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**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.

For calendar year 2012 or tax year beginning

, and ending

Name of foundation
PHILLIPS FAMILY FOUNDATION

Number and street (or P O box number if mail is not delivered to street address) Room/suite
C/O BRUCE A ROSENFELD 1600 MARKET ST. 3600

City or town, state, and ZIP code
PHILADELPHIA, PA 19103-7286

A Employer identification number
25-6716692

B Telephone number
(215) 751-2080

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

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

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, col (c), line 16) **\$ 847,455.** (Part I, column (d) must be on cash basis)

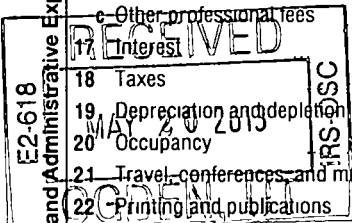
J Accounting method: Cash Accrual
 Other (specify)

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions, gifts, grants, etc., received				N/A	
2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities		22,717.	22,717.		STATEMENT 1
5a Gross rents					
b Net rental income or (loss)					
6a Net gain or (loss) from sale of assets not on line 10		39,635.			
b Gross sales price for all assets on line 6a 244,871.					
7 Capital gain net income (from Part IV, line 2)			39,635.		
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)					
11 Other income					
12 Total. Add lines 1 through 11		62,352.	62,352.		
13 Compensation of officers, directors, trustees, etc		0.	0.		0.
14 Other employee salaries and wages					
15 Pension plans, employee benefits					
16a Legal fees					
b Accounting fees					
c Other professional fees STMT 2		4,923.	4,923.		0.
17 Interest STMT 3		1,335.	0.		0.
18 Taxes					
19 Depreciation and depletion					
20 Occupancy					
21 Travel, conferences, and meetings					
22 Printing and publications					
23 Other expenses					
24 Total operating and administrative expenses. Add lines 13 through 23		6,258.	4,923.		0.
25 Contributions, gifts, grants paid		47,100.			47,100.
26 Total expenses and disbursements. Add lines 24 and 25		53,358.	4,923.		47,100.
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements		8,994.			
b Net investment income (if negative, enter -0-)			57,429.		
c Adjusted net income (if negative, enter -0-)				N/A	

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E2-618 Operating and Administrative Expenses



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Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value		
Assets	1	Cash - non-interest-bearing		150.		
	2	Savings and temporary cash investments		20,901.	46,906.	46,906.
	3	Accounts receivable ▶				
		Less: allowance for doubtful accounts ▶				
	4	Pledges receivable ▶				
		Less: allowance for doubtful accounts ▶				
	5	Grants receivable				
	6	Receivables due from officers, directors, trustees, and other disqualified persons				
	7	Other notes and loans receivable ▶				
		Less: allowance for doubtful accounts ▶				
	8	Inventories for sale or use				
	9	Prepaid expenses and deferred charges				
	10a	Investments - U.S. and state government obligations				
	b	Investments - corporate stock STMT 4		647,152.	630,291.	800,549.
	c	Investments - corporate bonds				
11	Investments - land, buildings, and equipment basis ▶					
	Less accumulated depreciation ▶					
12	Investments - mortgage loans					
13	Investments - other					
14	Land, buildings, and equipment: basis ▶					
	Less accumulated depreciation ▶					
15	Other assets (describe ▶)					
16	Total assets (to be completed by all filers)		668,203.	677,197.	847,455.	
Liabilities	17	Accounts payable and accrued expenses				
	18	Grants payable				
	19	Deferred revenue				
	20	Loans from officers, directors, trustees, and other disqualified persons				
	21	Mortgages and other notes payable				
	22	Other liabilities (describe ▶)				
23	Total liabilities (add lines 17 through 22)		0.	0.		
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here <input type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.					
	24	Unrestricted				
	25	Temporarily restricted				
	26	Permanently restricted				
	Foundations that do not follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 31					
	27	Capital stock, trust principal, or current funds		668,203.	677,197.	
	28	Paid-in or capital surplus, or land, bldg., and equipment fund		0.	0.	
29	Retained earnings, accumulated income, endowment, or other funds		0.	0.		
30	Total net assets or fund balances		668,203.	677,197.		
31	Total liabilities and net assets/fund balances		668,203.	677,197.		

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	668,203.
2	Enter amount from Part I, line 27a	2	8,994.
3	Other increases not included in line 2 (itemize) ▶	3	0.
4	Add lines 1, 2, and 3	4	677,197.
5	Decreases not included in line 2 (itemize) ▶	5	0.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	677,197.

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 HAVERFORD TRUST CO - SEE SCHEDULE		P	VARIOUS	VARIOUS
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 244,871.		205,236.	39,635.	
b				
c				
d				
e				
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))	
(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any		
a			39,635.	
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 39,635.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). If (loss), enter -0- in Part I, line 8		{		3 N/A

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income.)

If section 4940(d)(2) applies, leave this part blank.

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? Yes No

If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year; see 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))
2011	37,500.	841,819.	.044546
2010	33,000.	786,604.	.041952
2009	43,348.	681,325.	.063623
2008	44,864.	825,473.	.054349
2007	45,000.	920,613.	.048880
2 Total of line 1, column (d)			2 .253350
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 .050670
4 Enter the net value of noncharitable-use assets for 2012 from Part X, line 5			4 852,945.
5 Multiply line 4 by line 3			5 43,219.
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 574.
7 Add lines 5 and 6			7 43,793.
8 Enter qualifying distributions from Part XII, line 4			8 47,100.

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

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

1a	Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary-see instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b	1	574.
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	2	0.
3	Add lines 1 and 2	3	574.
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	574.
6	Credits/Payments:		
a	2012 estimated tax payments and 2011 overpayment credited to 2012	6a	800.
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	800.
8	Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8	
9	Tax due If the total of lines 5 and 8 is more than line 7, enter amount owed	9	
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	226.
11	Enter the amount of line 10 to be: Credited to 2013 estimated tax <input type="checkbox"/> Refunded <input checked="" type="checkbox"/>	11	0.

Part VII-A Statements Regarding Activities

	Yes	No
1a		X
1b		X
1c		X
2		X
3		X
4a		X
4b		
5		X
6	X	
7	X	
8a		
8b	X	
9		X
10		X

Part VII-A Statements Regarding Activities (continued)

11 At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)
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)
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application?
Website address N/A
14 The books are in care of BRUCE A. ROSENFELD, ESQUIRE Telephone no. 215-751-2080
Located at 1600 MARKET STREET, #3600, PHILADELPHIA, PA ZIP+4 19103-7286
15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here
and enter the amount of tax-exempt interest received or accrued during the year 15 N/A
16 At any time during calendar year 2012, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?
See the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

1a During the year did the foundation (either directly or indirectly):
(1) Engage in the sale or exchange, or leasing of property with a disqualified person?
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?
(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)?
(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.)
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)? 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 2012?
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 2012, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2012?
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.)
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?
b If "Yes," did it have excess business holdings in 2012 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 2012)
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2012?

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)? 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)? **N/A** Yes No
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? Yes No
If "Yes" to 6b, file Form 8870

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? Yes No

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? **N/A**

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.

(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
VIRGINIA A. PHILLIPS 81600 MARKET ST, STE 3600 PHILADELPHIA, PA 19103	CO-TRUSTEE 0.25	0.	0.	0.
PETER H. PHILLIPS 81600 MARKET ST, STE 3600 PHILADELPHIA, PA 19103	CO-TRUSTEE 0.25	0.	0.	0.
DAVID S. PHILLIPS 81600 MARKET ST, STE 3600 PHILADELPHIA, PA 19103	CO-TRUSTEE 0.25	0.	0.	0.
ELIZABETH A. DAVIES 81600 MARKET ST, STE 3600 PHILADELPHIA, MA 19103	CO-TRUSTEE 0.25	0.	0.	0.

2 Compensation of five highest-paid employees (other than those included on line 1). 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. If none, enter "NONE."

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

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

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1 FOUNDATION IS NOT ENGAGED IN ANY DIRECT CHARITABLE ACTIVITIES. IT PROVIDES GRANTS AND CONTRIBUTIONS TO CHARITABLE ORGANIZATIONS.	0.
2	
3	
4	

Part IX-B Summary of Program-Related Investments

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.	Amount
1 NOT APPLICABLE	0.
2	
All other program-related investments. See instructions.	
3	
Total. Add lines 1 through 3 ▶	0.

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	827,882.
b	Average of monthly cash balances	1b	38,052.
c	Fair market value of all other assets	1c	
d	Total (add lines 1a, b, and c)	1d	865,934.
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	865,934.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	12,989.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	852,945.
6	Minimum investment return. Enter 5% of line 5	6	42,647.

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	42,647.
2a	Tax on investment income for 2012 from Part VI, line 5	2a	574.
b	Income tax for 2012. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	574.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	42,073.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	42,073.
6	Deduction from distributable amount (see instructions)	6	0.
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	42,073.

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	47,100.
b	Program-related investments - total from Part IX-B	1b	0.
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	47,100.
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	5	574.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	46,526.

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 2011	(c) 2011	(d) 2012
1 Distributable amount for 2012 from Part XI, line 7				42,073.
2 Undistributed income, if any, as of the end of 2012				
a Enter amount for 2011 only			41,003.	
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2012:				
a From 2007				
b From 2008				
c From 2009				
d From 2010				
e From 2011				
f Total of lines 3a through e	0.			
4 Qualifying distributions for 2012 from Part XII, line 4: ▶ \$ 47,100.				
a Applied to 2011, but not more than line 2a			41,003.	
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 2012 distributable amount				6,097.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2012 (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 2011. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2012. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2013				35,976.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2007 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2013. Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9:				
a Excess from 2008				
b Excess from 2009				
c Excess from 2010				
d Excess from 2011				
e Excess from 2012				

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

- 1 a** If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2012, 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				(e) Total
	(a) 2012	(b) 2011	(c) 2010	(d) 2009	
2 a 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).)
- VIRGINIA A. PHILLIPS**
- 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 or e-mail 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 Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
<i>a Paid during the year</i>				
SEE SCHEDULE ATTACHED	SEE SCHEDULE ATTACHED	SEE SCHEDULE ATTACHED	SEE SCHEDULE ATTACHED	47,100.
Total				▶ 3a 47,100.
<i>b Approved for future payment</i>				
NONE				
Total				▶ 3b 0.

FORM 990-PF	DIVIDENDS AND INTEREST FROM SECURITIES		STATEMENT	1
SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT	
HAVERFORD TRUST CO	22,717.	0.	22,717.	
TOTAL TO FM 990-PF, PART I, LN 4	22,717.	0.	22,717.	

FORM 990-PF	OTHER PROFESSIONAL FEES			STATEMENT	2
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
THE HAVERFORD TRUST CO, MGR FEE	4,923.	4,923.		0.	
TO FORM 990-PF, PG 1, LN 16C	4,923.	4,923.		0.	

FORM 990-PF	TAXES			STATEMENT	3
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
2011 FEDERAL TAX BALANCE	535.	0.		0.	
2012 FEDERAL ESTIMATED TAX	800.	0.		0.	
TO FORM 990-PF, PG 1, LN 18	1,335.	0.		0.	

FORM 990-PF	CORPORATE STOCK		STATEMENT	4
DESCRIPTION			BOOK VALUE	FAIR MARKET VALUE
CORPORATE STOCK			630,291.	800,549.
TOTAL TO FORM 990-PF, PART II, LINE 10B			630,291.	800,549.

For the Account of: THE PHILLIPS FAMILY FOUNDATION

Account Number: 52 00 6327 0 01

Date: DECEMBER 1, 2012 - DECEMBER 31, 2012

Three Radnor Corporate Center, Suite 450
 Radnor, Pennsylvania 19087-4546
 T 610-995-8700 / 888-995-5995 / F 610-995-8796
 www.haverfordquality.com

Portfolio Assets Detail

CASH AND MONEY MARKET

Description	Shares	Total Cost	Current Share Price	Current Mkt Value	% of Portfolio	Unrealized Gain/Loss	Est. Ann Income	Est. Ann Yield(%)
FEDERATED PRIME MANAGEMENT OBLIG FD INC	7,200.77	7,200.77	1.00	7,200.77	.85	.00	72	.01
FEDERATED PRIME MANAGEMENT OBLIG FD PRIN	39,705.47	39,705.47	1.00	39,705.47	4.69	.00	3.97	.01
TOTAL CASH AND MONEY MARKET		46,906.24		46,906.24		.00	4.69	.01

STOCKS

Description	Shares	Total Cost	Current Share Price	Current Mkt Value	% of Portfolio	Unrealized Gain/Loss	Est. Ann Income	Est. Ann Yield(%)
ACCENTURE PLC (ACN)	450.00	17,201.07	66.50	29,925.00	3.53	12,723.93	729.00	2.44
APACHE CORP (APA)	250.00	26,545.76	78.50	19,625.00	2.32	-6,920.76	170.00	.87
APPLE INC COM (AAPL)	30.00	17,168.23	532.17	15,965.19	1.88	-1,203.04	318.00	1.99
BECTON DICKINSON & CO COM (BDX)	350.00	18,777.18	78.19	27,366.50	3.23	8,589.32	693.00	2.53
BLACKROCK INC (BLK)	150.00	23,684.83	206.71	31,006.50	3.66	7,321.67	900.00	2.90
CHEVRON CORPORATION (CVX)	250.00	15,905.68	108.14	27,035.00	3.19	11,129.32	900.00	3.33
CISCO SYS INC COM (CSCO)	1,000.00	16,434.10	19.65	19,649.40	2.32	3,215.30	560.00	2.85
COCA COLA CO COM (KO)	600.00	15,081.04	36.25	21,750.00	2.57	6,668.96	612.00	2.81
CONOCOPHILLIPS (COP)	300.00	12,043.16	57.99	17,397.00	2.05	5,353.84	792.00	4.55

For the Account of: THE PHILLIPS FAMILY FOUNDATION

Account Number: 52 00 6327 0 01

Date: DECEMBER 1, 2012 - DECEMBER 31, 2012

Portfolio Assets Detail

HVERFORD

QUALITY INVESTING

Three Radnor Corporate Center, Suite 450
Radnor, Pennsylvania 19087-4546
T 610-995-8700 / 888-995-5995 / F 610-995-8796
www.haverfordquality.com

STOCKS

Description	Shares	Total Cost	Current Share Price	Current Mkt Value	% of Portfolio	Unrealized Gain/Loss	Est. Ann Income	Est. Ann Yield(%)
COVIDIEN PLC (COV)	500.00	26,644.46	57.74	28,870.00	3.41	2,225.54	520.00	1.80
CVS CAREMARK CORP (CVS)	800.00	29,006.70	48.35	38,680.00	4.56	9,673.30	720.00	1.86
DISNEY WALT CO COM DISNEY (DIS)	600.00	19,779.04	49.79	29,874.00	3.53	10,094.96	450.00	1.51
DU PONT E I DE NEMOURS & CO COM (DD)	650.00	18,289.93	44.98	29,236.02	3.45	10,946.09	1,118.00	3.82
EATON CORPORATION PLC (ETN)	775.00	40,032.63	54.18	41,989.50	4.95	1,956.87	1,178.00	2.81
EXXON MOBIL CORP COM (XOM)	350.00	19,407.37	86.55	30,292.50	3.57	10,885.13	798.00	2.63
INT'L BUSINESS MACHINES (IBM)	150.00	19,070.43	191.55	28,732.50	3.39	9,662.07	510.00	1.77
JOHNSON & JOHNSON COM (JNJ)	400.00	20,161.30	70.10	28,040.00	3.31	7,878.70	976.00	3.48
JPMORGAN CHASE & CO COM (JPM)	400.00	16,645.04	43.97	17,587.64	2.08	942.60	480.00	2.73
MCDONALDS CORP COM (MCD)	450.00	34,319.80	88.21	39,694.50	4.68	5,374.70	1,386.00	3.49
MICROSOFT CORP COM (MSFT)	1,000.00	22,743.27	26.71	26,709.70	3.15	3,966.43	920.00	3.44
NOVARTIS A G SPONSORED ADR (NVS)	500.00	28,628.86	63.30	31,650.00	3.73	3,021.14	1,053.00	3.33
PEPSICO INC COM (PEP)	450.00	27,237.61	68.43	30,793.50	3.63	3,555.89	967.50	3.14

For the Account of: **THE PHILLIPS FAMILY FOUNDATION**

Account Number: 52 00 6327 0 01

Date: **DECEMBER 1, 2012 - DECEMBER 31, 2012**

Portfolio Assets Detail

H A V E R F O R D

QUALITY INVESTING

Three Radnor Corporate Center, Suite 450
 Radnor, Pennsylvania 19087-4546
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Description	Shares	Total Cost	Current Share Price	Current Mkt Value	% of Portfolio	Unrealized Gain/Loss	Est. Ann Income	Est. Ann Yield(%)
PROCTER & GAMBLE CO COM (PG)	350.00	13,479.32	67.89	23,761.50	2.80	10,282.18	786.80	3.31
QUALCOMM INC COM (QCOM)	600.00	33,693.06	61.86	37,115.76	4.38	3,422.70	600.00	1.62
QUEST DIAGNOSTICS INC COM (DGX)	100.00	6,210.99	58.27	5,827.00	.69	-383.99	120.00	2.06
SCHLUMBERGER LTD COM (SLB)	200.00	15,123.40	69.30	13,859.72	1.64	-1,263.68	220.00	1.59
TIFFANY & CO NEW (TIF)	100.00	6,539.85	57.34	5,734.00	.68	-805.85	128.00	2.23
UNION PACIFIC CORP COM (UNP)	200.00	10,045.94	125.72	25,144.00	2.97	15,098.06	552.00	2.20
UNITED TECHNOLOGIES CORP (UTX)	400.00	25,087.00	82.01	32,804.00	3.87	7,717.00	856.00	2.61
WELLS FARGO & CO NEW COM (WFC)	1,300.00	35,304.26	34.18	44,434.00	5.24	9,129.74	1,144.00	2.57
TOTAL STOCKS		630,291.31		800,549.43		170,258.12	21,157.30	2.64
TOTAL ASSETS				847,455.67		170,258.12	21,161.99	2.50
TOTAL ACCRUED INCOME				466.88				
TOTAL ACCOUNT				847,922.55				

Phillips Family Foundation

EIN: 25-6716692

List of Contributions for Tax Period 12/31/2012

Form 990-PF, Part XV**3. Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient Name and address	Any relation to foundation manager or substantial Contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Rotary International Paul Harris-Fellow Attn Clarence Asbury 415 Fallowfield Road Camp Hill, PA 17011	NONE	MILITARY	GENERAL	1,000 00
Community Foundation for Nantucket Nantucket Safe Harbor for Animals 3 Freedom Square Nantucket, MA 02554	NONE	ANIMAL RIGHTS	GENERAL	500 00
York Health Foundation Attn Dee Baker 45 Monument Road Suite 200 York, PA 17403	NONE	MEDICAL	GENERAL	1,000 00
Ephrata Community Hospital Attn Steve Leaman, Fund Development Dr Development Office 722 West Main Street Ephrata, PA 17522-1002	NONE	MEDICAL	GENERAL	10,000 00
Nantucket School of Music/NCMC PO Box 1352 Nantucket, MA 02554	NONE	MUSIC EDUCATION	GENERAL	5,500 00
Boston Youth Symphony Orchestra Annual Fund Attn Martha Robinson 855 Commonwealth Ave Boston, MA 02215	NONE	PERFORMING ARTS	GENERAL	2,500 00
Harrisburg Area YMCA Annual Support Campaign c/o Yvette Lynch 123 Forester St Harrisburg, PA 17102	NONE	EDUCATIONAL	GENERAL	2,000 00
Lancaster General Health Foundation c/o Heather A Wilson 555 North Duke Street Lancaster, PA 17602	NONE	MEDICAL	GENERAL	10,000 00
Sustainable Nantucket PO Box 1244 Nantucket, MA 02554	NONE	ENVIRONMENTAL	GENERAL	4,000 00

Phillips Family Foundation
EIN: 25-6716692
List of Contributions for Tax Period 12/31/2012

Form 990-PF, Part XV
3. Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address	Any relation to foundation manager or substantial Contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Harrisburg Area Community College Foundation c/o Nancy Rockey VP College & Community Development The HACC Foundation One HACC Drive, M260 Harrisburg, PA 17110-2999	NONE	EDUCATIONAL	GENERAL	3,000 00
Lebanon Area YMCA A L Sanford Center 201 North 7th Street Lebanon, PA 17046	NONE	EDUCATIONAL	GENERAL	6,100 00
Artist Association of Nantucket Attn Julie Schwartz, Development Director P O Box 1104 Nantucket, MA 02554	NONE	FINE ARTS	GENERAL	500 00
Rice University Resource Development-MS81 P O Box 1892 Houston, TX 77251-1892	NONE	EDUCATIONAL	GENERAL	500 00
Nantucket Land Council 6 Ash Lane P O Box 502 Nantucket, MA 02554	NONE	ENVIRONMENTAL	GENERAL	500 00
Total Contributions				<hr/> 47,100.00

Phillips Family Foundation
 EIN. 25-6716692
 Gain/Loss Schedule
 Haverford Trust Co 52 00 6327 0 01

Securities	shares	Date Acq	Date Sold	Proceeds	Cost	Gain/Loss
Chevron Corp	100	Various	1/11/2012	10,743.21	7,626.83	3,116.38
Exxon Mobil Corp	100	Various	1/11/2012	8,503.64	8,771.00	(267.36)
Air Prods & Chems Inc	300	Various	2/29/2012	27,169.24	16,511.65	10,657.59
Exxon Mobil Corp	100	Various	2/29/2012	8,720.77	7,517.25	1,203.52
Metlife, Inc	800	Various	5/30/2012	23,814.19	32,107.37	(8,293.18)
Phillips 66	150	Various	5/30/2012	4,531.96	3,797.41	734.55
Caterpillar, Inc	200	Various	7/24/2012	16,512.53	6,738.10	9,774.43
Johnson Controls	950	Various	9/14/2012	27,942.67	31,880.30	(3,937.63)
Intel Corp	1000	Various	9/21/2012	23,078.08	22,481.55	596.53
NYSE Euronext	1075	Various	9/21/2012	27,585.49	25,206.77	2,378.72
Abbott Labs	400	Various	10/18/2012	26,237.25	16,767.37	9,469.88
Eaton Corp 1 for 1 stock merger	775		12/4/2012	40,032.63	25,830.44	14,202.19
				244,871.66	205,236.04	39,635.62