SCANNED FEB 1 1 2013

HURRICANE SANDY

Form **990-PF**

Department of the Treasury
Internal Revenue Service

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

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

OMB No 1545-0052

2011

For calendar year 2011 or tax year beginning , 2011, and ending , 20

Name of foundation: THE COWLES CHARITABLE TRUST

A Employer identification number: 13-6090295

Number and street (or P O box number if mail is not delivered to street address): P.O. BOX 219 C/O MARY CROFT, TREASURER

Room/suite:

B Telephone number (see instructions): (732) 936-9826

City or town, state, and ZIP code: RUMSON, NJ 07760

C If exemption application is pending, check here ▶ ☐

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

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

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

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

I Fair market value of all assets at end of year *(from Part II, col (c), line 16)* ▶ $ 19,179,875.

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

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

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

	Line	Description	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1	Contributions, gifts, grants, etc , received (attach schedule)				
	2	Check ▶ [X] if the foundation is **not** required to attach Sch B				
	3	Interest on savings and temporary cash investments	20.	20.		ATCH 1
	4	Dividends and interest from securities	514,041.	514,041.		ATCH 2
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10	220,039.			
	b	Gross sales price for all assets on line 6a 3,858,102.				
	7	Capital gain net income (from Part IV, line 2)		220,039.		
	8	Net short-term capital gain				
	9	Income modifications				
	10a	Gross sales less returns and allowances				
	b	Less Cost of goods sold				
	c	Gross profit or (loss) (attach schedule)				
	11	Other income (attach schedule)	-52,048.	-51,804.		ATCH 3
	12	**Total.** Add lines 1 through 11	682,052.	682,296.		
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc	103,505.	34,502.		69,003.
	14	Other employee salaries and wages				
	15	Pension plans, employee benefits				
	16a	Legal fees (attach schedule)				
	b	Accounting fees (attach schedule) ATCH 4	20,000.	10,000.		10,000.
	c	Other professional fees (attach schedule) *	105,397.	105,397.		
	17	Interest				
	18	Taxes (attach schedule) (see instructions) **	8,644.	3,644.		
	19	Depreciation (attach schedule) and depletion				
	20	Occupancy				
	21	Travel, conferences, and meetings				
	22	Printing and publications				
	23	Other expenses (attach schedule) ATCH 7	40,742.	197.		40,545.
	24	**Total operating and administrative expenses.** Add lines 13 through 23	278,288.	153,740.		119,548.
	25	Contributions, gifts, grants paid	240,000.			240,000.
	26	**Total expenses and disbursements** Add lines 24 and 25	518,288.	153,740.	0	359,548.
	27	Subtract line 26 from line 12				
	a	**Excess of revenue over expenses and disbursements**	163,764.			
	b	**Net investment income** (if negative, enter -0-)		528,556.		
	c	**Adjusted net income** (if negative, enter -0-)				

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	615.	1,251.	1,251.
2 Savings and temporary cash investments	1,138,150.	1,635,262.	1,635,262.
3 Accounts receivable ▶			
Less allowance for doubtful accounts ▶	7,492.		
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 instructions)			
7 Other notes and loans receivable (attach schedule) ▶			
Less allowance for doubtful accounts ▶			
8 Inventories for sale or use			
9 Prepaid expenses and deferred charges			
10 a Investments - U S and state government obligations (attach schedule)**	1,486,215.	1,590,308.	1,923,634.
b Investments - corporate stock (attach schedule) ATCH 9	11,594,285.	11,659,809.	12,909,304.
c Investments - corporate bonds (attach schedule) ATCH 10	2,156,322.	1,878,413.	2,092,194.
11 Investments - land, buildings, and equipment basis ▶			
Less accumulated depreciation (attach schedule) ▶			
12 Investments - mortgage loans			
13 Investments - other (attach schedule) ATCH 11	490,594.	277,983.	618,230.
14 Land, buildings, and equipment basis ▶			
Less accumulated depreciation (attach schedule) ▶			
15 Other assets (describe ▶)			
16 **Total assets** (to be completed by all filers - see the instructions Also, see page 1, item I)	16,873,673.	17,043,026.	19,179,875.
Liabilities			
17 Accounts payable and accrued expenses		5,589.	
18 Grants payable			
19 Deferred revenue			
20 Loans from officers, directors, trustees, and other disqualified persons			
21 Mortgages and other notes payable (attach schedule)			
22 Other liabilities (describe ▶)			
23 **Total liabilities** (add lines 17 through 22)		5,589.	
Net Assets or Fund Balances			
Foundations that follow SFAS 117, check here ▶ ☐ and complete lines 24 through 26 and lines 30 and 31.			
24 Unrestricted			
25 Temporarily restricted			
26 Permanently restricted			
Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. ▶ ☒			
27 Capital stock, trust principal, or current funds			
28 Paid-in or capital surplus, or land, bldg , and equipment fund			
29 Retained earnings, accumulated income, endowment, or other funds	16,873,673.	17,037,437.	
30 **Total net assets or fund balances** (see instructions)	16,873,673.	17,037,437.	
31 **Total liabilities and net assets/fund balances** (see instructions)	16,873,673.	17,043,026.	

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	16,873,673.
2 Enter amount from Part I, line 27a	2	163,764.
3 Other increases not included in line 2 (itemize) ▶ ATTACHMENT 12	3	
4 Add lines 1, 2, and 3	4	17,037,437.
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	17,037,437.

**ATCH 8

Part IV Capital Gains and Losses for Tax on Investment Income

	(a) List and describe the kind(s) of property sold (e g , real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)	(b) How acquired P-Purchase D-Donation	(c) Date acquired (mo , day, yr)	(d) Date sold (mo , day, yr)
1a	SEE PART IV SCHEDULE			
b				
c				
d				
e				

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a				
b				
c				
d				
e				

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

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

2 Capital gain net income or (net capital loss)	If gain, also enter in Part I, line 7 / If (loss), enter -0- in Part I, line 7	2	220,039.
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 instructions) If (loss), enter -0- in Part I, line 8		3	0

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 (col (b) divided by col (c))
2010	918,615.	18,170,920.	0.050554
2009	883,907.	16,430,403.	0.053797
2008	1,144,105.	19,644,858.	0.058239
2007	1,222,930.	22,732,080.	0.053798
2006	1,227,139.	22,029,074.	0.055705

2	**Total** of line 1, column (d)	2	0.272093
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	0.054419
4	Enter the net value of noncharitable-use assets for 2011 from Part X, line 5	4	19,080,035.
5	Multiply line 4 by line 3	5	1,038,316.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	5,286.
7	Add lines 5 and 6	7	1,043,602.
8	Enter qualifying distributions from Part XII, line 4	8	359,548.

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

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

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1 . . . Date of ruling or determination letter _______________ (attach copy of letter if necessary - see instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☐ and enter 1% of Part I, line 27b	1	10,571.
c	All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (b)		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	2	
3	Add lines 1 and 2	3	10,571.
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	4	0
5	**Tax based on investment income.** Subtract line 4 from line 3 If zero or less, enter -0-	5	10,571.
6	Credits/Payments		
a	2011 estimated tax payments and 2010 overpayment credited to 2011 — 6a — 1,742.		
b	Exempt foreign organizations - tax withheld at source — 6b		
c	Tax paid with application for extension of time to file (Form 8868) — 6c — 10,000.		
d	Backup withholding erroneously withheld — 6d		
7	Total credits and payments Add lines 6a through 6d	7	11,742.
8	Enter any **penalty** for underpayment of estimated tax Check here ☐ if Form 2220 is attached	8	88.
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶	9	
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶	10	1,083.
11	Enter the amount of line 10 to be **Credited to 2012 estimated tax** ▶ 1,083. **Refunded** ▶	11	

Part VII-A Statements Regarding Activities

			Yes	No
1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)?	1b		X
	*If the answer is "Yes" to **1a** or **1b**, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities*			
c	Did the foundation file **Form 1120-POL** for this year?	1c		X
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation ▶ $ ________ (2) On foundation managers ▶ $ ________			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ $ ________			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS?	2		X
	If "Yes," attach a detailed description of the activities			
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If "Yes," attach a conformed copy of the changes*	3		X
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
b	If "Yes," has it filed a tax return on **Form 990-T** for this year?	4b		
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year?	5		X
	If "Yes," attach the statement required by General Instruction T			
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	X	
7	Did the foundation have at least $5,000 in assets at any time during the year? *If "Yes," complete Part II, col (c), and Part XV*	7	X	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ NY			
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by *General Instruction G? If "No," attach explanation*	8b	X	
9	Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2011 or the taxable year beginning in 2011 (see instructions for Part XIV)? *If "Yes," complete Part XIV*	9		X
10	Did any persons become substantial contributors during the tax year? *If "Yes," attach a schedule listing their names and addresses*	10		X

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

		Line	Yes	No
11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	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 ▶ MARY CROFT, TREASURER Telephone no ▶ (732)936-9826

Located at ▶ 9 WATERMAN AVENUE RUMSON, NJ ZIP + 4 ▶ 07760

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

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

		Line	Yes	No
16	At any time during calendar year 2011, 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		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.	Line	Yes	No
1a	During the year did the foundation (either directly or indirectly)			
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☒ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☒ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☒ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☒ Yes ☐ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes ☒ No			
	(6) Agree to pay money or property to a government official? (**Exception.** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days) ☐ Yes ☒ No			
b	If any answer is "Yes" to 1a(1)-(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53 4941(d)-3 or in a current notice regarding disaster assistance (see instructions)?	1b		X
	Organizations relying on a current notice regarding disaster assistance check here ▶ ☐			
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2011?	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 2011, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2011? ☐ Yes ☒ No			
	If "Yes," list the years ▶ ____, ____, ____, ____			
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement - see instructions)	2b		
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here ▶ ____, ____, ____, ____			
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☐ Yes ☒ No			
b	If "Yes," did it have excess business holdings in 2011 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 2011)*	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 2011?	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)? **5b**

Organizations relying on a current notice regarding disaster assistance check here . . . . . ▶ ☐

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? . . . . . ☐ 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 (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? **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
ATTACHMENT 13		103,505.	19,667.	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 . . . . . ▶

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		0
Total number of others receiving over $50,000 for professional services ▶		

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc	Expenses
1 NOT APPLICABLE	
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 NONE	
2	
All other program-related investments See instructions 3 NONE	
Total. Add lines 1 through 3 ▶	

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	17,620,223.
b	Average of monthly cash balances	1b	1,750,371.
c	Fair market value of all other assets (see instructions)	1c	
d	**Total** (add lines 1a, b, and c)	1d	19,370,594.
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	19,370,594.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	290,559.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4	5	19,080,035.
6	**Minimum investment return.** Enter 5% of line 5	6	954,002.

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	954,002.
2a	Tax on investment income for 2011 from Part VI, line 5	2a	10,571.		
b	Income tax for 2011. (This does not include the tax from Part VI.)	2b			
c	Add lines 2a and 2b			2c	10,571.
3	Distributable amount before adjustments. Subtract line 2c from line 1			3	943,431.
4	Recoveries of amounts treated as qualifying distributions			4	
5	Add lines 3 and 4			5	943,431.
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	943,431.

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	359,548.
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	359,548.
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	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	359,548.

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 2010	(c) 2010	(d) 2011
1 Distributable amount for 2011 from Part XI, line 7					943,431.
2 Undistributed income, if any, as of the end of 2011					
a Enter amount for 2010 only					
b Total for prior years 20 09 ,20 08 ,20 07					
3 Excess distributions carryover, if any, to 2011					
a From 2006	161,457.				
b From 2007	105,212.				
c From 2008	173,200.				
d From 2009	68,888.				
e From 2010	16,114.				
f Total of lines 3a through e		524,871.			
4 Qualifying distributions for 2011 from Part XII, line 4 ▶ $ 359,548.					
a Applied to 2010, but not more than line 2a					
b Applied to undistributed income of prior years (Election required - see instructions)					
c Treated as distributions out of corpus (Election required - see instructions)					
d Applied to 2011 distributable amount					359,548.
e Remaining amount distributed out of corpus					
5 Excess distributions carryover applied to 2011 *(If an amount appears in column (d), the same amount must be shown in column (a).)*		524,871.			524,871.
6 Enter the net total of each column as indicated below:					
a Corpus Add lines 3f, 4c, and 4e Subtract line 5					
b Prior years' undistributed income Subtract line 4b from line 2b					
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed					
d Subtract line 6c from line 6b Taxable amount - see instructions					
e Undistributed income for 2010 Subtract line 4a from line 2a Taxable amount - see instructions					
f Undistributed income for 2011 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2012					59,012.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)					
8 Excess distributions carryover from 2006 not applied on line 5 or line 7 (see instructions)					
9 Excess distributions carryover to 2012. Subtract lines 7 and 8 from line 6a		0			
10 Analysis of line 9					
a Excess from 2007					
b Excess from 2008					
c Excess from 2009					
d Excess from 2010					
e Excess from 2011					

Part XIV Private Operating Foundations (see instructions and Part VII-A, question 9) NOT APPLICABLE

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2011, enter the date of the ruling ▶

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

	Tax year	Prior 3 years			(e) Total
	(a) 2011	(b) 2010	(c) 2009	(d) 2008	
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(j)(3)(B)(i)					
b "Endowment" alternative test- enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test - enter (1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942 (j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the foundation had $5,000 or more in assets at any time during the year - see 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

N/A

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

SIMPLE LETTER FORM

c Any submission deadlines

NONE

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

NONE

Part XV Supplementary Information (continued)

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
ATTACHMENT 14				
Total . . . . ▶ **3a**				240,000.
b *Approved for future payment*				
Total . . . . ▶ **3b**				

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments			14	20.	
4 Dividends and interest from securities			14	514,041.	
5 Net rental income or (loss) from real estate					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income					
8 Gain or (loss) from sales of assets other than inventory			18	220,039.	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue a					
b ATTACHMENT 15				-52,048.	
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e)				682,052.	

13 Total. Add line 12, columns (b), (d), and (e) . . . 13 682,052.

(See worksheet in line 13 instructions to verify calculations)

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

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

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

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

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

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

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

b If "Yes," complete the following schedule.

(a) Name of organization	(b) Type of organization	(c) Description of relationship

Sign Here

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

Mary Croft 1-30-13 Treasurer

Signature of officer or trustee Date Title

May the IRS discuss this return with the preparer shown below (see instructions)? ☒ Yes ☐ No

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
LESTER A. MARKS		2-1-13		P01203229
Firm's name ▶ EISNERAMPER LLP			Firm's EIN ▶ 13-1639826	
Firm's address ▶ 750 THIRD AVENUE NEW YORK, NY 10017-2703			Phone no	

FORM 990-PF - PART IV
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
		SEE ATTACHED SCHEDULE PROPERTY TYPE: SECURITIES				P	VAR	VAR
2,293,703.		2,232,553.					61,150.	
		SEE ATTACHED SCHEDULE PROPERTY TYPE: SECURITIES				P	VAR	VAR
1,564,399.		1,405,510.					158,889.	
TOTAL GAIN(LOSS)							220,039.	

THE COWLES CHARITABLE TRUST
Morgan Stanley Smith Barney Common Stock

Shares	Security	1/1/2011 Begining	Purchases	Shares Purchased	Proceeds From Sales	Sales At Cost	Gains/ (Losses)	Shares Sold	12/31/11 Ending
0	ACCENTURE PLC	0					0		0
0	ADOBE SYSTEM INC	0	134,189	4,000	140,379	134,189	6,190	4,000	0
2,000	AIR PRODUCTS & CHEMICALS	105,107					0		105,107
3,325	AMERICAN INTL GROUP INC	232,068					0		232,068
5,000	AT & T INC	157,410					0		157,410
3,000	AUTOMATIC DATA PROCESSING INC	120,739					0		120,739
4,000	AVON PRODUCTS INC	123,644			120,787	123,644	(2,857)	4,000	0
1,500	BECTON DICKINSON & CO	96,742					0		96,742
0	BEST BUY INC	0					0		0
0	CARNIVAL CORP	0	121,469	3,000			0		121,469
2,000	CATERPILLAR INC	106,626			199,857	106,626	93,231	2,000	0
3,500	CENOVUS ENERGY INC	109,887					0		109,887
7,750	CISCO SYS INC	207,080					0		207,080
1,750	CONOCOPHILLIPS	96,993					0		96,993
0	COSTCO WHOLESALE CORP NEW	0					0		0
5,000	CVS	148,214			184,666	148,214	36,452	5,000	0
	DANAHER CORP DE		123,948	2,800			0		123,948
0	DENTSPLY INTL INC	0					0		0
1,500	DIAGEO PLC SPON ADR - NEW	102,717					0		102,717
	DISCOVERY COMMUNICATIONS INC		103,611	2,500			0		103,611
7,500	EMC CORP - MASS	132,767			23,658	15,047	8,611	850	117,720
0	EMERSON ELECTRIC CO	0	134,660	2,425			0		134,660
1,250	EXXON MOBIL CORP	86,062					0		86,062
0	FEDEX CORP	0					0		0
0	FRANKLIN RESOURCES INC	0					0		0
4,300	GENERAL ELECTRIC CO	249,293					0		249,293
9,000	GOLDMAN SACHS GROUP INC PREFERRED	191,445					0		191,445
200	GOOGLE INC CL A	103,156					0		103,156
2,000	HEWLETT PACKARD CO	105,934	43,629	1,200			0		149,563
	HESS CORP		126,622	1,500	84,452	126,622	(42,170)	1,500	0
10,000	HUDSON CITY BANCORP INC	124,999					0		124,999
1,100	INTERCONTINENTALEXCHANGE INC	131,043					0		131,043
0	ILLINOIS TOOL WORKS INC	0					0		0
0	INTEL CORP	0					0		0
850	INTL BUSINESS MACHINES CORP	100,547					0		100,547
3,000	JOHNSON CONTROLS INC	173,999	129,828	4,100	184,458	173,999	10,459	3,000	129,828
2,700	JPMORGAN CHASE & CO	95,931					0		95,931
2,000	KELLOGG CO	76,903					0		76,903
	KOHLS CORP		127,661	2,400	133,645	127,661	5,984	2,400	0
	L 3 COMMUNICATIONS HLDGS INC		121,500	1,750			0		121,500
5,000	LOWES COMPANIESS INC	127,440			129,100	127,440	1,660	5,000	0
1,875	MCDONALDS CORP	97,435			37,034	19,487	17,547	375	77,948
	MEDCO HEALTH SOLUTIONS INC		72,662	1,300	83,275	72,662	10,613	1,300	0
2000	MEDTRONIC INC	94443			78,893	94,443	(15,550)	2,000	0
0	MICROSOFT CORP	0					0		0
0	NABORS INDUSTRIES LTD USD NEW	0					0		0
	NETAPP INC		111,978	2,200			0		111,978

	NOBLE CORPORATION-CHF		135,175	3,400			0		135,175
0	NOKIA CORP SPONSORED ADR	0					0		0
2,350	NOVARTIS AG ADR CGMI	93,679					0		93,679
	ORACLE CORP		116,219	4,500			0		116,219
6,000	PENNSYLVANIA REAL ESTATE INV TR	235,158			89,964	235,158	(145,194)	6,000	0
2,800	PEPSICO INC	137,760			51,535	39,360	12,175	800	98,400
2,500	PROCTER & GAMBLER CO	114,637			64,469	45,855	18,614	1,000	68,782
2,500	QUALCOMM INC	100,210					0		100,210
0	RAYMOND JAMES FINANCIAL CORP	0					0		0
1,500	SCHLUMBERGER LTD	126,920			139,730	126,920	12,810	1,500	0
2,500	STATE STREET CORP	105,154					0		105,154
	T ROWE PRICE GROUP INC		125,905	2,400			0		125,905
2,500	TEVA PHARMACEUTICAL INDS LTD ADR	114,034	24,940	500			0		138,974
0	TOYOTA MOTOR CORP ADR NEW	0					0		0
0	TRANSOCEAN LTD SWITZERLAND	0					0		0
1,500	3M COMPANY	124,355					0		124,355
3,500	UNILEVER PLC SPONS ADR NEW	103,835					0		103,835
1,900	UNITED TECHNOLOGIES CORP	94,803			16,450	9,979	6,471	200	84,824
1,500	VISA INC COM CL A	111,754					0		111,754
2,600	VANGUARD EMERGING MARKETS ETF	109,253					0		109,253
	WHIRLPOOL CORP		71,927	850			0		71,927
	W W GRAINGER INC		132,783	1,000			0		132,783
5,000	VANGUARD INTL EQUITY INDEX FDS	217,422			243,176	217,422	25,754	5,000	0
		5,287,598	1,958,706	41,825	2,005,528	1,944,728	60,800	45,925	5,301,576

Morgan Stanley Smith Barney Corporate Bonds

	Security	1/1/2011 Beginning	Purchases	Shares Purchased	Proceeds From Sales	Sales At Cost	Gains/ (Losses)	Shares Sold	12/31/11 Ending
200,000	AT&T INC DTD 4 950% 12/06/07	184,838					0		184,838
300,000	CARDINAL HLTH INC 4 0% 6/15/2015	274,455					0		274,455
150,000	CVS CORP	161,205					0		161,205
200,000	GENERAL ELEC CO DTD 1/28/03 5% 2/1/2013	192,138					0		192,138
200,000	IBM INTL GROUP CAPITAL 5 050% 10/22/2012	204,822					0		204,822
200,000	JP MORGAN CHASE & CO 6 0% 1/15/2018	201,504					0		201,504
125,000	MARRIOT INTERNATIONAL 5 625% 2/15/2013	126,016					0		126,016
200,000	ORACLE CORP 5 75% 4/15/2018	192,440					0		192,440
150,000	TRANSOCEAN SEDCO FOR DTD 12/11/2007 DUE 3/15/2018 6 00%	143,570					0		143,570
		1,680,988 0	0 0	0 0	0	0	0 0	0	1,680,988

Morgan Stanley Smith Barney Government Bonds

	Security	1/1/2011 Beginning	Purchases	Shares Purchased	Proceeds From Sales	Sales At Cost	Gains/ (Losses)	Shares Sold	12/31/11 Ending
0		0					0		0
0		0					0		0
0		0					0		0
0	US TREASURY NOTES SER B-2019 DTD 02/17/2009	0	286,257	275,000	188,022	182,164	5,858	175,000	104,093

Shares	Security	1/1/2011 Beginning	Purchases	Shares Purchased	Proceeds From Sales	Sales At Cost	Gains/ (Losses)	Shares Sold	12/31/11 Ending
500,000	US TREASURY BONDS DTD 8/15/1993	510,834					0		510,834
500,000	US TREASURY NOTES SER B-2015 DTD 2/15/2004	485,937					0		485,937
225,000	US TREASURY NOTES SER F DTD 11/15/2004	226,160					0		226,160
		1,222,931	286,257	275,000	188,022	182,164	5,858	175,000	1,327,024

		1/1/2011 Beginning	Purchases	Shares Purchased	Proceeds From Sales	Sales At Cost	Gains/ (Losses)	Shares Sold	12/31/11 Ending
	total mssb	8,191,517	2,244,963		2,193,550	2,126,892	66,658		8,309,588
					100,153	105,662	(5,509)		
					2,293,703	2,232,554	61,149		
	Cap gain distribution - msSB								
	Cap gain distribution - Carret								
							61,149		

Schwab/MSSB Common Stock

	Security	1/1/2011 Beginning	Purchases	Shares Purchased	Proceeds From Sales	Sales At Cost	Gains/ (Losses)	Shares Sold	12/31/11 Ending
2,000	ABBOTT LABORATORIES	75,475					0		75,475
2,000	AFLAC INC	68,126			114,601	68,126	46,475	2,000	0
	AMERICAN ELECTRIC POWER CO		73,520	2,000			0		73,520
1,000	AMERIPRISE FINL INC COM	46,437					0		46,437
0	AOL INC	0					0		0
5,000	AT& T INC NEW	119,822					0		119,822
5,946	BANK OF AMERICA	199,971			19,837	99,077	(79,240)	2,946	100,894
2,722	BANCO SANTANDER SA STD (EXCHANGE ADR)	21,180	2,723	278	25,623	23,903	1,720	3,000	0
3,000	BERKSHIRE HATHAWAY INC CL B	120,309					0		120,309
800	BEST BUY COMPANY	39,184			22,992	39,184	(16,192)	800	0
	BLACKROCK LTD DURATION INC		104,345	6,000			0		104,345
3,000	BP PLC SPONS ADR	140,017					0		140,017
4,000	BRISTOL MYERS SQUIBB CO	144,831					0		144,831
	CATERPILLAR INC		186,525	2,000			0		186,525
3,000	CBS CORP CL B COM	67,878					0		67,878
4,000	CENTURYLINK INC	128,493	17,345	500			0		145,838
2,000	CHEVRON CORP COM	125,376					0		125,376
6,000	CHUBB CORP	230,084			123,601	76,695	46,906	2,000	153,389
2,000	CISCO SYSTEMS INC	47,827					0		47,827
2,000	COCA COLA CO	117,200					0		117,200
6,000	COMCAST CORP CL A SPL NEW	95,200					0		95,200
2,000	CONOCOPHILLIPS	91,976	68,201	1,000			0		160,177
4,000	CVS CAREMARK CORP	119,913			131,220	119,913	11,307	4,000	0
3,000	DEERE & CO	166,930					0		166,930
3,000	DEVON ENERGY CORP NEW COM (MERGER OCEAN ENERGY)	63,722			130,746	31,861	98,885	1,500	31,861
4,000	DU PONT EIDE NEMOUR&CO	108,562					0		108,562
2,000	EOG RES INC	32,950	42,824	500	50,824	8,238	42,587	500	67,537
2,000	FIFTH THIRD BANCORP OHIO	52,936					0		52,936
1,200	FRONTIER COMMUNICATIONS CORP	9,886					0		9,886

3,000	GENERAL MARITIME CORP NEW	47,972			58	47,972	(47,914)	3,000	0
2,000	GENERAL ELECTRIC COMPANY GE	41,585					0		41,585
1,000	GENERAL MILLS INC	36,996					0		36,996
4,500	HARTFORD FINANCIAL SERVICES GROUP INC	145,184					0		145,184
5,000	HOME DEPOT INC	158,377					0		158,377
5,000	HEWLETT-PACKARD CO COM	160,855					0		160,855

Schwab/MSSB Common Stock (Continued)

	Security	01/01/11 Beginning	Purchases	Shares Purchased	Proceeds From Sales	Sales At Cost	Gains/ (Losses)	Shares Sold	12/31/11 Ending
4,000	HONEYWELL INTL INC	125,298					0		125,298
4,000	INGERSOLL RAND CO	70,875					0		70,875
4,000	INTEL CORP	102,640	21,005	1,000			0		123,645
1,300	INTERNATIONAL BUSINESS MACHINES CORP	133,708					0		133,708
2,000	ISHARES BARCLAYS	208,712	209,388	2,000			0		418,100
1,000	JOHN WILEY & SONS INC CL A	8,588					0		8,588
4,000	JOHNSON & JOHNSON	204,173					0		204,173
	JPMORGAN CHASE & CO		43,648	1,000			0		43,648
3,367	LEXINGTON CORPORATE PPTYS TR COM	64,666					0		64,666
5,000	LIMITED BRAND INC	103,222					0		103,222
3,000	LINCOLN NATIONAL CORP	101,511					0		101,511
1,200	M&T BANK CORP	133,025					0		133,025
3,000	MERCK & CO INC NEW	138,987					0		138,987
3,000	MICROSOFT CORP	98,962					0		98,962
2,000	NEWMONT MINING CORP	84,958					0		84,958
10,000	NOKIA CORP	184,517			91,862	184,517	(92,655)	10,000	0
1,000	NORDIC AMERICAN TNKR SHIPPING	28,700					0		28,700
1,000	OMNIVISION TECHNOLOGIES INC	13,642					0		13,642
	PEPSICO INC		141,365	2,000			0		141,365
5,985	PFIZER INC	126,382					0		126,382
	PIMCO CORPORATE OPPTY FD		92,059	5,000			0		92,059
3,000	PRIDE INTERNATIONAL	48,857			123,138	48,857	74,281	3,000	0
2,500	ROYAL DUTCH PETROLEUM CO	103,450					0		103,450
4,000	SARA LEE CORP	55,581					0		55,581
200	SEAHAWK DRILLING INC	3,422			1,624	3,422	(1,798)	200	0
1,000	SEADRILL LTD	26,740	33,490	1,000	64,582	60,230	4,352	2,000	0
3,000	SMITHFIELD FOODS INC	57,300			59,917	57,300	2,617	3,000	0
2,000	SPDR S&P DIVIDEND	99,231					0		99,231
2,000	SYSCO CORPORATION	56,027					0		56,027
2,000	TICC CAPITAL CORP	33,232					0		33,232
1,000	TIFFANY & COMPANY	31,150					0		31,150
4,083	TIME WARNER INC NEW COM	193,326			39,155	135,006	(95,851)	1,083	58,320
1,000	TRANSOCEAN INC	7,312					0		7,312

Schwab/MSSBCommon Stock (Continued)

	Security	1/1/2011 Beginning	Purchases	Shares Purchased	Proceeds From Sales	Sales At Cost	Gains/ (Losses)	Shares Sold	12/31/11 Ending
0		0					0		0
4,000	UNITED TECHNOLOGIES CORP	111,800	75,309	1,000	170,726	55,900	114,826	2,000	131,209
7,000	US BANCORP COM NEW	175,517					0		175,517

5,000	VERIZON COMMUNICATIONS COM	149,569					0		149,569
4,500	WALT DISNEY CO HOLDING CO	131,577					0		131,577
3,000	WESTAR ENERGY INC	64,776					0		64,776
		6,306,687	1,111,747	25,278	1,170,506	1,060,201	110,305	41,029	6,358,233
			36,392	1,000					

Schwab/MSSB Preferred Stock					113,893	67,400	46,493	2,000	
	Security	**1/1/2011 Beginning**	**Purchases**	**Shares Purchased**	**Proceeds From Sales**	**Sales At Cost**	**Gains/ (Losses)**	**Shares Sold**	**12/31/11 Ending**
	n/a						0		0
	n/a						0		0
	n/a						0		0
	n/a						0		0
	n/a						0		0
	n/a						0		0
	n/a						0		0
		0	0	0	0	0	0	0	0

Schwab/MSSB Corporate Bonds

	Security	**1/1/2011 Beginning**	**Purchases**	**Shares Purchased**	**Proceeds From Sales**	**Sales At Cost**	**Gains/ (Losses)**	**Shares Sold**	**12/31/11 Ending**
280,000	NATL CITY CORP 4%	277,909			280,000	277,909	2,091	280,000	0
235,000	SEARIVER MARITIME	197,425					0		197,425
		475,334	0	0	280,000	277,909	2,091	280,000	197,425

Schwab/MSSB Government Bonds

	Security	**1/1/2011 Beginning**	**Purchases**	**Shares Purchased**	**Proceeds From Sales**	**Sales At Cost**	**Gains/ (Losses)**	**Shares Sold**	**12/31/11 Ending**
100,000	PHILADELPHIA PA AUTH	62,275					0		62,275
0	FEDERAL NATL MTG	0				0	0		0
200,000	FEDERAL HOME LN BK	201,009					0		201,009
0		0					0		0
		263,284	0	0	0	0	0	0	263,284

		1/1/2011 Beginning	**Purchases**	**Shares Purchased**	**Proceeds From Sales**	**Sales At Cost**	**Gains/ (Losses)**	**Shares Sold**	**12/31/11 Ending**
	Total MSSB		**1,148,139**		**1,564,399**	1,405,510	158,889		6,818,942
	Total Morgan Stanley Smith Barney 05424	8,191,517	2,244,963	0	**2,293,703**	2,232,554	61,149	0	8,309,588
	TOTAL		3,393,102 #	0	0 3,858,102	0 3,638,063 #	220,039 #	0 #	15,128,530 #

FORM 990PF, PART I - INTEREST ON TEMPORARY CASH INVESTMENTS

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
MORGAN STANLEY SMITH BARNEY MMKT 05424	9.	9.
DEUTSCHE BANK TRUST CO	11.	11.
MSSB KERR 503 018755 MMKT		
TOTAL	20.	20.

FORM 990PF, PART I - DIVIDENDS AND INTEREST FROM SECURITIES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
MSSMITH BARNEY 617 05424 INTEREST	154,351.	154,351.
MSSMITH BARNEY 617 05424 DIVIDENDS	116,596.	116,596.
MSSMITH BARNEY 617 05424 ACCR INT PAID	-3,510.	-3,510.
MSSB KERR 503 018755 INTEREST	16,226.	16,226.
MSSB KERR 503 018755 DIVIDENDS	225,624.	225,624.
MSSB KERR 503 018755 OID	4,754.	4,754.
TOTAL	514,041.	514,041.

ATTACHMENT 3

FORM 990PF, PART I - OTHER INCOME

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
SUBURBAN PROPANE PARTNERS, L.P	928.	1,081.
ENERGY TRANSFER PARTNERS LP	-26,701.	-26,663.
KINDER MORGAN	-17,212.	-17,172.
INERGY LP	-5,899.	-5,899.
BOARDWALK PIPELINE PARTNERS	-3,164.	-3,151.
TOTALS	-52,048.	-51,804.

FORM 990PF, PART I - ACCOUNTING FEES

DESCRIPTION		REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
EISNERAMPER LLP		20,000.	10,000.		10,000.
	TOTALS	20,000.	10,000.		10,000.

ATTACHMENT 5

FORM 990PF, PART I - OTHER PROFESSIONAL FEES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
INVESTMENT MGMT FEES-CARRET	70,426.	70,426.
INVESTMENT MGMT FEES-TOWER BRG	34,971.	34,971.
TOTALS	105,397.	105,397.

FORM 990PF, PART I - TAXES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
FEDERAL EXCISE TAX	5,000.	
FOREIGN TAX- MSSB 05424	1,891.	1,891.
FOREIGN TAX- MSSB 018755 KERR	1,753.	1,753.
TOTALS	8,644.	3,644.

FORM 990PF, PART I - OTHER EXPENSES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	CHARITABLE PURPOSES
POSTAGE	647.		647.
SUPPLIES	3,037.		3,037.
MISCELLANEOUS	19,986.		19,986.
OTHER EMPLOYEE PENSION	16,000.		16,000.
NEW YORK LAW JOURNAL FEE	125.		125.
ATTORNEY GENERAL FILING FEE	750.		750.
BANK FEE	300.	300.	
BANK FEE - ADR	33.	33.	
BANK FEE - ADR ADJ	-136.	-136.	
TOTALS	40,742.	197.	40,545.

FORM 990PF, PART II - U.S. AND STATE OBLIGATIONS

ATTACHMENT 8

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
MS SMITH BARNEY 05424	1,327,024.	1,630,283.
MORGAN STANLEY SMITH BARNEY	201,009.	207,362.
US OBLIGATIONS TOTAL	1,528,033.	1,837,645.
MORGAN STANLEY SMITH BARNEY	62,275.	85,989.
STATE OBLIGATIONS TOTAL	62,275.	85,989.
US AND STATE OBLIGATIONS TOTAL	1,590,308.	1,923,634.

No Shares	Security		12/31/11 Book Basis	12/31/11 Value
0		0	0	
0		0	0	
0		0	0	
100,000	US TREASURY NOTES SER B-2019 DTD 02/17/2009		104,093	109,523
500,000	US TREASURY BONDS DTD 8/15/1993		510,834	715,625
500,000	US TREASURY NOTES SER B-2015 DTD 2/15/2004		485,937	555,315
225,000	US TREASURY NOTES SER F DTD 11/15/2004		226,160	249,820
Total	**Morgan Stanley Smith Barney Government Bonds**		1,327,024	1,630,283

No Shares	Security		12/31/10 Book Basis	12/31/10 Value
100,000	PHILADELPHIA PA AUTH		62,275	85,989
0	FEDERAL NATL MTG		0	
200,000	FEDERAL HOME LN BK		201,009	207,362
0		0	0	
Total	**Morgan Stanley Smith Barney Kerr Government Bonds**		263,284	293,351

ATTACHMENT 9

FORM 990PF, PART II - CORPORATE STOCK

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
MS SMITH BARNEY 05424	5,301,576.	5,184,913.
MORGAN STANLEY SMITH BARNEY KR	6,358,233.	7,724,391.
TOTALS	11,659,809.	12,909,304.

No Shares	Security	12/31/11 Book Basis	12/31/11 Value
0	ACCENTURE PLC	0	
0	ADOBE SYSTEM INC	0	
2,000	AIR PRODUCTS & CHEMICALS	105,107	170,380
3,325	AMERICAN INTL GROUP INC	232,068	
5,000	AT & T INC	157,410	151,200
3,000	AUTOMATIC DATA PROCESSING INC	120,739	162,030
0	AVON PRODUCTS INC	0	
1,500	BECTON DICKINSON & CO	96,742	112,080
0	BEST BUY INC	0	
3,000	CARNIVAL CORP	121,469	97,920
0	CATERPILLAR INC	0	
3,500	CENOVUS ENERGY INC	109,887	116,200
7,750	CISCO SYS INC	207,080	140,120
1,750	CONOCOPHILLIPS	96,993	127,522
0	COSTCO WHOLESALE CORP NEW	0	
0	CVS	0	
2,800	DANAHER CORP DE	123,948	131,712
0	DENTSPLY INTL INC	0	
1,500	DIAGEO PLC SPON ADR - NEW	102,717	131,130
2,500	DISCOVERY COMMUNICATIONS INC	103,611	102,425
6,650	EMC CORP - MASS	117,720	143,241
2,425	EMERSON ELECTRIC CO	134,660	112,981
1,250	EXXON MOBIL CORP	86,062	105,950
0	FEDEX CORP	0	
0	FRANKLIN RESOURCES INC	0	
4,300	GENERAL ELECTRIC CO	249,293	77,013
9,000	GOLDMAN SACHS GROUP INC PREFERRED	191,445	150,030
200	GOOGLE INC CL A	103,156	129,180
3,200	HEWLETT PACKARD CO	149,563	82,432
0	HESS CORP	0	
10,000	HUDSON CITY BANCORP INC	124,999	62,500
1,100	INTERCONTINENTALEXCHANGE INC	131,043	132,605
0	ILLINOIS TOOL WORKS INC	0	
0	INTEL CORP	0	
850	INTL BUSINESS MACHINES CORP	100,547	156,298
4,100	JOHNSON CONTROLS INC	129,828	128,166
2,700	JPMORGAN CHASE & CO	95,931	89,775
2,000	KELLOGG CO	76,903	101,140
0	KOHLS CORP	0	
1,750	L 3 COMMUNICATIONS HLDGS INC	121,500	116,690
0	LOWES COMPANIESS INC	0	
1,500	MCDONALDS CORP	77,948	150,495
0	MEDCO HEALTH SOLUTIONS INC	0	
0	MEDTRONIC INC	0	
0	MICROSOFT CORP	0	
0	NABORS INDUSTRIES LTD USD NEW	0	
2,200	NETAPP INC	111,978	79,794

3,400	NOBLE CORPORATION-CHF	135,175	102,748
0	NOKIA CORP SPONSORED ADR	0	
2,350	NOVARTIS AG ADR CGMI	93,679	134,350
4,500	ORACLE CORP	116,219	115,425
0	PENNSYLVANIA REAL ESTATE INV TR	0	
2,000	PEPSICO INC	98,400	132,700
1,500	PROCTER & GAMBLER CO	68,782	100,065
2,500	QUALCOMM INC	100,210	136,750
0	RAYMOND JAMES FINANCIAL CORP	0	
0	SCHLUMBERGER LTD	0	
2,500	STATE STREET CORP	105,154	100,775
2,400	T ROWE PRICE GROUP INC	125,905	136,680
3,000	TEVA PHARMACEUTICAL INDS LTD ADR	138,974	121,080
0	TOYOTA MOTOR CORP ADR NEW	0	
0	TRANSOCEAN LTD SWITZERLAND	0	
1,500	3M COMPANY	124,355	122,595
3,500	UNILEVER PLC SPONS ADR NEW	103,835	117,320
1,700	UNITED TECHNOLOGIES CORP	84,824	124,253
1,500	VISA INC COM CL A	111,754	152,295
2,600	VANGUARD EMERGING MARKETS ETF	109,253	99,346
850	WHIRLPOOL CORP	71,927	40,332
1,000	W W GRAINGER INC	132,783	187,190
0	VANGUARD INTL EQUITY INDEX FDS	0	
Total	**Morgan Stanley Smith Barney Common Stock Preferred**	5,301,576	5,184,913

THE COWLES CHARITABLE TRUST

13-6090295

No Shares	Security	12/31/11 Book Basis	12/31/11 Value
2,000	ABBOTT LABORATORIES	75,475	112,460
0	AFLAC INC	0	
2,000	AMERICAN ELECTRIC POWER CO	73,520	82,620
1,000	AMERIPRISE FINL INC COM	46,437	49,640
0	AOL INC	0	
5,000	AT& T INC NEW	119,822	151,200
3,000	BANK OF AMERICA	100,894	16,680
0	BANCO SANTANDER SA STD (EXCHANGE ADR)	0	
3,000	BERKSHIRE HATHAWAY INC CL B	120,309	228,900
0	BEST BUY COMPANY	0	
6,000	BLACKROCK LTD DURATION INC	104,345	95,820
3,000	BP PLC SPONS ADR	140,017	128,220
4,000	BRISTOL MYERS SQUIBB CO	144,831	140,960
2,000	CATERPILLAR INC	186,525	181,200
3,000	CBS CORP CL B COM	67,878	81,420
4,500	CENTURYLINK INC	145,838	167,400
2,000	CHEVRON CORP COM	125,376	212,800
4,000	CHUBB CORP	153,389	276,880
2,000	CISCO SYSTEMS INC	47,827	36,160
2,000	COCA COLA CO	117,200	139,940
6,000	COMCAST CORP CL A SPL NEW	95,200	141,360
3,000	CONOCOPHILLIPS	160,177	218,610
0	CVS CAREMARK CORP	0	
3,000	DEERE & CO	166,930	232,050
1,500	DEVON ENERGY CORP NEW COM (MERGER OCEAN ENERGY)	31,861	93,000
4,000	DU PONT EIDE NEMOUR&CO	108,562	183,120
2,000	EOG RES INC	67,537	197,020
2,000	FIFTH THIRD BANCORP OHIO	52,936	25,440
1,200	FRONTIER COMMUNICATIONS CORP	9,886	6,180
0	GENERAL MARITIME CORP NEW	0	
2,000	GENERAL ELECTRIC COMPANY GE	41,585	35,820
1,000	GENERAL MILLS INC	36,996	40,410
4,500	HARTFORD FINANCIAL SERVICES GROUP INC	145,184	73,125
5,000	HOME DEPOT INC	158,377	210,200
5,000	HEWLETT-PACKARD CO COM	160,855	128,800
4,000	HONEYWELL INTL INC	125,298	217,400
4,000	INGERSOLL RAND CO	70,875	121,880
5,000	INTEL CORP	123,645	121,250
1,300	INTERNATIONAL BUSINESS MACHINES CORP	133,708	239,044
4,000	ISHARES BARCLAYS	418,100	416,800
1,000	JOHN WILEY & SONS INC CL A	8,588	44,400
4,000	JOHNSON & JOHNSON	204,173	262,320

1,000	JPMORGAN CHASE & CO		43,648	33,250
3,367	LEXINGTON CORPORATE PPTYS TR COM		64,666	25,219
5,000	LIMITED BRAND INC		103,222	201,750
3,000	LINCOLN NATIONAL CORP		101,511	58,260
1,200	M&T BANK CORP		133,025	91,608
3,000	MERCK & CO INC NEW		138,987	113,100
3,000	MICROSOFT CORP		98,962	77,880
2,000	NEWMONT MINING CORP		84,958	120,020
0	NOKIA CORP		0	
1,000	NORDIC AMERICAN TNKR SHIPPING		28,700	11,990
1,000	OMNIVISION TECHNOLOGIES INC		13,642	12,235
2,000	PEPSICO INC		141,365	132,700
5,985	PFIZER INC		126,382	129,515
5,000	PIMCO CORPORATE OPPTY FD		92,059	86,850
0	PRIDE INTERNATIONAL		0	
2,500	ROYAL DUTCH PETROLEUM CO		103,450	182,725
4,000	SARA LEE CORP		55,581	75,680
0	SEAHAWK DRILLING INC		0	
0	SEADRILL LTD		0	
0	SMITHFIELD FOODS INC		0	
2,000	SPDR S&P DIVIDEND		99,231	107,740
2,000	SYSCO CORPORATION		56,027	58,660
2,000	TICC CAPITAL CORP		33,232	17,300
1,000	TIFFANY & COMPANY		31,150	66,260
3,000	TIME WARNER INC NEW COM		58,320	108,420
1,000	TRANSOCEAN INC		7,312	38,390
0		0	0	
3,000	UNITED TECHNOLOGIES CORP		131,209	219,270
7,000	US BANCORP COM NEW		175,517	189,350
5,000	VERIZON COMMUNICATIONS COM		149,569	200,600
4,500	WALT DISNEY CO HOLDING CO		131,577	168,750
3,000	WESTAR ENERGY INC		64,776	86,340
Total	**Morgan Stanley Smith Barney Kerr Common Stock**		6,358,233	7,724,391
5,000	INERGY		91,479	122,100
	ENERGY TRNS		83,846	183,400
2,000	KINDER		40,043	169,900
3,000	SUBURBAN PROPANE PARTNERS LP		62,615	142,830
			6,636,216	8,342,621

ATTACHMENT 10

FORM 990PF, PART II - CORPORATE BONDS

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
MS SMITH BARNEY 05424	1,680,988.	1,858,867.
MORGAN STANLEY SMITH BARNEY KR	197,425.	233,327.
TOTALS	1,878,413.	2,092,194.

No Shares	Security	12/31/11 Book Basis	12/31/11 Value
200,000	AT&T INC DTD 4 950% 12/06/07	184,838	208,444
300,000	CARDINAL HLTH INC 4 0% 6/15/2015	274,455	321,048
150,000	CVS CORP	161,205	164,031
200,000	GENERAL ELEC CO DTD 1/28/03 5% 2/1/2013	192,138	208,420
200,000	IBM INTL GROUP CAPITAL 5 050% 10/22/2012	204,822	207,254
200,000	JP MORGAN CHASE & CO 6 0% 1/15/2018	201,504	223,136
125,000	MARRIOT INTERNATIONAL 5 625% 2/15/2013	126,016	130,316
200,000	ORACLE CORP 5 75% 4/15/2018	192,440	242,696
150,000	TRANSOCEAN SEDCO FOR DTD 12/11/2007 DUE 3/15/2018 6 00%	143,570	153,522
Total	**Morgan Stanley Smith Barney Corporate Bonds**	1,680,988	1,858,867

No Shares	Security	12/31/10 Book Basis	12/31/10 Value
0	NATL CITY CORP 4%	0	
235,000	SEARIVER MARITIME	197,425	233,327
Total	**Morgan Stanley Smith Barney Kerr Corporate Bonds**	197,425	233,327

ATTACHMENT 11

FORM 990PF, PART II - OTHER INVESTMENTS

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
MSSB KERR - SUBURBAN PROP	62,615.	142,830.
MSSB KERR - ENERGY TRANSF	83,846.	183,400.
MSSB KERR - INERGY LP	91,479.	122,100.
MSSB KERR - KINDER MORGAN	40,043.	169,900.
SMITH BARNEY - BOARDWALK PIPE		
TOTALS	277,983.	618,230.

ATTACHMENT 12

FORM 990PF, PART III - OTHER INCREASES IN NET WORTH OR FUND BALANCES

DESCRIPTION	AMOUNT
PRIOR PERIOD ADJ	
TOTAL	

FORM 990PF, PART VIII - LIST OF OFFICERS, DIRECTORS, AND TRUSTEES

ATTACHMENT 13

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
GARDNER COWLES III P.O. BOX 219 C/O MARY CROFT, TREASURER RUMSON, NJ 07760	PRESIDENT	0	0	0
MARY CROFT P.O. BOX 219 C/O MARY CROFT, TREASURER RUMSON, NJ 07760	TREASURER	103,505.	19,667.	0
LOIS COWLES HARRISON P.O. BOX 219 C/O MARY CROFT, TREASURER RUMSON, NJ 07760	TRUSTEE	0	0	0
KATE COWLES NICHOLS P.O. BOX 219 C/O MARY CROFT, TREASURER RUMSON, NJ 07760	TRUSTEE	0	0	0
VIRGINIA COWLES SCHROTH P.O. BOX 219 C/O MARY CROFT, TREASURER RUMSON, NJ 07760	TRUSTEE	0	0	0

FORM 990PF, PART VIII - LIST OF OFFICERS, DIRECTORS, AND TRUSTEES

ATTACHMENT 13 (CONT'D)

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
JAN S. COWLES P.O. BOX 219 C/O MARY CROFT, TREASURER RUMSON, NJ 07760	TRUSTEE	0	0	0
.		0	0	0
CHARLES COWLES P.O. BOX 219 C/O MARY CROFT, TREASURER RUMSON, NJ 07760	TRUSTEE	0	0	0
LOIS ELEANOR HARRISON P.O. BOX 219 C/O MARY CROFT, TREASURER RUMSON, NJ 07760	TRUSTEE	0	0	0
	GRAND TOTALS	103,505.	19,667.	0

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

ATTACHMENT 14

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
SEE STATEMENT 16	501(C)3	THE ARTS	73,000.
SEE STATEMENT 16	501(C)3	EDUCATION	50,200.
SEE STATEMENT 16	501(C)3	MEDICAL	59,500.
SEE STATEMENT 16	501(C)3	CHARITABLE	57,300.
		TOTAL CONTRIBUTIONS PAID	240,000.

THE COWLES CHARITABLE TRUST 13-6090295

FORM 990-PF, PART XVI-A - ANALYSIS OF OTHER REVENUE

ATTACHMENT 15

DESCRIPTION	BUSINESS CODE	AMOUNT	EXCLUSION CODE	AMOUNT	RELATED OR EXEMPT FUNCTION INCOME
SUBURBAN PROP LP			01	928.	
ENERGY TRANSFER PARTNERS			01	-26,701.	
KINDER MORGAN			01	-17,212.	
INERGY LP			01	-5,899.	
BOARDWALK PIPELINE PARTNERS			01	-3,164.	
TOTALS				-52,048.	

THE COWLES CHARITABLE TRUST
CONTRIBUTIONS
2011

THE ARTS	
Artists Space	$ 15,000
Dutchess County Arts Council	10,000
LongHouse Reserve	15,000
Miami Art Museum	10,000
Mill Street Loft	8,000
Museum of Modern Art	10,000
Wolfsonian, The	5,000
THE ARTS (30%)	**$73,000**
EDUCATION	
Cumberland College	$ 1,000
New Fairfield Public Schools	2,500
Planned Parenthood Federation of America	4,100
Planned Parenthood Hudson Peconic	2,000
Planned Parenthood of SW and Central Florida	5,000
St. George's School	12,500
School of American Ballet	5,000
Wellesley College	11,100
Women's Studio Workshop	7,000
EDUCATION (21%)	**$50,200**
MEDICAL	
Beth Israel Medical Center	$12,500
Clinic of Angels	5,000
Grant Foundation, The	9,000
Memorial Sloan-Kettering Cancer Center	20,000
Stony Brook University Medical Center	10,000
W.O.M.E.N.	3,000
MEDICAL (25%)	**$59,500**
CHARITABLE	
Church of the Holy Comforter	$ 2,500
Community Action Stops Abuse	5,000
G.R.A.S.P.	30,000
League of Women Voters of Florida	250
National Council on Crime and Delinquency	5,000
St. David's Episcopal Church	14,550
CHARITABLE (24%)	**$57,300**
TOTAL CONTRIBUTIONS (100%)	**$240,000**