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 01-01-2012 , and ending 12-31-2012

Name of foundation
THE JOHN AND MARGARET MCCARTY FOUNDATION INC

A Employer identification number
58-1867301

Number and street (or P O box number if mail is not delivered to street address) Room/suite
358 HILL RD

B Telephone number (see instructions)
(404) 760-0018

City or town, state, and ZIP code
HIGHLANDS, NC 287416568

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 ☑ 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)* ▶$ 9,094,492

J Accounting method ☐ 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))*

			(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1	Contributions, gifts, grants, etc , received (attach schedule)				
	2	Check ▶ ☑ if the foundation is **not** required to attach Sch B				
	3	Interest on savings and temporary cash investments	43,266	43,266	43,266	
	4	Dividends and interest from securities	187,242	187,242	187,242	
	5a	Gross rents				
	b	Net rental income or (loss)				
	6a	Net gain or (loss) from sale of assets not on line 10	46,292			
	b	Gross sales price for all assets on line 6a 1,994,975				
	7	Capital gain net income (from Part IV, line 2)		12,721		
	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	276,800	243,229	230,508	
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc				
	14	Other employee salaries and wages				
	15	Pension plans, employee benefits				
	16a	Legal fees (attach schedule)	151	151		
	b	Accounting fees (attach schedule)	2,700	2,700		
	c	Other professional fees (attach schedule)				
	17	Interest				
	18	Taxes (attach schedule) (see instructions)	3,045	3,045		
	19	Depreciation (attach schedule) and depletion				
	20	Occupancy				
	21	Travel, conferences, and meetings				
	22	Printing and publications				
	23	Other expenses (attach schedule)	37,364	37,364		
	24	**Total operating and administrative expenses.** Add lines 13 through 23	43,260	43,260		0
	25	Contributions, gifts, grants paid	418,500			418,500
	26	**Total expenses and disbursements.** Add lines 24 and 25	461,760	43,260		418,500
	27	Subtract line 26 from line 12				
	a	**Excess of revenue over expenses and disbursements**	-184,960			
	b	**Net investment income** (if negative, enter -0-)		199,969		
	c	**Adjusted net income** (if negative, enter -0-)			230,508	

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	3,947	15,965	15,965
	2	Savings and temporary cash investments	345,926	235,758	235,758
	3	Accounts receivable ▶ 242 Less allowance for doubtful accounts ▶		242	242
	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 page 15 of the instructions)			
	7	Other notes and loans receivable (attach schedule) ▶ Less allowance for doubtful accounts ▶			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10a	Investments—U S and state government obligations (attach schedule)	402,154	401,086	406,592
	b	Investments—corporate stock (attach schedule)	7,201,709	7,396,910	8,122,324
	c	Investments—corporate bonds (attach schedule)	550,254	300,085	310,011
	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 ▶)	4,216	3,600	3,600
	16	**Total assets** (to be completed by all filers—see the instructions Also, see page 1, item I)	8,508,206	8,353,646	9,094,492
Liabilities	17	Accounts payable and accrued expenses	45,269	79,268	
	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)	45,269	79,268	
Net Assets or Fund Balances		**Foundations that follow SFAS 117, check here** ▶ ☐ **and complete lines 24 through 26 and lines 30 and 31.**			
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted			
		Foundations that do not follow SFAS 117, check here ▶ ☑ **and complete lines 27 through 31.**			
	27	Capital stock, trust principal, or current funds			
	28	Paid-in or capital surplus, or land, bldg , and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds	8,462,937	8,274,378	
	30	**Total net assets or fund balances** (see page 17 of the instructions)	8,462,937	8,274,378	
	31	**Total liabilities and net assets/fund balances** (see page 17 of the instructions)	8,508,206	8,353,646	

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	8,462,937
2	Enter amount from Part I, line 27a	2	-184,960
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	8,277,977
5	Decreases not included in line 2 (itemize) ▶	5	3,599
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	8,274,378

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				

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

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

2	Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }	2	12,721
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 page 18 of 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	656,527	8,851,335	0 074173
2010	505,316	8,504,365	0 059418
2009	265,870	7,326,552	0 036289
2008	352,497	8,109,888	0 043465
2007	547,687	9,222,260	0 059388

2	**Total** of line 1, column (d)	2	0 272733
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 054547
4	Enter the net value of noncharitable-use assets for 2012 from Part X, line 5	4	8,887,530
5	Multiply line 4 by line 3	5	484,788
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	2,000
7	Add lines 5 and 6	7	486,788
8	Enter qualifying distributions from Part XII, line 4	8	418,500

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 page 18 of the instructions)

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1. Date of ruling or determination letter ______ **(attach copy of letter if necessary–see instructions)**			
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☐ and enter 1% of Part I, line 27b		1	3,999
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	3,999
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)		4	
5	**Tax based on investment income.** Subtract line 4 from line 3 If zero or less, enter -0-		5	3,999
6	Credits/Payments			
a	2012 estimated tax payments and 2011 overpayment credited to 2012	6a 3,600		
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	3,600
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	399
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶		10	
11	Enter the amount of line 10 to be **Credited to 2013 estimated tax** ▶	**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		No
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)?	1b		No
	*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		No
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		No
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		
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		No
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		No
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	Yes	
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	Yes	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ GA			
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	Yes	
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		No
10	Did any persons become substantial contributors during the tax year? *If "Yes," attach a schedule listing their names and addresses*	10		No

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		No
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		No
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	Yes	

Website address ▶N/A

14 The books are in care of ▶WILLIAM H CHENEY SR Telephone no ▶(828) 526-9368

Located at ▶358 HILL RD HIGHLANDS NC ZIP +4 ▶287416568

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 |

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		No

See 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 page 20 of the instructions)?	1b		
	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		
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 ▶ 20____, 20____, 20____, 20____			
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement—see instructions)	2b		
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here ▶ 20____, 20____, 20____, 20____			
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		No
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		No

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

5a	During the year did the foundation pay or incur any amount to			
	(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☑ No			
	(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☑ No			
	(3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☑ No			
	(4) Provide a grant to an organization other than a charitable, etc , organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions) ☐ Yes ☑ No			
	(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☑ No			
b	If any answer is "Yes" to 5a(1)–(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53 4945 or in a current notice regarding disaster assistance (see instructions)?	**5b**		
	Organizations relying on a current notice regarding disaster assistance check here ▶ ☐			
c	If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? ☐ Yes ☐ No			
	If "Yes," attach the statement required by Regulations section 53.4945–5(d).			
6a	Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☑ No			
b	Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	**6b**		No
	If "Yes" to 6b, file Form 8870.			
7a	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☑ No			
b	If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?	**7b**		

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

1 List all officers, directors, trustees, foundation managers and their compensation (see instructions).

(a) Name and address	**(b)** Title, and average hours per week devoted to position	**(c)** Compensation **(If not paid, enter -0-)**	**(d)** Contributions to employee benefit plans and deferred compensation	**(e)** Expense account, other allowances
WILLIAM H CHENEY SR 358 HILL RD HIGHLANDS, NC 287416568	PRESIDENT 4 00	0	0	0
ELEANOR CHENEY 358 HILL RD HIGHLANDS, NC 287416568	SECRETARY 1 00	0	0	0

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

(a) Name and address of each employee paid more than $50,000	**(b)** Title, and average hours per week devoted to position	**(c)** Compensation	**(d)** Contributions to employee benefit plans and deferred compensation	**(e)** Expense account, other allowances
NONE				

Total number of other employees paid over $50,000 ▶

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		

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

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc	Expenses
1	
2	
3	
4	

Part IX-B Summary of Program-Related Investments (see instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 N/A	
2	
All other program-related investments See page 24 of the instructions	
3	
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	8,884,949
b	Average of monthly cash balances	1b	137,924
c	Fair market value of all other assets (see instructions)	1c	0
d	**Total** (add lines 1a, b, and c)	1d	9,022,873
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation) — 1e		
2	Acquisition indebtedness applicable to line 1 assets	2	
3	Subtract line 2 from line 1d	3	9,022,873
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	135,343
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4	5	8,887,530
6	**Minimum investment return.** Enter 5% of line 5	6	444,377

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	444,377
2a	Tax on investment income for 2012 from Part VI, line 5	2a	3,999		
b	Income tax for 2012 (This does not include the tax from Part VI)	2b			
c	Add lines 2a and 2b			2c	3,999
3	Distributable amount before adjustments Subtract line 2c from line 1			3	440,378
4	Recoveries of amounts treated as qualifying distributions			4	
5	Add lines 3 and 4			5	440,378
6	Deduction from distributable amount (see instructions)			6	
7	**Distributable amount** as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1			7	440,378

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	418,500
b	Program-related investments—total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc , purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	**Qualifying distributions.** Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	418,500
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b (see instructions)	5	
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	418,500

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					440,378
2 Undistributed income, if any, as of the end of 2012					
a Enter amount for 2011 only.					
b Total for prior years 20___, 20___, 20___					
3 Excess distributions carryover, if any, to 2012					
a From 2007.	55,811				
b From 2008.					
c From 2009.					
d From 2010.	87,466				
e From 2011.	221,156				
f Total of lines 3a through e.		364,433			
4 Qualifying distributions for 2012 from Part XII, line 4 ▶ $ 418,500					
a Applied to 2011, but not more than line 2a					
b Applied to undistributed income of prior years (Election required—see instructions).					
c Treated as distributions out of corpus (Election required—see instructions).					
d Applied to 2012 distributable amount.					418,500
e Remaining amount distributed out of corpus					
5 Excess distributions carryover applied to 2012 *(If an amount appears in column (d), the same amount must be shown in column (a).)*		21,878			21,878
6 Enter the net total of each column as indicated below:					
a Corpus Add lines 3f, 4c, and 4e Subtract line 5		342,555			
b Prior years' undistributed income Subtract line 4b from line 2b					
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed.					
d Subtract line 6c from line 6b Taxable amount —see instructions					
e Undistributed income for 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					0
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)					
8 Excess distributions carryover from 2007 not applied on line 5 or line 7 (see instructions) . . .		33,933			
9 Excess distributions carryover to 2013. Subtract lines 7 and 8 from line 6a		308,622			
10 Analysis of line 9					
a Excess from 2008. . . .					
b Excess from 2009. . . .					
c Excess from 2010. . . .	87,466				
d Excess from 2011. . . .	221,156				
e Excess from 2012. . . .					

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

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 organization is a private operating foundation described in section ☐ 4942(j)(3) or ☐ 4942(j)(5)

	Tax year	Prior 3 years			(e) Total
	(a) 2012	**(b)** 2011	**(c)** 2010	**(d)** 2009	
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 organization had $5,000 or more in assets at any time during the year—see instructions.)

1 Information Regarding Foundation Managers:

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than $5,000) (See section 507(d)(2))

NONE

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

NONE

2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:

Check here ▶☐ if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds If the foundation makes gifts, grants, etc (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d

a The name, address, and telephone number or e-mail of the person to whom applications should be addressed

WILLIAM CHENEY SR
358 HILL RD
HIGHLANDS,NC 287416568
(828) 526-9368

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

LETTER FORM, SHOULD INCLUDE A 501(C)(3) LETTER OR EXPLANATION OF PURPOSE

c Any submission deadlines

NONE

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

NONE

Part XV Supplementary Information (continued)

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year* See Additional Data Table				
Total . . . . ▶ **3a**				418,500
b *Approved for future payment*				
Total . . . . ▶ **3b**				

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments. . . .					
3 Interest on savings and temporary cash investments					43,266
4 Dividends and interest from securities. . . .					187,242
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					46,292
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). .					276,800

13 Total. Add line 12, columns (b), (d), and (e). 13 276,800

(See worksheet in line 13 instructions to verify calculations)

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

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

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

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

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? ☐ Yes ☑ No

b If "Yes," complete the following schedule

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

Sign Here

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

****** | 2013-05-09 | ******

Signature of officer or trustee | Date | Title

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

Paid Preparer Use Only

Print/Type preparer's name	Preparer's Signature	Date	Check if self-employed ☐	PTIN
GORDON MOREHOUSE	GORDON MOREHOUSE	2013-05-13		

Firm's name ▶	MOREHOUSE GROUP	Firm's EIN ▶
Firm's address ▶	507 S THORNTON AVE DALTON, GA 307208286	Phone no (706) 278-2713

Form 990PF Part XV Line 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*				
VISITING NURSES 6610 BAY CIRCLE SUITE C NORCROSS, GA 30071			ALZHEIMER'S PROGRAM	150,000
MISSIONARY MINISTRIES 4020 58 AVE NORTH LOT 309 ST PETERSBURG, FL 33714			KENYA	16,000
GILLIAM'S PROMISE P O BOX 592 HIGHLANDS, NC 28741			GREATEST NEED	100,000
CHRIST CHURCH IN THE VALLEY 3077 HIGHWAY 64 EAST SAPPHIRE, NC 28774			GREATEST NEED	8,000
WOODWARD ACADEMY 1662 RUGBY AVENUE COLLEGE PARK, GA 30337			GREATEST NEED	3,000
PENTECOSTAL THEOLOGICAL SEMINARY 900 WALKER ST NE CLEVELAND, TN 37311			GREATEST NEED	25,000
HIGHLANDS-CASHIERS FOUNDATION 190 HOSPITAL DRIVE HIGHLANDS, NC 28741			GREATEST NEED	50,000
HIGHLANDS COMMUNITY CARE 52 AUNT DORA DR HIGHLANDS, NC 28741			GREATEST NEED	500
AMERICAN CENTER FOR LAW & JUSTICE P O BOX 90555 WASHINGTON, DC 200900555			GREATEST NEED	5,000
EMORY WINSHIP CLINIC 1365 CLIFTON RD NE ATLANTA, GA 30322			GREATEST NEED	25,000
ST MATTHEW'S ANGLICAN CHURCH 812 REEMS CREEK ROAD WEAVERVILLE, NC 28787			GREATEST NEED	20,000
CHRISTIAN HERITAGE CHURCH 420 SWANNANOA RIVER ROAD ASHEVILLE, NC 28805			GREATEST NEED	15,000
CITY LIFE PRESBYTERIAN CHURCH 45 NEWBURY ST 209 BOSTON, MA 02116			GREATEST NEED	1,000
Total . . . . ▶ **3a**				418,500

TY 2012 Accounting Fees Schedule

Name: THE JOHN AND MARGARET MCCARTY FOUNDATION INC

EIN: 58-1867301

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
MOREHOUSE GROUP	2,700	2,700		

TY 2012 Compensation Explanation

Name: THE JOHN AND MARGARET MCCARTY FOUNDATION INC

EIN: 58-1867301

Person Name	Explanation
WILLIAM H CHENEY SR	
ELEANOR CHENEY	

Note: To capture the full content of this document, please select landscape mode (11" x 8.5") when printing.

TY 2012 Gain/Loss from Sale of Other Assets Schedule

Name: THE JOHN AND MARGARET MCCARTY FOUNDATION INC

EIN: 58-1867301

Name	Date Acquired	How Acquired	Date Sold	Purchaser Name	Gross Sales Price	Basis	Basis Method	Sales Expenses	Total (net)	Accumulated Depreciation
SEE ATTACHED - BNY MELLON	2012-10	PURCHASE	2012-12		1,508,558	1,491,883			16,675	
SEE ATTACHED - BNY MELLON	2011-10	PURCHASE	2012-12		473,696	456,800			16,896	

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TY 2012 Investments Corporate Bonds Schedule

Name: THE JOHN AND MARGARET MCCARTY FOUNDATION INC

EIN: 58-1867301

Name of Bond	End of Year Book Value	End of Year Fair Market Value
CORPORATE BONDS	300,085	310,011

TY 2012 Investments Corporate Stock Schedule

Name: THE JOHN AND MARGARET MCCARTY FOUNDATION INC

EIN: 58-1867301

Name of Stock	End of Year Book Value	End of Year Fair Market Value
CORPORATE STOCKS	7,396,910	8,122,324

TY 2012 Investments Government Obligations Schedule

Name:	THE JOHN AND MARGARET MCCARTY FOUNDATION INC
EIN:	58-1867301
US Government Securities - End of Year Book Value:	401,086
US Government Securities - End of Year Fair Market Value:	406,592
State & Local Government Securities - End of Year Book Value:	
State & Local Government Securities - End of Year Fair Market Value:	

TY 2012 Legal Fees Schedule

Name: THE JOHN AND MARGARET MCCARTY FOUNDATION INC

EIN: 58-1867301

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
ABRAMS DAVIS MASON & LONG	151	151		

TY 2012 Other Assets Schedule

Name: THE JOHN AND MARGARET MCCARTY FOUNDATION INC

EIN: 58-1867301

Description	Beginning of Year - Book Value	End of Year - Book Value	End of Year - Fair Market Value
PREPAID FEDERAL INCOME TAXES	4,216	3,600	3,600

TY 2012 Other Decreases Schedule

Name: THE JOHN AND MARGARET MCCARTY FOUNDATION INC

EIN: 58-1867301

Description	Amount
FEDERAL INCOME TAX EXPENSE	3,598
ROUNDING	1

TY 2012 Other Expenses Schedule

Name: THE JOHN AND MARGARET MCCARTY FOUNDATION INC

EIN: 58-1867301

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
EXPENSES				
ACCOUNT FEES	36,714	36,714		
MAIL SAFE MAILING SERVICE	635	635		
SERVICE CHARGES	15	15		

TY 2012 Taxes Schedule

Name: THE JOHN AND MARGARET MCCARTY FOUNDATION INC

EIN: 58-1867301

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
FOREIGN TAX WITHHELD	3,045	3,045		

The John & Margaret McCarty Foundation, Inc.
Schedule D - Capital Gains and Losses/MFD
As of: December 31, 2012

Quantity	Asset	Date Acquired	Date Sold	Proceeds	Tax Basis	Gain/Loss
	Short-Term Capital Gains and Losses					
320	A O N PLC 11-14-11/MFD	Nov 14 11	Apr 2 12	15,695 20	15,430 40	264 80
410	A O N PLC 11-15-11/MFD	Nov 14 11	Apr 2 12	20,109 47	19,516 78	592 69
130	A O N PLC 11-16-11/MFD	Nov 16 11	Apr 2 12	6,376 17	6,273 54	102 63
60	A O N PLC 12-6-11/MFD	Dec 6 11	Apr 2 12	2,942 86	2,741 28	201.58
250	ACCENTURE PLC 11-8-11/MFD_SLD#1	Nov 8 11	Jan 12 12	12,920 33	14,869 50	-1,949.17
250	ACCENTURE PLC 7-6-12/MFD_SLD#1	Jul 6 12	Oct 3 12	17,491.39	15,097 22	2,394 17
130	AGILENT TECHNOLOGIES 11-16-11/MFD	Nov 16 11	Jun 7 12	4,893 04	4,898 14	-5 10
720	AGILENT TECHNOLOGIES 11-8-11/MFD	Nov 8 11	Jun 7 12	27,099.91	26,652 96	446 95
60	AGILENT TECHNOLOGIES 12-6-11/MFD	Dec 6 11	Jun 7 12	2,258 32	2,240 77	17.55
80	AIR PRODS & CHEMS 11-16-11/MFD	Nov 16 11	Apr 9 12	7,327.51	6,925 44	402 07
70	AIR PRODS & CHEMS 11-8-11/MFD_SLD#1	Nov 8 11	Apr 9 12	6,411 58	6,036 66	374 92
22	APPLE INC 11-16-11/MFD_SLD#1	Nov 16 11	Mar 20 12	12,919.85	8,471 93	4,447 92
13	APPLE INC 11-8-11/MFD	Nov 8 11	Mar 20 12	7,634 45	5,188 14	2,446 31
37	APPLE INC 11-8-11/MFD_SLD#1	Nov 8 11	Mar 6 12	20,118 12	14,766 26	5,351 86
107	BAIDU INC 1-12-12/MFD	Jan 12 12	Jul 16 12	11,611 22	12,908 57	-1,297 35
12	BAIDU INC 11-16-11/MFD	Nov 16 11	Jul 16 12	1,302 19	1,653 22	-351 03
20	BAIDU INC 11-16-11/MFD_SLD#1	Nov 16 11	Jul 6 12	2,234 67	2,755 36	-520 69
43	BAIDU INC 11-8-11/MFD	Nov 8 11	Jul 6 12	4,804 55	6,136 87	-1,332 32
136	BAIDU INC 11-8-11/MFD_SLD#1	Nov 8 11	Jul 2 12	15,158 99	19,409 65	-4,250 66
16	BAIDU INC 12-6-11/MFD	Dec 6 11	Jul 16 12	1,736 26	2,104 01	-367 75
73	BAIDU INC 3-6-12/MFD	Mar 6 12	Jul 6 12	8,156 56	10,123 87	-1,967 31
320	BB&T CORP 11-14-11/MFD	Nov 14 11	Jul 24 12	10,194 75	7,690.02	2,504 73
390	BB&T CORP 11-16-11/MFD	Nov 16 11	Jul 24 12	12,424 85	9,238.32	3,186 53
520	BB&T CORP 11-8-11/MFD_SLD#1	Nov 8 11	Jul 24 12	16,566 46	12,281.36	4,285 10
7,558 578	BNY MLLN INTERMED BD 11-10-11/MFD_SLD#1	Nov 10 11	Aug 2 12	100,000 00	98,866.20	1,133.80
8,183 306	BNY MLLN S-T US GOV 11-10-11/MFD_SLD#1	Nov 10 11	Jun 25 12	100,000 00	100,409 16	-409.16
504	BRISTOL-MYERS SQUIBB 4-24-12/MFD	Apr 24 12	Aug 16 12	15,892 42	17,099.56	-1,207 14
1,110	BRISTOL-MYERS SQUIBB 4-24-12/MFD_SLD#1	Apr 24 12	Aug 15 12	35,174 22	37,659.74	-2,485 52
6	BRISTOL-MYERS SQUIBB 4-24-12/MFD_SLD#2	Apr 24 12	Aug 15 12	190 14	203 57	-13 43
110	CAMERON INTL CORP 11-16-11/MFD	Nov 16 11	Feb 15 12	6,184 59	5,734 78	449 81
570	CAMERON INTL CORP 11-8-11/MFD	Nov 8 11	Feb 15 12	32,047 41	28,498 86	3,548 55
50	CAMERON INTL CORP 12-6-11/MFD	Dec 6 11	Feb 15 12	2,811 17	2,727 99	83 18
290	CITIGROUP INC 11-16-11/MFD	Nov 16 11	Jul 24 12	7,703 36	8,586 32	-882 96
1,000	CITIGROUP INC 11-8-11/MFD	Nov 8 11	Jul 24 12	26,563 31	30,658 00	-4,094 69
620	CITIGROUP INC 11-8-11/MFD_SLD#1	Nov 8 11	Feb 1 12	18,874 05	19,007 96	-133.91
140	CITIGROUP INC 12-6-11/MFD	Dec 6 11	Jul 24 12	3,718 86	3,790 72	-71.86
310	COCA COLA CO 11-8-11/MFD_SLD#1	Nov 8 11	Jun 6 12	22,657 05	21,147 58	1,509.47
230	COMCAST CORP 6-22-12/MFD_SLD#1	Jun 22 12	Nov 23 12	8,229.66	7,254 73	974 93
110	COMCAST CORP 7-16-12/MFD	Jul 16 12	Nov 23 12	3,935 92	3,476 57	459 35
360	COMCAST CORP 7-16-12/MFD_SLD#1	Jul 16 12	Oct 12 12	12,790 76	11,377 87	1,412 89
80	DEERE & CO 11-16-11/MFD	Nov 16 11	Feb 22 12	6,627 58	6,084 20	543 38
460	DEERE & CO 11-8-11/MFD	Nov 8 11	Feb 22 12	38,108 57	34,480 68	3,627 89
40	DEERE & CO 12-6-11/MFD	Dec 6 11	Feb 22 12	3,313 78	3,151 70	162 08

The John & Margaret McCarty Foundation, Inc.
Schedule D - Capital Gains and Losses/MFD
As of: December 31, 2012

Quantity	Asset	Date Acquired	Date Sold	Proceeds	Tax Basis	Gain/Loss
250	DUKE ENERGY 11-16-11/MFD	Nov 16 11	Feb 1 12	5,289 95	5,227 00	62 95
1,340	DUKE ENERGY 11-8-11/MFD	Nov 8 11	Feb 1 12	28,354 12	27,654 92	699 20
110	DUKE ENERGY 12-6-11/MFD	Dec 6 11	Feb 1 12	2,327 58	2,280 08	47 50
390	E M C CORP 11-16-11/MFD	Nov 16 11	Jan 23 12	8,794 18	9,665 84	-871 66
20	E M C CORP 11-8-11/MFD_SLD#1	Nov 8 11	Jan 23 12	450 98	493.16	-42 18
60	EATON CORP 12-6-11/MFD	Dec 6 11	Dec 5 12	3,099 30	2,695.76	403 54
390	EATON CORP 2-1-12/MFD	Feb 1 12	Dec 5 12	20,145 43	19,405 00	740 43
180	EXXON MOBIL 11-16-11/MFD	Nov 16 11	Mar 14 12	15,178 26	14,355.88	822 38
90	EXXON MOBIL 12-6-11/MFD	Dec 6 11	Mar 14 12	7,589 13	7,207 02	382 11
190	HALLIBURTON 11-16-11/MFD	Nov 16 11	Sep 26 12	6,852 36	7,272 82	-420 46
100	HALLIBURTON 11-8-11/MFD_SLD#1	Nov 8 11	Sep 26 12	3,606 50	3,734 80	-128 30
22	INTL BUSINESS MACH 11-16-11/MFD	Nov 16 11	Jan 18 12	3,959 64	4,112 42	-152 78
60	INTL BUSINESS MACH 11-16-11/MFD_SLD#1	Nov 16 11	Jan 13 12	10,907 82	11,215.68	-307 86
41	INTL BUSINESS MACH 12-6-11/MFD	Dec 6 11	Jan 13 12	7,453 67	7,700 54	-246.87
80	INTL BUSINESS MACH 3-20-12/MFD_SLD#1	Mar 20 12	Jun 6 12	15,198 36	16,480 52	-1,282 16
38	INTL BUSINESS MACH 5-11-11/MFD_SLD#2	May 11 11	Jan 18 12	6,839 39	6,450 05	389 34
120	JOHNSON & JOHNSON 11-16-11/MFD	Nov 16 11	Apr 24 12	7,549 89	7,826 16	-276 27
680	JOHNSON & JOHNSON 11-8-11/MFD	Nov 8 11	Apr 24 12	42,782 74	43,607 04	-824 30
60	JOHNSON & JOHNSON 12-6-11/MFD	Dec 6 11	Apr 24 12	3,774 95	3,885 97	-111 02
440	JOHNSON CONTROLS 11-8-11/MFD_SLD#1	Nov 8 11	Jul 13 12	11,809.03	14,197 92	-2,388 89
670	JP MORGAN CHASE 11-8-11/MFD_SLD#2	Nov 8 11	Jul 24 12	23,440 22	22,952.86	487 36
600	KRAFT FOODS GRP 10-2-12/MFD	Oct 2 12	Oct 15 12	27,829 42	22,615 86	5,213 56
1,100	MERCK & CO 12-20-11/MFD	Dec 20 11	Oct 1 12	49,793 35	39,711 98	10,081 37
250	MERCK & CO 12-20-11/MFD_SLD#1	Dec 20 11	Sep 26 12	11,300 02	9,025 45	2,274 57
490	MERCK & CO 6-7-12/MFD	Jun 7 12	Sep 26 12	22,148 04	18,311 74	3,836.30
1,090	NOBLE CORP 2-15-12/MFD	Feb 15 12	Oct 2 12	38,720 29	42,260 94	-3,540 65
520	NXP SEMICONDUCTORS 1-23-12/MFD	Jan 23 12	Mar 9 12	11,650 08	9,895 60	1,754.48
170	NXP SEMICONDUCTORS 11-8-11/MFD_SLD#1	Nov 8 11	Mar 9 12	3,808 68	2,945 76	862 92
540	PLAINS EXPLORATION 9-26-12/MFD	Sep 26 12	Dec 11 12	23,489 80	21,432 06	2,057 74
140	QEP RESOURCES 11-16-11/MFD	Nov 16 11	Nov 15 12	3,986 42	5,202 78	-1,216 36
70	QEP RESOURCES 12-6-11/MFD	Dec 6 11	Nov 15 12	1,993 22	2,286 76	-293 54
140	ROVI CORP 11-16-11/MFD	Nov 16 11	Apr 19 12	4,046 67	4,053 80	-7 13
312	ROVI CORP 11-8-11/MFD	Nov 8 11	Apr 19 12	9,018.28	14,947 30	-5,929.02
468	ROVI CORP 11-8-11/MFD_SLD#1	Nov 8 11	Apr 18 12	13,745.97	22,420 94	-8,674 97
70	ROVI CORP 12-6-11/MFD	Dec 6 11	Apr 19 12	2,023.33	1,937 31	86 02
2,189.141	RYDEX MGD FTRS STRTG 11-10-11/MFD_SLD#1	Nov 10 11	May 16 12	50,000.00	52,451 82	-2,451 82
4,500 45	RYDEX MGD FTRS STRTG 11-10-11/MFD_SLD#2	Nov 10 11	Aug 2 12	100,000 00	107,830 78	-7,830 78
105	SALESFORCE COM 11-8-11/MFD_SLD#1	Nov 8 11	Jan 23 12	10,932 92	13,859 79	-2,926 87
140	SCHLUMBERGER LTD 3-14-12/MFD_SLD#1	Mar 14 12	Sep 26 12	10,443 14	10,723 79	-280 65
200	STATE STREET CORP 11-16-11/MFD	Nov 16 11	May 2 12	9,256 79	8,233 60	1,023 19
150	STATE STREET CORP 11-8-11/MFD_SLD#1	Nov 8 11	May 2 12	6,942 60	6,116 70	825 90
250	TERADATA CORP 11-8-11/MFD_SLD#1	Nov 8 11	Feb 15 12	15,525 33	14,682 00	843 33
600	TEXAS INSTR 1-13-12/MFD	Jan 13 12	Oct 2 12	16,619 27	18,226 80	-1,607 53
350	TEXAS INSTR 1-18-12/MFD	Jan 18 12	Oct 2 12	9,694 57	10,945 59	-1,251 02

The John & Margaret McCarty Foundation, Inc.
Schedule D - Capital Gains and Losses/MFD
As of: December 31, 2012

Quantity	Asset	Date Acquired	Date Sold	Proceeds	Tax Basis	Gain/Loss
130	TEXAS INSTR 1-23-12/MFD	Jan 23 12	Mar 14 12	4,191.13	4,301 35	-110.22
220	TEXAS INSTR 1-24-12/MFD	Jan 23 12	Mar 14 12	7,092 67	7,446 30	-353 63
170	TEXAS INSTR 11-16-11/MFD	Nov 16 11	Oct 2 12	4,708.79	5,347.86	-639.07
280	TEXAS INSTR 11-9-11/MFD	Nov 9 11	Oct 2 12	7,755 66	8,934 24	-1,178 58
260	TEXAS INSTR 11-9-11/MFD_SLD#1	Nov 9 11	Mar 14 12	8,382.25	8,296 08	86 17
380	TEXAS INSTR 11-9-11/MFD_SLD#2	Nov 9 11	May 22 12	11,205.65	12,125 04	-919 39
80	TEXAS INSTR 12-6-11/MFD	Dec 6 11	Oct 2 12	2,215.90	2,414 24	-198.34
380	VALERO ENERGY 11-15-12/MFD_SLD#1	Nov 15 12	Dec 18 12	12,655 96	11,275 89	1,380 07
320	VALERO ENERGY 11-16-11/MFD	Nov 16 11	Aug 20 12	9,146 00	8,176 87	969 13
180	VALERO ENERGY 11-8-11/MFD_SLD#1	Nov 8 11	Aug 20 12	5,144 63	4,593 24	551 39
420	VALERO ENERGY 11-8-11/MFD_SLD#2	Nov 8 11	Oct 2 12	13,138 57	10,717.56	2,421 01
140	VERIZON COMMUN 11-16-11/MFD	Nov 16 11	Jun 22 12	6,116 70	5,265 12	851 58
130	VERIZON COMMUN 11-8-11/MFD_SLD#1	Nov 8 11	Jun 22 12	5,679 80	4,824 04	855 76
80	VERIZON COMMUN 12-6-11/MFD	Dec 6 11	Jun 22 12	3,495 26	3,011 04	484 22
150	YUM! BRANDS 11-16-11/MFD	Nov 16 11	Jul 16 12	9,302 12	8,318 72	983.40
200	YUM! BRANDS 11-8-11/MFD_SLD#1	Nov 8 11	Jul 16 12	12,402.82	10,729 60	1,673.22
70	YUM! BRANDS 12-6-11/MFD	Dec 6 11	Jul 16 12	4,340 99	3,939.04	401.95
	Total Short-term			1,508,558 14	1,491,883.28	16,674 86
	Long-Term Capital Gains and Losses					
420	AT&T INC 4-13-00/MFD_SLD#2	Apr 13 00	May 4 12	13,957 00	15,900 56	-1,943 56
360	AT&T INC 4-13-00/MFD_SLD#3	Apr 13 00	Nov 20 12	11,901 91	13,629 06	-1,727 15
250	BANK AMER CORP5 6%9-12/MFD	Sep 12 02	Sep 17 12	250,000 00	250,000 00	0 00
1,350	E M C CORP 11-8-11/MFD_SLD#2	Nov 3 11	Nov 5 12	33,407 03	33,288 30	118 73
500	E M C CORP 11-8-11/MFD_SLD#3	Nov 8 11	Nov 13 12	12,313 87	12,329 00	-15 13
130	EATON CORP 11-16-11/MFD	Nov 16 11	Dec 5 12	6,715 15	5,955.04	760 11
720	EATON CORP 11-8-11/MFD	Nov 8 11	Dec 5 12	37,191 62	32,859 36	4,332.26
200	EXXON MOBIL 9-19-07/MFD_SLD#2	Sep 19 07	Mar 14 12	16,864 74	13,592.76	3,271 98
490	NXP SEMICONDUCTORS 11-8-11/MFD_SLD#2	Nov 3 11	Nov 5 12	12,626 97	8,490.72	4,136 25
100	PLAINS EXPLORATION 11-16-11/MFD	Nov 16 11	Dec 17 12	4,491 01	3,605 80	885.21
40	PLAINS EXPLORATION 11-16-11/MFD_SLD#1	Nov 16 11	Dec 11 12	1,739 98	1,442.32	297 66
760	PLAINS EXPLORATION 11-8-11/MFD	Nov 8 11	Dec 17 12	34,131.67	24,850 48	9,281 19
60	PLAINS EXPLORATION 12-6-11/MFD	Dec 6 11	Dec 17 12	2,694 60	2,124 48	570 12
800	QEP RESOURCES 11-8-11/MFD	Nov 8 11	Nov 15 12	22,779 56	29,046 40	-6,266.84
130	SEMPRA ENERGY 11-16-11/MFD	Nov 16 11	Dec 17 12	9,303 10	6,997 64	2,305 46
50	SEMPRA ENERGY 11-8-11/MFD_SLD#1	Nov 8 11	Dec 17 12	3,578 11	2,687 90	890 21
	Total Long-term			473,696 32	456,799.82	16,896 50
	TOTAL CAPITAL GAINS			1,982,254 46	1,948,683 10	33,571.36