
03/11/10	156	shares Graco Incorporated Com	4,720	4,354
03/11/10	178	shares Guess? Inc	8,014	5,753
03/11/10	259	shares Heartland Express, Inc	4,172	3,766
12/04/08	97	shares Heinz HJ Co	3,634	4,485
Subtotal carried forward			<u>640,786</u>	<u>677,683</u>

GURNEY FOUNDATION, INC  
SCHEDULE OF INVESTMENTS  
AUGUST 31, 2010  
(CONTINUED)

<u>Date Acquired</u>			<u>Description</u>	<u>Cost</u>	<u>Market Value</u>
			Subtotal carried forward	<u>640,786</u>	<u>677,683</u>
03/11/10	482	shares	Intel Corp.	10,236	8,515
03/11/10	199	shares	International Paper Co	4,980	4,072
12/04/08	1,029	shares	Ishare Tr-S&P Sm Cap 600 Index Fnd	41,968	54,794
04/22/09	380	shares	Ishares Iboxx and Yd Et Corp Bond Fd	28,076	33,117
12/04/08	338	shares	Ishares Morningstar Mid Growth Ind Fnd	16,875	25,512
03/11/10	461	shares	Ishares MSCI Australia Index	10,901	9,709
12/04/08	2,141	shares	Ishares MSCI Eafe Ind Fund	85,850	106,922
04/22/09	150	shares	Ishares S&P 500 Growth Index Fund	6,658	8,123
Various	1,337	shares	Ishares Tr MSCI Emerging Mkts Ind	46,634	53,560
12/04/08	67	shares	JM Smucker Co	2,817	3,918
03/11/10	90	shares	Joy Global Inc	5,136	5,105
05/18/10	165	shares	JPMorgan Chase & Co	6,514	5,999
05/18/10	190	shares	Knight Transportation, Inc	4,024	3,580
12/04/08	105	shares	Lab Corp of America Holdings	6,487	7,625
03/11/10	138	shares	Merck & Co, Inc New	5,051	4,852
12/04/08	208	shares	Microsoft Corp	4,132	4,881
12/04/08	59	shares	Mohawk Inds, Inc	1,895	2,614
12/04/08	121	shares	Morgan Stanley Tech	3,920	6,242
03/11/10	177	shares	Nalco Holding Co.	4,184	4,021
12/04/08	97	shares	Oneok, Inc	2,622	4,162
12/04/08	90	shares	Pepsico Inc.	4,858	5,776
01/14/09	410	shares	Powershares DB Comm Ind. Track. Fd	8,514	9,102
05/18/10	260	shares	Powershares S&P Sml Cap Hlth Port	6,547	5,801
04/22/09	420	shares	Powershares Dyn. Healthcare Sec Port	7,604	9,253
12/04/08	23	shares	Praxair, Inc	1,206	1,979
12/04/08	116	shares	Proctor and Gamble Co	7,271	6,922
12/04/08	59	shares	Qualcomm, Inc	1,779	2,260
12/04/08	64	shares	Schlumberger, Ltd	2,697	3,413
03/11/10	206	shares	Select Sector SPDR Fd	6,772	6,394
05/18/10	200	shares	Skyworks Solutions, Inc	2,954	3,564
03/11/10	115	shares	SL Green Realty Corp	6,520	6,932
05/18/10	295	shares	SPDR KBW Reql Bnkq ET	7,973	6,230
04/22/09	1,203	shares	SPDR S&P 500 Trust ET	104,425	126,688
12/04/08	155	shares	Staples, Inc	2,847	2,754
12/04/08	82	shares	Target Corp	2,768	4,195
03/11/10	110	shares	Tiffany & Co New	5,008	4,359
12/04/08	108	shares	United Technologies Corp	5,130	7,043
12/04/08	113	shares	Urban Outfitters, Inc	2,162	3,426
05/18/10	140	shares	US Bankcorp New	3,457	2,912
12/04/08	336	shares	Vanquard Emerging Mkts.	7,374	13,709
05/18/10	710	shares	Vanquard Europe ET	21,922	22,351
03/11/10	734	shares	Vanquard REIT ETF	34,738	36,920
03/11/10	101	shares	Whiting Petroleum Corp	7,955	8,569
12/03/08	41	shares	3M Co	2,494	3,221
07/16/08	1,774	shares	Invesco Van Kampen Sen Inc Tr	9,788	7,983
				<u>\$ 1,214,509</u>	<u>\$ 1,346,762</u>

GURNEY FOUNDATION, INC.  
SCHEDULE OF CHARITABLE CONTRIBUTIONS  
FOR THE YEARS ENDED AUGUST 31,

	<u>2011</u>	<u>2010</u>
Big Brothers/Big Sisters	\$ 4,000	\$ 5,000
Casa Valentina	2,000	1,500
Central Park Conservancy	7,000	7,500
CGCC - Mission One	3,000	-
Dunkin Memorial Camp	5,000	5,000
Family Counseling Services of Greater Miami	30,000	30,000
Fresh Air Fund	7,000	7,500
New Alternatives for Children	10,000	10,000
South Florida S.P.C.A.	1,000	3,500
Step It Up Recovery Center	1,000	-
Teen Court of Sarasota	<u>2,000</u>	<u>5,000</u>
Total Contributions	<u>\$ 72,000</u>	<u>\$ 75,000</u>