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

2012

Department of the Treasury

Internal Revenue Service

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

Open to public inspection

For calendar year 2012 or tax year beginning

, and ending

Name of foundation <b>FATHERREE FOUNDATION</b> <b>C/O ANNE W. KENNY</b>		A Employer identification number <b>54-6087147</b>
Number and street (or P.O. box number if mail is not delivered to street address) <b>206 GUN CLUB ROAD</b>	Room/suite	B Telephone number <b>(804) 359-5863</b>
City or town, state, and ZIP code <b>RICHMOND, VA 23221</b>		C If exemption application is pending, check here <input type="checkbox"/>
G Check all that apply: <input type="checkbox"/> Initial return <input type="checkbox"/> Final return <input type="checkbox"/> Address change <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Amended return <input type="checkbox"/> Name change		D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) <b>\$ 2,803,710.</b>	J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

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)	
Revenue	1 Contributions, gifts, grants, etc., received					
	2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch. B					
	3 Interest on savings and temporary cash investments	10.	10.		STATEMENT 1	
	4 Dividends and interest from securities	54,182.	54,182.		STATEMENT 2	
	5a Gross rents					
	b Net rental income or (loss)					
	6a Net gain or (loss) from sale of assets not on line 10	137,231.				
	b Gross sales price for all assets on line 6a	498,865.				
	7 Capital gain net income (from Part IV, line 2)		137,231.			
	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	<7,409.>	51.	0.	STATEMENT 3		
12 Total. Add lines 1 through 11	184,014.	191,474.	0.			
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	0.	0.	0.	0.	
	14 Other employee salaries and wages					
	15 Pension plans, employee benefits					
	16a Legal fees					
	b Accounting fees	STMT 4	3,150.	0.	0.	3,150.
	c Other professional fees	STMT 5	20,628.	20,628.	0.	0.
	17 Interest					
	18 Taxes	STMT 6	4,451.	392.	0.	0.
	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		28,229.	21,020.	0.	3,150.
	25 Contributions, gifts, grants paid		126,786.			126,786.
26 Total expenses and disbursements. Add lines 24 and 25		155,015.	21,020.	0.	129,936.	
27 Subtract line 26 from line 12:						
a Excess of revenue over expenses and disbursements		28,999.				
b Net investment income (if negative, enter -0-)			170,454.			
c Adjusted net income (if negative, enter -0-)				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

		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
<b>Assets</b>	1 Cash - non-interest-bearing			
	2 Savings and temporary cash investments	152,761.	120,198.	120,198.
	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 <b>STMT 7</b>	1,762,417.	1,823,979.	2,683,512.
	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 ▶ <b>STATEMENT 8</b> )	250.	250.	0.	
<b>16 Total assets (to be completed by all filers)</b>	<b>1,915,428.</b>	<b>1,944,427.</b>	<b>2,803,710.</b>	
<b>Liabilities</b>	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 ▶)			
<b>23 Total liabilities (add lines 17 through 22)</b>	<b>0.</b>	<b>0.</b>		
<b>Net Assets or Fund Balances</b>	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	2,083,674.	2,083,674.	
	28 Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.	
	29 Retained earnings, accumulated income, endowment, or other funds	<168,246.>	<139,247.>	
<b>30 Total net assets or fund balances</b>	<b>1,915,428.</b>	<b>1,944,427.</b>		
<b>31 Total liabilities and net assets/fund balances</b>	<b>1,915,428.</b>	<b>1,944,427.</b>		

**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)	1,915,428.
2 Enter amount from Part I, line 27a	28,999.
3 Other increases not included in line 2 (itemize) ▶	0.
4 Add lines 1, 2, and 3	1,944,427.
5 Decreases not included in line 2 (itemize) ▶	0.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	1,944,427.

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**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.)
<b>1a SEE ATTACHED SCHEDULE - LONG-TERM</b>	<b>P</b>	<b>VARIOUS</b>	<b>12/31/12</b>
<b>b SEE ATTACHED SCHEDULE - SHORT-TERM</b>	<b>P</b>	<b>VARIOUS</b>	<b>12/31/12</b>
<b>c PASS THROUGH FROM ENTERPRISE PRODUCTS</b>			
<b>d PARTNERS LP</b>	<b>P</b>	<b>VARIOUS</b>	<b>12/31/12</b>
<b>e</b>			

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
<b>a 409,755.</b>		<b>297,079.</b>	<b>112,676.</b>
<b>b 87,352.</b>		<b>64,555.</b>	<b>22,797.</b>
<b>c</b>			
<b>d 1,758.</b>			<b>1,758.</b>
<b>e</b>			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) 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	
<b>a</b>			<b>112,676.</b>
<b>b</b>			<b>22,797.</b>
<b>c</b>			
<b>d</b>			<b>1,758.</b>
<b>e</b>			

<b>2 Capital gain net income or (net capital loss)</b>	{ If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }	<b>2</b>	<b>137,231.</b>
<b>3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6):</b> If gain, also enter in Part I, line 8, column (c). If (loss), enter -0- in Part I, line 8	{ }	<b>3</b>	<b>N/A</b>

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period?

☐ Yes ☒ No

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

**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	115,250.	2,621,105.	.043970
2010	105,875.	2,308,752.	.045858
2009	18,191.	2,124,370.	.008563
2008	127,065.	2,425,423.	.052389
2007	151,612.	2,775,279.	.054629

<b>2 Total of line 1, column (d)</b>	<b>2</b>	<b>.205409</b>
<b>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</b>	<b>3</b>	<b>.041082</b>
<b>4 Enter the net value of noncharitable-use assets for 2012 from Part X, line 5</b>	<b>4</b>	<b>2,741,514.</b>
<b>5 Multiply line 4 by line 3</b>	<b>5</b>	<b>112,627.</b>
<b>6 Enter 1% of net investment income (1% of Part I, line 27b)</b>	<b>6</b>	<b>1,705.</b>
<b>7 Add lines 5 and 6</b>	<b>7</b>	<b>114,332.</b>
<b>8 Enter qualifying distributions from Part XII, line 4</b>	<b>8</b>	<b>129,936.</b>

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

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**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	1,705.
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	1,705.
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	1,705.
6 Credits/Payments:			
a 2012 estimated tax payments and 2011 overpayment credited to 2012	6a	2,240.	
b Exempt foreign organizations - tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c		
d Backup withholding erroneously withheld	6d		
7 Total credits and payments. Add lines 6a through 6d	7	2,240.	
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	535.	
11 Enter the amount of line 10 to be: Credited to 2013 estimated tax <input checked="" type="checkbox"/> 535. Refunded <input checked="" type="checkbox"/> 0.	11	0.	

**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?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for definition)? 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.		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. <input checked="" type="checkbox"/> \$ 0. (2) On foundation managers. <input checked="" type="checkbox"/> \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. <input checked="" type="checkbox"/> \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities.		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T.		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col. (c), and Part XV.	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) <input checked="" type="checkbox"/> VA		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2012 or the taxable year beginning in 2012 (see instructions for Part XIV)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X

N/A

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

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	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? Website address ► <u>N/A</u>	13	X	
14	The books are in care of ► <u>ANNE W. KENNY</u> Telephone no. ► <u>804-359-5863</u> Located at ► <u>206 GUN CLUB RD., RICHMOND, VA</u> ZIP+4 ► <u>23221</u>			
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 ►	16	Yes	No
				X

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

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

		Yes	No
1a	During the year did the foundation (either directly or indirectly):		
(1)	Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(5)	Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6)	Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here <input type="checkbox"/> N/A	1b	
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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	2b	
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If "Yes," did it have excess business holdings in 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.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	3b	
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	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? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	4b	X

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**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** ☒

**5b**

**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

**6b**

**b** Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?

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

**7b**

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

**N/A**

**X**

**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
ANNE W. KENNY 206 GUN CLUB ROAD RICHMOND, VA 23221	PRESIDENT & DIRECTOR 1.00	0.	0.	0.
ANNE B. KENNY-URBAN 29 LIBBIE AVENUE RICHMOND, VA 23226	DIRECTOR 1.00	0.	0.	0.
KATHRYN KENNY CODD 301 BROOLKINE STREET CAMBRIDGE, MA 02139	DIRECTOR 1.00	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 X Minimum Investment Return** (All domestic foundations must complete this part. Foreign foundations, see instructions.)

<b>1</b>	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
<b>a</b>	Average monthly fair market value of securities	<b>1a</b>	2,677,143.
<b>b</b>	Average of monthly cash balances	<b>1b</b>	106,120.
<b>c</b>	Fair market value of all other assets	<b>1c</b>	
<b>d</b>	<b>Total</b> (add lines 1a, b, and c)	<b>1d</b>	2,783,263.
<b>e</b>	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	<b>1e</b>	0.
<b>2</b>	Acquisition indebtedness applicable to line 1 assets	<b>2</b>	0.
<b>3</b>	Subtract line 2 from line 1d	<b>3</b>	2,783,263.
<b>4</b>	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	<b>4</b>	41,749.
<b>5</b>	<b>Net value of noncharitable-use assets.</b> Subtract line 4 from line 3. Enter here and on Part V, line 4	<b>5</b>	2,741,514.
<b>6</b>	<b>Minimum investment return.</b> Enter 5% of line 5	<b>6</b>	137,076.

**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.)

<b>1</b>	Minimum investment return from Part X, line 6	<b>1</b>	137,076.
<b>2a</b>	Tax on investment income for 2012 from Part VI, line 5	<b>2a</b>	1,705.
<b>b</b>	Income tax for 2012. (This does not include the tax from Part VI.)	<b>2b</b>	
<b>c</b>	Add lines 2a and 2b	<b>2c</b>	1,705.
<b>3</b>	Distributable amount before adjustments. Subtract line 2c from line 1	<b>3</b>	135,371.
<b>4</b>	Recoveries of amounts treated as qualifying distributions	<b>4</b>	0.
<b>5</b>	Add lines 3 and 4	<b>5</b>	135,371.
<b>6</b>	Deduction from distributable amount (see instructions)	<b>6</b>	0.
<b>7</b>	<b>Distributable amount</b> as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	<b>7</b>	135,371.

**Part XII Qualifying Distributions** (see instructions)

<b>1</b>	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
<b>a</b>	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	<b>1a</b>	129,936.
<b>b</b>	Program-related investments - total from Part IX-B	<b>1b</b>	0.
<b>2</b>	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	<b>2</b>	
<b>3</b>	Amounts set aside for specific charitable projects that satisfy the:		
<b>a</b>	Suitability test (prior IRS approval required)	<b>3a</b>	
<b>b</b>	Cash distribution test (attach the required schedule)	<b>3b</b>	
<b>4</b>	<b>Qualifying distributions.</b> Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	<b>4</b>	129,936.
<b>5</b>	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	<b>5</b>	1,705.
<b>6</b>	<b>Adjusted qualifying distributions.</b> Subtract line 5 from line 4	<b>6</b>	128,231.

**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.

## FATHERREE FOUNDATION

Form 990-PF (2012)

C/O ANNE W. KENNY

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

	(a) Corpus	(b) Years prior to 2011	(c) 2011	(d) 2012
<b>1</b> Distributable amount for 2012 from Part XI, line 7				135,371.
<b>2</b> Undistributed income, if any, as of the end of 2012				
<b>a</b> Enter amount for 2011 only			125,786.	
<b>b</b> Total for prior years:		0.		
<b>3</b> Excess distributions carryover, if any, to 2012:				
<b>a</b> From 2007				
<b>b</b> From 2008				
<b>c</b> From 2009				
<b>d</b> From 2010				
<b>e</b> From 2011				
<b>f</b> Total of lines 3a through e	0.			
<b>4</b> Qualifying distributions for 2012 from Part XII, line 4: ▶ \$ 129,936.				
<b>a</b> Applied to 2011, but not more than line 2a			125,786.	
<b>b</b> Applied to undistributed income of prior years (Election required - see instructions)		0.		
<b>c</b> Treated as distributions out of corpus (Election required - see instructions)	0.			
<b>d</b> Applied to 2012 distributable amount				4,150.
<b>e</b> Remaining amount distributed out of corpus	0.			
<b>5</b> Excess distributions carryover applied to 2012 (If an amount appears in column (d), the same amount must be shown in column (a).)	0.			0.
<b>6</b> Enter the net total of each column as indicated below:	0.			
<b>a</b> Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	0.			
<b>b</b> Prior years' undistributed income. Subtract line 4b from line 2b		0.		
<b>c</b> Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
<b>d</b> Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
<b>e</b> Undistributed income for 2011. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
<b>f</b> Undistributed income for 2012. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2013				131,221.
<b>7</b> Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
<b>8</b> Excess distributions carryover from 2007 not applied on line 5 or line 7	0.			
<b>9</b> Excess distributions carryover to 2013. Subtract lines 7 and 8 from line 6a	0.			
<b>10</b> Analysis of line 9:				
<b>a</b> Excess from 2008				
<b>b</b> Excess from 2009				
<b>c</b> Excess from 2010				
<b>d</b> Excess from 2011				
<b>e</b> Excess from 2012				



## FATHERREE FOUNDATION

Form 990-PF (2012)

C/O ANNE W. KENNY

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**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
<b>a Paid during the year</b>				
CYSTIC FIBROSIS FOUNDATION 6931 ARLINGTON RD BETHESDA, MD 20814	NONE	PUBLIC	UNRESTRICTED.	110,000.
THE RICHMOND BALLET 407 EAST CANAL STREET RICHMOND, VA 23219	NONE	PUBLIC	UNRESTRICTED	7,786.
THE RICHMOND SYMPHONY 612 E GRACE STREET RICHMOND, VA 23219	NONE	PUBLIC	UNRESTRICTED	3,000.
VMFA FOUNDATION 200 N BOULEVARD RICHMOND, VA 23220	NONE	PUBLIC	UNRESTRICTED	6,000.
<b>Total</b>			<b>3a</b>	<b>126,786.</b>
<b>b Approved for future payment</b>				
NONE				
<b>Total</b>			<b>3b</b>	<b>0.</b>





**Fatherree Foundation**

**FEIN 54-6087147**

**Capital Gain Schedule - Form 990PF - Part IV**

**12/31/2012**

Description	# of shares	Date purchased	Date sold	Proceeds	Basis	Gain (loss)	
Apple	48	5/26/2009	12/13/2012	\$ 25,473.27	\$ 6,206.40	\$ 19,266.87	I
Apple	17	6/1/2009	11/7/2012	9,553.86	2,198.10	\$ 7,355.76	I
Boeing	347	6/26/09	5/31/2012	24,010.71	14,785.46	\$ 9,225.25	I
DOW Chemical Company	650	8/22/01	5/7/2012	21,014.06	22,669.35	\$ (1,655.29)	I
Fiserv Inc	726	3/17/2010	4/26/2012	50,921.23	37,364.97	\$ 13,556.26	I
Intel Corp	499	9/4/2007	12/5/2012	9,921.10	13,178.59	\$ (3,257.49)	I
Intel Corp	391	3/19/09	12/5/2012	7,773.84	5,999.54	\$ 1,774.30	I
Intel Corp	972	3/15/10	12/5/2012	19,325.26	20,567.13	\$ (1,241.87)	I
Laboratory Corp.	626	7/1/2009	11/8/2012	53,176.13	42,569.50	\$ 10,606.63	I
Lowes Companies Inc	425	3/4/2004	9/19/2012	12,616.73	11,902.21	\$ 714.53	I
Lowes Companies Inc	367	3/4/2004	9/19/2012	10,894.92	10,277.90	\$ 617.02	I
Merck	753	5/2/2011	3/2/2012	28,387.59	27,468.99	\$ 918.60	s
National Oilwell Varco	321	various	5/15/2012	21,346.03	5,536.74	\$ 15,809.29	I
National Oilwell Varco	1,020	2/17/10	5/15/2012	67,828.50	45,328.60	\$ 22,499.90	I
Phillips 66 (Stock dividend)	0	5/1/12	5/10/2012	16.79	-	\$ 16.79	s
Phillips 66	287	5/1/12	12/27/2012	14,551.72	-	\$ 14,551.72	s
Praxair Inc	300	6/26/2003	5/15/2012	33,308.28	9,030.75	\$ 24,277.53	I
Qualcomm Inc	214	9/22/2010	8/30/2012	13,096.15	17,934.35	\$ (4,838.20)	I
Starwood Hotels	776	10/21/2011	10/18/2012	44,395.44	37,085.89	\$ 7,309.55	s
United Parcel Service	400	2/17/2005	12/27/2012	29,495.34	31,529.28	\$ (2,033.94)	I
				<b>497,106.95</b>	<b>361,633.74</b>	<b>135,473.21</b>	

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**FORM 990-PF INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS STATEMENT 1**


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<u>SOURCE</u>	<u>AMOUNT</u>
MONEY FUND DIVIDENDS	10.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	10.

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**FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2**


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<u>SOURCE</u>	<u>GROSS AMOUNT</u>	<u>CAPITAL GAINS DIVIDENDS</u>	<u>COLUMN (A) AMOUNT</u>
DIVIDENDS	54,182.	0.	54,182.
TOTAL TO FM 990-PF, PART I, LN 4	54,182.	0.	54,182.

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**FORM 990-PF OTHER INCOME STATEMENT 3**


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<u>DESCRIPTION</u>	<u>(A) REVENUE PER BOOKS</u>	<u>(B) NET INVEST- MENT INCOME</u>	<u>(C) ADJUSTED NET INCOME</u>
PLAINS ALL AMERICAN PIPELINE LP - PTP LIMITATION	<1,190.>	0.	0.
ENTERPRISE K1 - PTP LIMITATION	<6,270.>	0.	0.
PLAINS ALL AMERICAN PIPELINE LP - INTEREST & DIVIDENDS	41.	41.	0.
ENTERPRISE K1 - INTEREST & DIVIDENDS	10.	10.	0.
TOTAL TO FORM 990-PF, PART I, LINE 11	<7,409.>	51.	0.

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FORM 990-PF	ACCOUNTING FEES			STATEMENT 4
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEE	3,150.	0.	0.	3,150.
TO FORM 990-PF, PG 1, LN 16B	3,150.	0.	0.	3,150.

FORM 990-PF	OTHER PROFESSIONAL FEES			STATEMENT 5
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INVESTMENT ADVISORY FEES	20,628.	20,628.	0.	0.
TO FORM 990-PF, PG 1, LN 16C	20,628.	20,628.	0.	0.

FORM 990-PF	TAXES			STATEMENT 6
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FEDERAL TAX PAYMENT	4,059.	0.	0.	0.
FOREIGN TAX PAID	392.	392.	0.	0.
TO FORM 990-PF, PG 1, LN 18	4,451.	392.	0.	0.

FORM 990-PF	CORPORATE STOCK		STATEMENT 7
DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE	
SEE ATTACHED PORTFOLIO SUMMARY	1,823,979.	2,683,512.	
TOTAL TO FORM 990-PF, PART II, LINE 10B	1,823,979.	2,683,512.	

**Fatherree Foundation**  
**Portfolio Summary**  
**12/31/2012**  
**FEIN: 54-6087147**  
**990-PF Part II**  
**Schedule 1**

Quantity	Stocks	Total Cost 12/31/11	Total Cost 12/31/12	Market Value
505	Ablemarle Corp	\$ 25,431.55	\$ 25,431.55	31,370.60
169	Apple	22,500.42	14,095.92	55,345.98
1050	Berkshire Hathaway	37,494.11	37,494.11	94,185.00
348	Boeing	30,996.27	16,210.81	26,225.28
2413	Brookfield Asset Management	-	77,819.01	88,436.45
559	Capital One	24,843.64	24,843.64	32,382.87
1174	Carmax	8,391.99	8,391.99	44,071.96
600	Caterpillar Inc	26,222.38	26,222.38	53,765.10
675	Chevron Corp	38,613.11	38,613.11	72,994.50
625	Colgate-Palmolive Co	39,290.82	39,290.82	65,337.50
575	ConocoPhillips	34,328.25	34,328.25	33,344.25
1258	Danaher Corp	32,831.58	32,831.58	70,322.20
950	Dominion Res Inc	27,613.74	27,613.74	49,210.00
0	DOW Chemical Company	22,669.35	-	-
2238	Enterprise Partnership	56,159.56	45,989.56	112,079.04
917	Exxon Mobil Corp	38,371.37	38,371.37	79,366.35
0	Fiserv Inc	37,364.97	-	-
2914	GE	51,519.52	51,519.52	61,164.86
1959	General Motors Company	-	41,404.25	56,477.97
107	Google	43,159.15	43,159.15	75,689.66
318	Ishares Nasdaq Biotech Index Fund	-	45,711.45	43,635.96
0	Intel Corp	39,745.26	-	-
1115	JP Morgan	37,511.68	37,511.68	49,025.54
0	Laboratory Corp.	42,569.50	-	-
1458	Lowe's Companies Inc	58,678.40	36,498.30	51,788.16
197	Market Corp	40,312.49	40,312.49	85,383.74
636	McDonalds Corp	-	53,491.61	56,101.56
0	Merck	27,468.99	-	-
2606	Microsoft Corp	70,847.46	70,847.46	69,605.47
798	National Oilwell Varco	50,865.34	54,974.94	54,543.30
2129	News Corp	-	40,562.56	54,310.79
606	Occidental Petroleum Corp	-	51,338.68	46,425.66
1935	Omnicom	72,176.36	72,176.36	96,672.60
2000	Oracle	44,000.00	44,000.00	66,640.00
625	PepsiCo Inc	35,659.97	35,659.97	42,768.75
2382	Plains All American LP	69,491.16	63,025.16	107,761.68
360	Praxair Inc	19,867.65	10,836.90	39,402.00
1150	Price T Rowe Group	46,351.33	46,351.33	74,884.66
761	Qualcomm Inc	46,009.16	28,074.81	47,075.15
781	Royal Dutch Shell	55,560.34	55,560.34	55,365.09
799	Smucker JM Company	-	61,550.60	68,905.76
600	Schlumberger	16,119.19	16,119.19	41,579.16
0	Starwood Hotels	37,085.89	-	-
927	Target	46,471.69	46,471.69	54,850.59
3650	Tortoise Power and Energy	74,100.83	74,100.83	91,907.00
368	Union Pacific Corp	38,689.09	38,689.09	46,264.96
800	United Parcel Service	80,841.28	49,312.00	58,984.00
748	United Technologies Corp	34,098.88	34,098.88	61,343.48
1000	Venzon Communications	30,559.63	30,559.63	43,270.00
2173	Wells Fargo	49,532.53	62,511.88	73,247.74
<b>Total</b>		<b>1,762,415.88</b>	<b>1,823,978.58</b>	<b>2,683,512.37</b>

FORM 990-PF	OTHER ASSETS	STATEMENT	8
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DESCRIPTION	BEGINNING OF YR BOOK VALUE	END OF YEAR BOOK VALUE	FAIR MARKET VALUE
ORGANIZATIONAL COSTS	250.	250.	0.
TO FORM 990-PF, PART II, LINE 15	250.	250.	0.

FORM 990-PF

GRANT APPLICATION SUBMISSION INFORMATION  
PART XV, LINES 2A THROUGH 2D

STATEMENT 9

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NAME AND ADDRESS OF PERSON TO WHOM APPLICATIONS SHOULD BE SUBMITTED

---

ANNE W. KENNY  
206 GUN CLUB ROAD  
RICHMOND, VA 23221

---

TELEPHONE NUMBER

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804-359-5863

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FORM AND CONTENT OF APPLICATIONS

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APPLICATIONS MUST BE IN WRITING AND INCLUDE SPECIFIC DETAILS REGARDING THE PURPOSE FOR THE REQUEST. AFTER CONSIDERATION OF THE INITIAL REQUEST, FURTHER INFORMATION MAY BE REQUESTED.

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ANY SUBMISSION DEADLINES

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NONE

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RESTRICTIONS AND LIMITATIONS ON AWARDS

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APPLICANTS MUST BE ORGANIZATIONS EXEMPT UNDER INTERNAL REVENUE CODE SECTION 501(C)(3).