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

2012

Open to Public Inspection

For calendar year 2012 or tax year beginning , 2012, and ending , 20

Name of foundation: THE GRANARY FOUNDATION

A Employer identification number: 44-6013024

Number and street (or P O box number if mail is not delivered to street address): P.O. BOX 419248

Room/suite:

B Telephone number (see instructions): 816- 234-2115

City or town, state, and ZIP code: KANSAS CITY, MO 64141-6248

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) ▶ $ 557,841.

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		(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)	46,000.			
	2	Check ▶ ☐ if the foundation is **not** required to attach Sch B				
	3	Interest on savings and temporary cash investments				
	4	Dividends and interest from securities	12,757.	12,757.		STMT 1
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10	12,940.			
	b	Gross sales price for all assets on line 6a 161,600.				
	7	Capital gain net income (from Part IV, line 2)		12,940.		
	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)				
	12	**Total** Add lines 1 through 11	71,697.	25,697.		
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc	5,686.	4,833.		853.
	14	Other employee salaries and wages		NONE	NONE	
	15	Pension plans, employee benefits		NONE	NONE	
	16a	Legal fees (attach schedule)				
	b	Accounting fees (attach schedule)				
	c	Other professional fees (attach schedule)				
	17	Interest				
	18	Taxes (attach schedule) (see instructions) STMT 2	175.	78.		
	19	Depreciation (attach schedule) and depletion				
	20	Occupancy				
	21	Travel, conferences, and meetings		NONE	NONE	
	22	Printing and publications		NONE	NONE	
	23	Other expenses (attach schedule)				
	24	**Total operating and administrative expenses.** Add lines 13 through 23	5,861.	4,911.	NONE	853.
	25	Contributions, gifts, grants paid	23,000.			23,000.
	26	**Total expenses and disbursements** Add lines 24 and 25	28,861.	4,911.	NONE	23,853.
	27	Subtract line 26 from line 12				
	a	**Excess of revenue over expenses and disbursements**	42,836.			
	b	**Net investment income** (if negative, enter -0-)		20,786.		
	c	**Adjusted net income** (if negative, enter -0-)				

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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 (a) Book Value	End of year (b) Book Value	(c) Fair Market Value
Assets 1	Cash - non-interest-bearing			
2	Savings and temporary cash investments	18,818.	64,508.	64,508.
3	Accounts receivable ▶			
	Less allowance for doubtful accounts ▶			
4	Pledges receivable ▶			
	Less allowance for doubtful accounts ▶			
5	Grants receivable			
6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)			
7	Other notes and loans receivable (attach schedule) ▶			
	Less allowance for doubtful accounts ▶ NONE			
8	Inventories for sale or use			
9	Prepaid expenses and deferred charges			
10 a	Investments - U S and state government obligations (attach schedule)			
b	Investments - corporate stock (attach schedule) STMT 2A	270,256.	284,581.	329,390.
c	Investments - corporate bonds (attach schedule) STMT 2A	167,589.	150,376.	163,943.
11	Investments - land, buildings, and equipment basis ▶			
	Less accumulated depreciation (attach schedule) ▶			
12	Investments - mortgage loans			
13	Investments - other (attach schedule)			
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)	456,663.	499,465.	557,841.
Liabilities 17	Accounts payable and accrued expenses			
18	Grants payable			
19	Deferred revenue			
20	Loans from officers, directors, trustees, and other disqualified persons			
21	Mortgages and other notes payable (attach schedule)			
22	Other liabilities (describe ▶)			
23	**Total liabilities** (add lines 17 through 22)		NONE	
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. ▶ X			
27	Capital stock, trust principal, or current funds	456,663.	499,465.	
28	Paid-in or capital surplus, or land, bldg , and equipment fund			
29	Retained earnings, accumulated income, endowment, or other funds			
30	**Total net assets or fund balances** (see instructions)	456,663.	499,465.	
31	**Total liabilities and net assets/fund balances** (see instructions)	456,663.	499,465.	

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	456,663.
2	Enter amount from Part I, line 27a	2	42,836.
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	499,499.
5	Decreases not included in line 2 (itemize) ▶ BOOK TO TAX DIFFERENCE	5	34.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	499,465.

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	PUBLICLY TRADED SECURITIES			
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	161,600.		148,660.	12,940.
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				12,940.
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** 12,940.

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**

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	30,567.	513,606.	0.059514
2010	15,165.	479,143.	0.031650
2009	633.	384,106.	0.001648
2008	23,371.	401,156.	0.058259
2007	1,651.	421,769.	0.003914

2	**Total** of line 1, column (d)	2	0.154985
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	0.030997
4	Enter the net value of noncharitable-use assets for 2012 from Part X, line 5	4	499,919.
5	Multiply line 4 by line 3	5	15,496.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	208.
7	Add lines 5 and 6	7	15,704.
8	Enter qualifying distributions from Part XII, line 4	8	23,853.

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 ▶ [X] and enter 1% of Part I, line 27b		1	208.
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	208.
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)		4	NONE
5	**Tax based on investment income.** Subtract line 4 from line 3 If zero or less, enter -0-		5	208.
6	Credits/Payments			
a	2012 estimated tax payments and 2011 overpayment credited to 2012	6a 290.		
b	Exempt foreign organizations - tax withheld at source	6b NONE		
c	Tax paid with application for extension of time to file (Form 8868)	6c NONE		
d	Backup withholding erroneously withheld	6d		
7	Total credits and payments Add lines 6a through 6d		7	290.
8	Enter any **penalty** for underpayment of estimated tax Check here [ ] 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	82.
11	Enter the amount of line 10 to be **Credited to 2013 estimated tax** ▶ 82. **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 Instructions for the 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? *If "Yes," attach a detailed description of the activities*	2		X
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If "Yes," attach a conformed copy of the changes*	3		X
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
b	If "Yes," has it filed a tax return on **Form 990-T** for this year?	4b		
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T*	5		X
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	X	
7	Did the foundation have at least $5,000 in assets at any time during the year? *If "Yes," complete Part II, col (c), and Part XV*	7	X	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ MO			
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 2012 or the taxable year beginning in 2012 (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)*

			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 ▶ THE COMMERCE TRUST COMPANY Telephone no. ▶ (816)234-2115
Located at ▶ 111 W 47TH ST, KANSAS CITY, MO ZIP+4 ▶ 64112

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

			Yes	No
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?	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.

			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 2012?	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 2012, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2012? ☐ 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		X
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 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)*	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 2012?	4b		X

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required *(continued)*

			Yes	No
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
	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
CLIFF C JONES, JR 8101 MISSION RD, SHAWNEE MISSION, KS 66208	TRUSTEE 5		-0-	-0-
THE COMMERCE TRUST COMPANY P.O. BOX 419248, KANSAS CITY, MO 64141	TRUSTEE 0.2	4,586.		
THE COMMERCE TRUST COMPANY P.O. BOX 11356, CLAYTON, MO 63105	TAX PREPARATION 0.1	1,100.		

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		NONE	NONE	NONE

Total number of other employees paid over $50,000 ▶ NONE

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

3 Five highest-paid independent contractors for professional services (see instructions). If none, enter "NONE."

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

Part IX-A **Summary of Direct Charitable Activities**

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc	Expenses
1 NONE	
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	491,506.
b	Average of monthly cash balances	1b	16,026.
c	Fair market value of all other assets (see instructions)	1c	NONE
d	**Total** (add lines 1a, b, and c)	1d	507,532.
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	NONE
3	Subtract line 2 from line 1d	3	507,532.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	7,613.
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4	5	499,919.
6	**Minimum investment return.** Enter 5% of line 5	6	24,996.

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	24,996.
2a	Tax on investment income for 2012 from Part VI, line 5	2a	208.		
b	Income tax for 2012. (This does not include the tax from Part VI)	2b			
c	Add lines 2a and 2b			2c	208.
3	Distributable amount before adjustments. Subtract line 2c from line 1			3	24,788.
4	Recoveries of amounts treated as qualifying distributions			4	NONE
5	Add lines 3 and 4			5	24,788.
6	Deduction from distributable amount (see instructions)			6	NONE
7	**Distributable amount** as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1			7	24,788.

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	23,853.
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	NONE
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	NONE
b	Cash distribution test (attach the required schedule)	3b	NONE
4	**Qualifying distributions.** Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	23,853.
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	208.
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	23,645.

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				24,788.
2	Undistributed income, if any, as of the end of 2012				
a	Enter amount for 2011 only			17,747.	
b	Total for prior years 20 10 ,20____,20____		NONE		
3	Excess distributions carryover, if any, to 2012				
a	From 2007 NONE				
b	From 2008 NONE				
c	From 2009 NONE				
d	From 2010 NONE				
e	From 2011 NONE				
f	Total of lines 3a through e	NONE			
4	Qualifying distributions for 2012 from Part XII, line 4 ▶ $ 23,853.				
a	Applied to 2011, but not more than line 2a			17,747.	
b	Applied to undistributed income of prior years (Election required - see instructions)		NONE		
c	Treated as distributions out of corpus (Election required - see instructions)	NONE			
d	Applied to 2012 distributable amount				6,106.
e	Remaining amount distributed out of corpus	NONE			
5	Excess distributions carryover applied to 2012 (If an amount appears in column (d), the same amount must be shown in column (a).)	NONE			NONE
6	**Enter the net total of each column as indicated below:**				
a	Corpus Add lines 3f, 4c, and 4e. Subtract line 5	NONE			
b	Prior years' undistributed income Subtract line 4b from line 2b		NONE		
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		NONE		
d	Subtract line 6c from line 6b Taxable amount - see instructions		NONE		
e	Undistributed income for 2011 Subtract line 4a from line 2a Taxable amount - see instructions				
f	Undistributed income for 2012 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2013				18,682.
7	Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)	NONE			
8	Excess distributions carryover from 2007 not applied on line 5 or line 7 (see instructions)	NONE			
9	**Excess distributions carryover to 2013.** Subtract lines 7 and 8 from line 6a	NONE			
10	Analysis of line 9				
a	Excess from 2008 NONE				
b	Excess from 2009 NONE				
c	Excess from 2010 NONE				
d	Excess from 2011 NONE				
e	Excess from 2012 NONE				

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 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	Prior 3 years			
	(a) 2012	(b) 2011	(c) 2010	(d) 2009	(e) Total
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).)

N/A

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

N/A

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:

SEE STATEMENT 3

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

SEE ATTACHED STATEMENT FOR LINE 2

c Any submission deadlines:

SEE ATTACHED STATEMENT FOR LINE 2

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

SEE ATTACHED STATEMENT FOR LINE 2

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				
COUNTRY CLUB CHRISTIAN CHURCH 6101 WARD PKWY KANSAS CITY MO 64113	NONE	EXEMPT ORG	GENERAL OPERATIONS	8,000.
ST. PAUL'S PRESBYTERIAN CHURCH 433 PARK AVE LAUREL SPRINGS NJ 08021	NONE	EXEMPT ORG	GENERAL OPERATIONS	15,000.
Total . . . ▶ 3a				23,000.
b Approved for future payment				
Total . . . ▶ 3b				

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income (a) Business code	(b) Amount	Excluded by section 512, 513, or 514 (c) Exclusion code	(d) Amount	(e) Related or exempt function income (See instructions.)
1 Program service revenue					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities			14	12,757.	
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	12,940.	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue a					
b					
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e)				25,697.	

13 **Total.** Add line 12, columns (b), (d), and (e) . . . 13 25,697.

(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.)
	NOT APPLICABLE

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

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? [X] Yes [ ] No

b If "Yes," complete the following schedule.

(a) Name of organization	(b) Type of organization	(c) Description of relationship
SEE STATEMENT 4		

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

Signature of officer or trustee: Thomas W. [signature] | Date: 05/07/2013 | Title: TRUSTEE

THE COMMERCE TRUST CO.

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
(self-prepared)				
Firm's name ▶			Firm's EIN ▶	
Firm's address ▶			Phone no	

Schedule B
(Form 990, 990-EZ, or 990-PF)
Department of the Treasury
Internal Revenue Service

Schedule of Contributors

▶ Attach to Form 990, Form 990-EZ, or Form 990-PF.

OMB No 1545-0047

2012

Name of the organization	Employer identification number
THE GRANARY FOUNDATION	44-6013024

Organization type (check one):

Filers of:	**Section:**
Form 990 or 990-EZ	☐ 501(c)( ) (enter number) organization
	☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation
	☐ 527 political organization
Form 990-PF	☒ 501(c)(3) exempt private foundation
	☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation
	☐ 501(c)(3) taxable private foundation

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

General Rule

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

Special Rules

☐ For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33 1/3 % support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi) and received from any one contributor, during the year, a contribution of the greater of **(1)** $5,000 or **(2)** 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1. Complete Parts I and II.

☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than $1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.

☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not total to more than $1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc , purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc , contributions of $5,000 or more during the year . . . . ▶ $ _______________

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

Name of organization	Employer identification number
THE GRANARY FOUNDATION	44-6013024

Part I **Contributors** (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	CLIFF C JONES, JR 8101 MISSION RD SHAWNEE MISSION, KS 66208	$ 46,000.	Person [X] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution)
		$	Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.)

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

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
INVESCO DEVELOPING MARKET FUND CLASS R5	202.	202.
AQR MANAGED FUTURES STRATEGY FUND I	80.	80.
BLACKROCK HIGH YIELD BOND PORTFOLIO	316.	316.
COMMERCE BOND FUND FUND #333	5,257.	5,257.
COMMERCE GROWTH FUND INSTITUTIONAL FUND	152.	152.
COMMERCE MIDCAP GROWTH FUND INSTITUTIONA	146.	146.
COMMERCE VALUE FUND INSTITUTIONAL FUND #	844.	844.
DWS RREEF REAL ESTATE SECURITIES FUND-IN	18.	18.
GABELLI SMALL CAP GROWTH FUND-I	408.	408.
FINANCIAL SQUARE TR GOVERNMENT FD	1.	1.
ISHARES RUSSELL MIDCAP VALUE INDEX FUND	557.	557.
ISHARES RUSSELL 1000 VALUE INDEX FUND	546.	546.
ISHARES S&P US PREFERRED STOCK INDEX FUN	268.	268.
JP MORGAN ALERIAN MLP INDEX ETN	248.	248.
LAUDUS GROWTH INVESTORS US LARGE CAP GRO	207.	207.
NATIXIS LOOMIS SAYLES VALUE FUND Y	317.	317.
MFS RESEARCH INTERNATIONAL FUND-I	673.	673.
MARKET VECTORS GOLD MINERS	112.	112.
PIMCO EMERGING MARKETS BOND FUND INS	237.	237.
PIMCO COMMODITY REALRETURN STRATEGY FUND	333.	333.
PIMCO ALL ASSET ALL AUTHORITY FUND IS	870.	870.
PRUDENTIAL GLOBAL REAL ESTATE FUND Z	338.	338.
SPDR S&P INTERNATIONAL SMALL CAP ETF	83.	83.
VANGUARD MORGAN GROWTH FUND-AD	254.	254.
VANGUARD FTSE ALL WORLD EX-US SMALL CAP	290.	290.
TOTAL	12,757.	12,757.

FORM 990PF, PART I - TAXES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
FEDERAL ESTIMATES - INCOME	97.	
FOREIGN TAXES ON QUALIFIED FOR	53.	53.
FOREIGN TAXES ON NONQUALIFIED	25.	25.
TOTALS	175.	78.

THE GRANARY FOUNDATION#
EIN: 44-6013024
As of December 31, 2012

Group	Description	Units	Book Value	Market Value
1	FINANCIAL SQUARE TR GOVERNMENT FD	64,508	64,507.53	64,507.53
1 Total		**64,508**	**64,507.53**	**64,507.53**
2	ISHARES RUSSELL 1000 VALUE INDEX FD	275	16,503 86	20,025.50
	ISHARES RUSSELL MIDCAP VALUE INDX FD	510	17,443 45	25,622.40
	MFS RESEARCH INTERNATIONAL FUND-I	2,056	31,405.70	32,388 69
	COMMERCE GROWTH FUND INSTITUTIONAL	805	16,647 87	22,423 53
	AQR MANAGED FUTURES STRATEGY FUND I	1,077	10,907 44	10,528 80
	COMMERCE MIDCAP GROWTH FUND	832	22,151 20	25,744.26
	COMMERCE VALUE FUND INSTITUTIONAL	1,082	15,703.15	25,784 63
	GABELLI SMALL CAP GROWTH FUND-I	802	24,515.31	29,631 64
	INVESCO DEVELOPING MARKET FUND	545	17,494.27	18,447 40
	ISHARES S&P PREF STK INDX FN	110	4,371 58	4,358 20
	JP MORGAN ALERIAN MLP INDEX ETN	130	4,593 96	4,999.80
	LAUDUS GROWTH INVESTORS US L/C	1,528	20,902 49	22,038 49
	MARKET VECTORS GOLD MINERS	212	10,419.02	9,834.68
	NATIXIS LOOMIS SAYLES VALUE FUND Y	939	17,438.10	19,701 21
	PIMCO ALL ASSET ALL AUTH-IS	1,234	13,484 21	13,686 62
	PRUDENTIAL GLOBAL REAL EST-Z	468	9,321.58	10,154 54
	VANGUARD FTSE ALL WO X-US SC	140	12,769 23	12,724 60
	VANGUARD MORGAN GROWTH FD-AD	345	18,509 08	21,294.96
2 Total		**13,089**	**284,581.50**	**329,389.95**
3	COMMERCE BOND FUND #333	5,969	111,528 18	125,050 76
	PIMCO COMMODITY RR STRAT-INS	1,408	11,326.48	9,349.90
	ABSOLUTE STRATEGIES FUND-I	1,835	19,329.89	20,330 98
	BLACKROCK HIGH YIELD BD-PORTFOLIO	578	4,304 49	4,674 26
	PIMCO EMRG MARKETS BOND-INS	363	3,887 39	4,537.10
3 Total		**10,153**	**150,376.43**	**163,943.00**
Grand Total		**87,750**	**499,465.46**	**557,840.48**

RECIPIENT NAME:
JANICE E MOORE, THE COMMERCE TRUST COMPANY
ADDRESS:
P.O. BOX 419248
KANSAS CITY, MO 64141
RECIPIENT'S PHONE NUMBER: 816-234-2115
FORM, INFORMATION AND MATERIALS:
CONTACT THE COMMERCE TRUST COMPANY
SUBMISSION DEADLINES:
NONE
RESTRICTIONS OR LIMITATIONS ON AWARDS:
CONTACT THE COMMMERCE TRUST COMPANY

FORM 990PF, PART XVII, LINE 2b - INFORMATION REGARDING TRANSFERS

NAME OF ORGANIZATION:
LOCAL CEDAR HILL CEMETERY ASSOC
TYPE OF ORGANIZATION:
501(C)(13)
DESCRIPTION OF RELATIONSHIP:
COMMON TRUSTEE

NAME OF ORGANIZATION:
MOUNT HOPE MAUSOLEUM ENDOWMENT
TYPE OF ORGANIZATION:
501(C)(13)
DESCRIPTION OF RELATIONSHIP:
COMMON TRUSTEE

NAME OF ORGANIZATION:
ANN A TRAVER CHARITABLE TRUST B
TYPE OF ORGANIZATION:
501(C)(4)
DESCRIPTION OF RELATIONSHIP:
COMMON TRUSTEE

NAME OF ORGANIZATION:
IVY J TRIMMER - CHRISTIAN CHURCH
TYPE OF ORGANIZATION:
501(C)(4)
DESCRIPTION OF RELATIONSHIP:
COMMON TRUSTEE

NAME OF ORGANIZATION:
IVY J TRIMMER TRUST
TYPE OF ORGANIZATION:
501(C)(4)
DESCRIPTION OF RELATIONSHIP:
COMMON TRUSTEE

NAME OF ORGANIZATION:
ALICE G OGG TRUST UNDER WILL
TYPE OF ORGANIZATION:
501(C)(4)
DESCRIPTION OF RELATIONSHIP:
COMMON TRUSTEE

FORM 990PF, PART XVII, LINE 2b - INFORMATION REGARDING TRANSFERS
===

NAME OF ORGANIZATION:
MARY HARTMANN FOUNDATION
TYPE OF ORGANIZATION:
501(C)(4)
DESCRIPTION OF RELATIONSHIP:
COMMON TRUSTEE

STATEMENT 5

SCHEDULE D (Form 1041)

Department of the Treasury
Internal Revenue Service

Capital Gains and Losses

▶ Attach to Form 1041, Form 5227, or Form 990-T.
▶ Information about Schedule D (Form 1041) and its separate instructions is at *www.irs.gov/form1041.*

OMB No 1545-0092

2012

Name of estate or trust: THE GRANARY FOUNDATION

Employer identification number: 44-6013024

Note: *Form 5227 filers need to complete only Parts I and II.*

Part I **Short-Term Capital Gains and Losses - Assets Held One Year or Less**

(a) Description of property (Example 100 shares 7% preferred of "Z" Co)	(b) Date acquired (mo , day, yr)	(c) Date sold (mo , day, yr)	(d) Sales price	(e) Cost or other basis (see instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
1a					

b	Enter the short-term gain or (loss), if any, from Schedule D-1, line 1b	1b	950.
2	Short-term capital gain or (loss) from Forms 4684, 6252, 6781, and 8824	2	
3	Net short-term gain or (loss) from partnerships, S corporations, and other estates or trusts	3	
4	Short-term capital loss carryover Enter the amount, if any, from line 9 of the 2011 Capital Loss Carryover Worksheet	4	( )
5	**Net short-term gain or (loss).** Combine lines 1a through 4 in column (f). Enter here and on line 13, column (3) on the back ▶	5	950.

Part II **Long-Term Capital Gains and Losses - Assets Held More Than One Year**

(a) Description of property (Example 100 shares 7% preferred of "Z" Co)	(b) Date acquired (mo , day, yr)	(c) Date sold (mo , day, yr)	(d) Sales price	(e) Cost or other basis (see instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
6a LONG-TERM CAPITAL GAIN DIVIDENDS					3,907.

b	Enter the long-term gain or (loss), if any, from Schedule D-1, line 6b	6b	8,083.
7	Long-term capital gain or (loss) from Forms 2439, 4684, 6252, 6781, and 8824	7	
8	Net long-term gain or (loss) from partnerships, S corporations, and other estates or trusts	8	
9	Capital gain distributions	9	
10	Gain from Form 4797, Part I	10	
11	Long-term capital loss carryover. Enter the amount, if any, from line 14 of the 2011 Capital Loss Carryover Worksheet	11	( )
12	**Net long-term gain or (loss).** Combine lines 6a through 11 in column (f). Enter here and on line 14a, column (3) on the back ▶	12	11,990.

For Paperwork Reduction Act Notice, see the Instructions for Form 1041

Part III Summary of Parts I and II
Caution: *Read the instructions* ***before*** *completing this part.*

			(1) Beneficiaries' (see instr.)	(2) Estate's or trust's	(3) Total
13	**Net short-term gain or (loss)**	13			950.
14	**Net long-term gain or (loss):**				
a	Total for year	14a			11,990.
b	Unrecaptured section 1250 gain (see line 18 of the wrksht.)	14b			
c	28% rate gain	14c			
15	**Total net gain or (loss).** Combine lines 13 and 14a ▶	15			12,940.

Note: *If line 15, column (3), is a net gain, enter the gain on Form 1041, line 4 (or Form 990-T, Part I, line 4a) If lines 14a and 15, column (2), are net gains, go to Part V, and* ***do not*** *complete Part IV If line 15, column (3), is a net loss, complete Part IV and the* ***Capital Loss Carryover Worksheet,*** *as necessary*

Part IV Capital Loss Limitation

16 Enter here and enter as a (loss) on Form 1041, line 4 (or Form 990-T, Part I, line 4c, if a trust), the **smaller** of:
a The loss on line 15, column (3) **or** b $3,000 . . . 16 ( )

Note: *If the loss on line 15, column (3), is more than $3,000,* ***or*** *if Form 1041, page 1, line 22 (or Form 990-T, line 34), is a loss, complete the* ***Capital Loss Carryover Worksheet*** *in the instructions to figure your capital loss carryover.*

Part V Tax Computation Using Maximum Capital Gains Rates

Form 1041 filers. Complete this part **only** if both lines 14a and 15 in column (2) are gains, or an amount is entered in Part I or Part II and there is an entry on Form 1041, line 2b(2), **and** Form 1041, line 22, is more than zero.
Caution: *Skip this part and complete the* ***Schedule D Tax Worksheet*** *in the instructions if:*
- *Either line 14b, col. (2) or line 14c, col (2) is more than zero, or*
- *Both Form 1041, line 2b(1), and Form 4952, line 4g are more than zero.*

Form 990-T trusts. Complete this part **only** if both lines 14a and 15 are gains, or qualified dividends are included in income in Part I of Form 990-T, **and** Form 990-T, line 34, is more than zero. Skip this part and complete the **Schedule D Tax Worksheet** in the instructions if either line 14b, col (2) or line 14c, col. (2) is more than zero

17	Enter taxable income from Form 1041, line 22 (or Form 990-T, line 34)	17	
18	Enter the **smaller** of line 14a or 15 in column (2) but not less than zero	18	
19	Enter the estate's or trust's qualified dividends from Form 1041, line 2b(2) (or enter the qualified dividends included in income in Part I of Form 990-T)	19	
20	Add lines 18 and 19	20	
21	If the estate or trust is filing Form 4952, enter the amount from line 4g, otherwise, enter -0- ▶	21	
22	Subtract line 21 from line 20. If zero or less, enter -0-	22	
23	Subtract line 22 from line 17 If zero or less, enter -0-	23	
24	Enter the **smaller** of the amount on line 17 or $2,400	24	
25	Is the amount on line 23 equal to or more than the amount on line 24? ☐ **Yes.** Skip lines 25 and 26; go to line 27 and check the "No" box ☐ **No.** Enter the amount from line 23	25	
26	Subtract line 25 from line 24	26	
27	Are the amounts on lines 22 and 26 the same? ☐ **Yes.** Skip lines 27 thru 30, go to line 31 ☐ **No.** Enter the smaller of line 17 or line 22	27	
28	Enter the amount from line 26 (If line 26 is blank, enter -0-)	28	
29	Subtract line 28 from line 27	29	
30	Multiply line 29 by 15% (.15)	30	
31	Figure the tax on the amount on line 23 Use the 2012 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041)	31	
32	Add lines 30 and 31	32	
33	Figure the tax on the amount on line 17. Use the 2012 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041)	33	
34	**Tax on all taxable income.** Enter the **smaller** of line 32 or line 33 here and on Form 1041, Schedule G, line 1a (or Form 990-T, line 36)	34	

SCHEDULE D-1 (Form 1041)
Department of the Treasury Internal Revenue Service

Continuation Sheet for Schedule D (Form 1041)

▶ Attach to Schedule D to list additional transactions for lines 1a and 6a.
▶ Information about Schedule D (Form 1041) and its separate instructions is at www.irs.gov/form1041

OMB No 1545-0092

2012

Name of estate or trust: THE GRANARY FOUNDATION

Employer identification number: 44-6013024

Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less

(a) Description of property (Example 100 sh 7% preferred of "Z" Co)	(b) Date acquired (mo, day, yr)	(c) Date sold (mo, day, yr)	(d) Sales price	(e) Cost or other basis (see instructions)	(f) Gain or (loss) Subtract (e) from (d)
1a 58.487 VANGUARD MORGAN GRO	02/06/2012	03/27/2012	1,201.00	1,130.00	71.00
116.85 VANGUARD MORGAN GRO	09/07/2011	06/07/2012	2,197.00	2,019.00	178.00
25.334 VANGUARD MORGAN GRO	02/06/2012	06/07/2012	476.00	489.00	-13.00
56.302 COMMERCE BOND FUND	10/28/2011	06/29/2012	1,162.00	1,144.00	18.00
8.004 COMMERCE GROWTH FUND AL FUND #337	02/06/2012	06/29/2012	224.00	223.00	1.00
11.643 COMMERCE VALUE FUND AL FUND #346	02/06/2012	06/29/2012	268.00	261.00	7.00
4.105 ABSOLUTE STRATEGIES	10/28/2011	06/29/2012	46.00	45.00	1.00
3.35 GABELLI SMALL CAP GRO	02/06/2012	06/29/2012	114.00	118.00	-4.00 *
5. ISHARES RUSSELL MIDCAP FUND	02/06/2012	06/29/2012	230.00	234.00	-4.00 *
5. JP MORGAN ALERIAN MLP I	03/27/2012	06/29/2012	191.00	199.00	-8.00 *
14.999 LAUDUS GROWTH INVES LARGE CAP GROWTH FUND	06/07/2012	06/29/2012	207.00	205.00	2.00
9.899 NATIXIS LOOMIS SAYLE Y	06/07/2012	06/29/2012	192.00	184.00	8.00
11.955 PIMCO ALL ASSET ALL FUND IS	09/07/2011	06/29/2012	126.00	131.00	-5.00
4.257 PRUDENTIAL GLOBAL RE FUND Z	03/27/2012	06/29/2012	85.00	85.00	
10. SPDR BARCLAYS CAPITAL	06/07/2012	06/29/2012	458.00	459.00	-1.00
10.834 VANGUARD MORGAN GRO	09/07/2011	06/29/2012	208.00	187.00	21.00
75. SPDR BARCLAYS CAPITAL	06/07/2012	07/31/2012	3,421.00	3,440.00	-19.00
90.327 LAUDUS GROWTH INVES LARGE CAP GROWTH FUND	06/07/2012	09/25/2012	1,340.00	1,232.00	108.00
97.803 NATIXIS LOOMIS SAYL FUND Y	06/07/2012	09/25/2012	2,046.00	1,816.00	230.00
37.003 PRUDENTIAL GLOBAL R FUND Z	03/27/2012	09/25/2012	774.00	737.00	37.00
440. SPDR BARCLAYS CAPITAL	06/07/2012	09/25/2012	20,139.00	20,180.00	-41.00
235. SPDR S&P INTERNATIONA ETF	09/25/2012	12/18/2012	6,668.00	6,321.00	347.00

1b Total. Combine the amounts in column (f) Enter here and on Schedule D, line 1b 950.00

For Paperwork Reduction Act Notice, see the Instructions for Form 1041. **Schedule D-1 (Form 1041) 2012**

JSA
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* INDICATES WASH SALE

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Name of estate or trust as shown on Form 1041 Do not enter name and employer identification number if shown on the other side: THE GRANARY FOUNDATION

Employer identification number: 44-6013024

Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year

(a) Description of property (Example 100 sh 7% preferred of "Z" Co)	(b) Date acquired (mo , day, yr)	(c) Date sold (mo , day, yr)	(d) Sales price	(e) Cost or other basis (see instructions)	(f) Gain or (loss) Subtract (e) from (d)
6a 108.532 BLACKROCK HIGH YIE PORTFOLIO	09/27/2010	02/06/2012	836.00	809.00	27.00
558.526 COMMERCE BOND FUND	03/22/2010	02/06/2012	11,472.00	10,285.00	1,187.00
24.902 DWS RREEF REAL ESTA SECURITIES FUND-INST	10/16/2009	02/06/2012	511.00	316.00	195.00
25. ISHARES S&P US PREFERR INDEX FUND	09/27/2010	02/06/2012	959.00	999.00	-40.00
5. MARKET VECTORS GOLD MIN	05/25/2010	02/06/2012	282.00	239.00	43.00
124.67 COMMERCE BOND FUND	03/21/2011	03/27/2012	2,562.00	2,461.00	101.00
55.119 COMMERCE GROWTH FUN INSTITUTIONAL FUND #337	03/21/2011	03/27/2012	1,624.00	1,468.00	156.00
17.145 COMMERCE MIDCAP GRO INSTITUTIONAL # 339	12/20/2010	03/27/2012	592.00	584.00	8.00
241.429 DWS RREEF REAL EST SECURITIES FUND-INST	10/16/2009	03/27/2012	4,983.00	3,061.00	1,922.00
5. ISHARES RUSSELL MIDCAP FUND	12/20/2010	03/27/2012	242.00	223.00	19.00
10. ISHARES RUSSELL 1000 V FUND	09/27/2010	03/27/2012	706.00	593.00	113.00
405.635 INVESCO DEVELOPING CLASS R5	09/27/2010	06/07/2012	11,987.00	12,899.00	-912.00
71.018 AQR MANAGED FUTURES FUND I	01/19/2011	06/07/2012	697.00	726.00	-29.00
336.753 COMMERCE BOND FUND	07/31/2007	06/07/2012	6,944.00	6,105.00	839.00
527.215 COMMERCE GROWTH FU INSTITUTIONAL FUND #337	03/21/2011	06/07/2012	14,356.00	12,794.00	1,562.00
222.467 COMMERCE VALUE FUN INSTITUTIONAL FUND #346	05/25/2010	06/07/2012	4,932.00	3,889.00	1,043.00
91.974 ABSOLUTE STRATEGIES	12/20/2010	06/07/2012	1,028.00	986.00	42.00
150. ISHARES RUSSELL 1000 FUND	09/27/2010	06/07/2012	9,909.00	8,888.00	1,021.00
5. ISHARES S&P US PREFERRE INDEX FUND	09/27/2010	06/07/2012	192.00	200.00	-8.00
769.046 MFS RESEARCH INTER FUND-I	03/21/2011	06/07/2012	10,467.00	9,788.00	679.00
45. SPDR S&P INTERNATIONAL ETF	03/21/2011	06/07/2012	1,140.00	1,390.00	-250.00
265. SPDR S&P INTERNATIONA ETF	12/20/2010	06/07/2012	6,711.00	7,462.00	-751.00
3.114 INVESCO DEVELOPING M CLASS R5	06/20/2011	06/29/2012	95.00	102.00	-7.00
8.468 AQR MANAGED FUTURES FUND I	01/19/2011	06/29/2012	81.00	87.00	-6.00
4.073 BLACKROCK HIGH YIELD PORTFOLIO	09/27/2010	06/29/2012	31.00	30.00	1.00

6b Total. Combine the amounts in column (f) Enter here and on Schedule D, line 6b . . . .

Name of estate or trust as shown on Form 1041 Do not enter name and employer identification number if shown on the other side: THE GRANARY FOUNDATION

Employer identification number: 44-6013024

Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year

(a) Description of property (Example 100 sh 7% preferred of "Z" Co)	(b) Date acquired (mo , day, yr)	(c) Date sold (mo , day, yr)	(d) Sales price	(e) Cost or other basis (see instructions)	(f) Gain or (loss) Subtract (e) from (d)
6a 7.741 COMMERCE MIDCAP GROW INSTITUTIONAL # 339	12/20/2010	06/29/2012	249.00	264.00	-15.00 *
5. ISHARES RUSSELL 1000 VA FUND	09/27/2010	06/29/2012	339.00	296.00	43.00
5. ISHARES S&P US PREFERRE INDEX FUND	09/27/2010	06/29/2012	196.00	200.00	-4.00
12.829 MFS RESEARCH INTERN FUND-I	06/20/2011	06/29/2012	182.00	207.00	-25.00
2.876 PIMCO EMERGING MARKE INS	06/21/2010	06/29/2012	34.00	31.00	3.00
13.633 PIMCO COMMODITY REA STRATEGY FUND-INS	03/21/2011	06/29/2012	88.00	129.00	-41.00 *
5. SPDR S&P INTERNATIONAL ETF	06/20/2011	06/29/2012	128.00	152.00	-24.00
49.971 COMMERCE GROWTH FUN INSTITUTIONAL FUND #337	09/07/2011	09/25/2012	1,483.00	1,223.00	260.00
36.38 COMMERCE MIDCAP GROW INSTITUTIONAL # 339	12/20/2010	09/25/2012	1,232.00	1,239.00	-7.00
80.27 COMMERCE VALUE FUND L FUND #346	05/25/2010	09/25/2012	1,952.00	1,363.00	589.00
72.497 GABELLI SMALL CAP G	12/20/2010	09/25/2012	2,643.00	2,471.00	172.00
35. ISHARES RUSSELL MIDCAP FUND	12/20/2010	09/25/2012	1,730.00	1,560.00	170.00
20. ISHARES RUSSELL 1000 V FUND	09/27/2010	09/25/2012	1,463.00	1,185.00	278.00
5. JP MORGAN ALERIAN MLP I	09/07/2011	09/25/2012	202.00	175.00	27.00
5. MARKET VECTORS GOLD MIN	05/25/2010	09/25/2012	268.00	239.00	29.00
15. MARKET VECTORS GOLD MI	06/20/2011	09/25/2012	805.00	787.00	18.00
51.096 PIMCO EMERGING MARK FUND INS	06/21/2010	09/25/2012	626.00	547.00	79.00
139.655 PIMCO COMMODITY RE STRATEGY FUND-INS	03/21/2011	09/25/2012	985.00	1,323.00	-338.00
82.37 PIMCO ALL ASSET ALL FUND IS	09/07/2011	09/25/2012	922.00	901.00	21.00
18.237 VANGUARD MORGAN GRO	09/07/2011	09/25/2012	1,148.00	978.00	170.00
5. ISHARES RUSSELL MIDCAP FUND	12/20/2010	12/18/2012	252.00	223.00	29.00
210. SPDR S&P INTERNATIONA ETF	09/07/2011	12/18/2012	5,959.00	6,329.00	-370.00
20. SPDR S&P INTERNATIONAL ETF	09/27/2010	12/18/2012	567.00	559.00	8.00

6b Total. Combine the amounts in column (f). Enter here and on Schedule D, line 6b 8,083.00

* INDICATES WASH SALE

THE GRANARY FOUNDATION 44-6013024

FEDERAL CAPITAL GAIN DIVIDENDS

LONG-TERM CAPITAL GAIN DIVIDENDS

15% RATE CAPITAL GAIN DIVIDENDS

COMMERCE GROWTH FUND INSTITUTIONAL FUND #337	784.00	
COMMERCE MIDCAP GROWTH FUND INSTITUTIONAL # 3	2,280.00	
GABELLI SMALL CAP GROWTH FUND-I	613.00	
LAUDUS GROWTH INVESTORS US LARGE CAP GROWTH F	199.00	
PIMCO EMERGING MARKETS BOND FUND INS	3.00	
PIMCO COMMODITY REALRETURN STRATEGY FUND-INS	28.00	
TOTAL 15% RATE CAPITAL GAIN DIVIDENDS		3,907.00
TOTAL LONG-TERM CAPITAL GAIN DIVIDENDS		3,907.00