



See a Social Security Number? Say Something!  
Report Privacy Problems to <https://public.resource.org/privacy>  
Or call the IRS Identity Theft Hotline at 1-800-908-4490



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

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** July 1, **2012, and ending** June 30, **20** 13

Name of foundation <b>The Mill Spring Foundation</b>		A Employer identification number <b>23-6230874</b>
Number and street (or P O box number if mail is not delivered to street address) <b>P. O. Box 270</b>		B Telephone number (see instructions) <b>215-643-9916</b>
City or town, state, and ZIP code <b>Ambler, PA 19002-0270</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"/> Initial return of a former public charity <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Address change <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>\$ 4,154,405</b>	J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____ <i>(Part I, column (d) must be on cash basis.)</i>	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

SCANNED NOV 07 2013

Part I Analysis of Revenue and Expenses <i>(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions).)</i>		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
<b>Revenue</b>	<b>1</b> Contributions, gifts, grants, etc., received (attach schedule)	0			
	<b>2</b> Check <input type="checkbox"/> if the foundation is not required to attach Sch. B				
	<b>3</b> Interest on savings and temporary cash investments	0	0	0	
	<b>4</b> Dividends and interest from securities	90,248	90,248	90,248	
	<b>5a</b> Gross rents	0	0	0	
	<b>b</b> Net rental income or (loss)	0			
	<b>6a</b> Net gain or (loss) from sale of assets not on line 10	81,083			
	<b>b</b> Gross sales price for all assets on line 6a	1,862,271			
	<b>7</b> Capital gain net income (from Part IV, line 2)		70,223		
	<b>8</b> Net short-term capital gain			11,927	
	<b>9</b> Income modifications			0	
	<b>10a</b> Gross sales less returns and allowances	0			
<b>b</b> Less: Cost of goods sold	0				
<b>c</b> Gross profit or (loss) (attach schedule)	0		0		
<b>11</b> Other income (attach schedule)	0	0	0		
<b>12 Total.</b> Add lines 1 through 11	171,331	160,471	102,175		
<b>Operating and Administrative Expenses</b>	<b>13</b> Compensation of officers, directors, trustees, etc.	0	0	0	0
	<b>14</b> Other employee salaries and wages	0	0	0	0
	<b>15</b> Pension plans, employee benefits	0	0	0	0
	<b>16a</b> Legal fees (attach schedule)	0	0	0	0
	<b>b</b> Accounting fees (attach schedule)	6,000	0	0	0
	<b>c</b> Other professional fees (attach schedule)	15,405	0	0	0
	<b>17</b> Interest	0	0	0	0
	<b>18</b> Taxes (attach schedule) (see instructions)	4,535	0	0	0
	<b>19</b> Depreciation (attach schedule) and depletion	0	0	0	0
	<b>20</b> Occupancy	0	0	0	0
	<b>21</b> Travel, conferences, and meetings	0	0	0	0
	<b>22</b> Printing and publications	0	0	0	0
	<b>23</b> Other expenses (attach schedule)	12,147	0	0	0
	<b>24 Total operating and administrative expenses.</b> Add lines 13 through 23	38,087	0	0	0
	<b>25</b> Contributions, gifts, grants paid	261,500			261,500
<b>26 Total expenses and disbursements.</b> Add lines 24 and 25	299,587	0	0	0	
<b>27</b> Subtract line 26 from line 12:					
<b>a Excess of revenue over expenses and disbursements</b>	(128,256)				
<b>b Net investment income</b> (if negative, enter -0-)		160,471			
<b>c Adjusted net income</b> (if negative, enter -0-)			102,175		

914

16

<b>Part II Balance Sheets</b>		Attached schedules and amounts in the description column should be for end-of-year amounts only. (See instructions.)		Beginning of year	End of year	
				(a) Book Value	(b) Book Value	(c) Fair Market Value
<b>Assets</b>	<b>1</b>	Cash—non-interest-bearing . . . . .	0	3,284	3,284	
	<b>2</b>	Savings and temporary cash investments . . . . .	13,004	146,832	146,832	
	<b>3</b>	Accounts receivable ▶ . . . . .	0			
		Less: allowance for doubtful accounts ▶ . . . . .	0	0	0	
	<b>4</b>	Pledges receivable ▶ . . . . .	0			
		Less: allowance for doubtful accounts ▶ . . . . .	0	0	0	
	<b>5</b>	Grants receivable . . . . .	0	0	0	
	<b>6</b>	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions) . . . . .	0	0	0	
	<b>7</b>	Other notes and loans receivable (attach schedule) ▶ . . . . .	0			
		Less: allowance for doubtful accounts ▶ . . . . .	0	0	0	
	<b>8</b>	Inventories for sale or use . . . . .	0	0	0	
	<b>9</b>	Prepaid expenses and deferred charges . . . . .	0	0	0	
	<b>10a</b>	Investments—U.S. and state government obligations (attach schedule) . . . . .	0	0	0	
	<b>b</b>	Investments—corporate stock (attach schedule) . . . . .	3,943,732	3,678,365	4,004,289	
	<b>c</b>	Investments—corporate bonds (attach schedule) . . . . .	0	0	0	
	<b>11</b>	Investments—land, buildings, and equipment: basis ▶ . . . . .	0			
	Less: accumulated depreciation (attach schedule) ▶ . . . . .	0	0	0		
<b>12</b>	Investments—mortgage loans . . . . .	0	0	0		
<b>13</b>	Investments—other (attach schedule) . . . . .	0	0	0		
<b>14</b>	Land, buildings, and equipment: basis ▶ . . . . .	0				
	Less: accumulated depreciation (attach schedule) ▶ . . . . .	0	0	0		
<b>15</b>	Other assets (describe ▶ 0 . . . . .)	0	0	0		
<b>16</b>	<b>Total assets</b> (to be completed by all filers—see the instructions. Also, see page 1, item i) . . . . .	3,956,736	3,828,481	4,154,405		
<b>Liabilities</b>	<b>17</b>	Accounts payable and accrued expenses . . . . .	0	0		
	<b>18</b>	Grants payable . . . . .	0	0		
	<b>19</b>	Deferred revenue . . . . .	0	0		
	<b>20</b>	Loans from officers, directors, trustees, and other disqualified persons . . . . .	0	0		
	<b>21</b>	Mortgages and other notes payable (attach schedule) . . . . .	0	0		
	<b>22</b>	Other liabilities (describe ▶ 0 . . . . .)	0	0		
	<b>23</b>	<b>Total liabilities</b> (add lines 17 through 22) . . . . .	0	0		
<b>Net Assets or Fund Balances</b>	<b>Foundations that follow SFAS 117, check here ▶ <input type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.</b>					
	<b>24</b>	Unrestricted . . . . .				
	<b>25</b>	Temporarily restricted . . . . .				
	<b>26</b>	Permanently restricted . . . . .				
	<b>Foundations that do not follow SFAS 117, check here ▶ <input type="checkbox"/> and complete lines 27 through 31.</b>					
	<b>27</b>	Capital stock, trust principal, or current funds . . . . .				
	<b>28</b>	Paid-in or capital surplus, or land, bldg., and equipment fund . . . . .				
	<b>29</b>	Retained earnings, accumulated income, endowment, or other funds . . . . .				
<b>30</b>	<b>Total net assets or fund balances</b> (see instructions) . . . . .					
<b>31</b>	<b>Total liabilities and net assets/fund balances</b> (see instructions) . . . . .	3,956,736	3,828,481			

<b>Part III Analysis of Changes in Net Assets or Fund Balances</b>			
<b>1</b>	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) . . . . .	<b>1</b>	3,956,736
<b>2</b>	Enter amount from Part I, line 27a . . . . .	<b>2</b>	(128,256)
<b>3</b>	Other increases not included in line 2 (itemize) ▶ 0 . . . . .	<b>3</b>	0
<b>4</b>	Add lines 1, 2, and 3 . . . . .	<b>4</b>	3,828,480
<b>5</b>	Decreases not included in line 2 (itemize) ▶ 0 . . . . .	<b>5</b>	0
<b>6</b>	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30 . . . . .	<b>6</b>	3,828,480

**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</b>				
<b>b</b> See attached sheet				
<b>c</b>				
<b>d</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</b>				
<b>b</b>				
<b>c</b>				
<b>d</b>				
<b>e</b>				
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69				(i) Gains (Col. (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any		
<b>a</b>				
<b>b</b>				
<b>c</b>				
<b>d</b>				
<b>e</b>				
<b>2</b>	Capital gain net income or (net capital loss) <span style="font-size: small;">{ If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }</span>			<b>81,083</b>
<b>3</b>	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			<b>11,927</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			
2010	<b>Not Applicable</b>		
2009			
2008			
2007			
<b>2</b>	Total of line 1, column (d)		
<b>3</b>	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>4</b>	Enter the net value of noncharitable-use assets for 2012 from Part X, line 5		
<b>5</b>	Multiply line 4 by line 3		
<b>6</b>	Enter 1% of net investment income (1% of Part I, line 27b)		
<b>7</b>	Add lines 5 and 6		
<b>8</b>	Enter qualifying distributions from Part XII, line 4 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)**

<b>1a</b>	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>b</b>	Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b	<b>1</b>	3,209	00
<b>c</b>	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).			
<b>2</b>	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	<b>2</b>	0	00
<b>3</b>	Add lines 1 and 2	<b>3</b>	3,209	00
<b>4</b>	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	<b>4</b>	0	00
<b>5</b>	<b>Tax based on investment income.</b> Subtract line 4 from line 3. If zero or less, enter -0-	<b>5</b>	3,209	00
<b>6</b>	Credits/Payments:			
<b>a</b>	2012 estimated tax payments and 2011 overpayment credited to 2012	<b>6a</b>	2,558	00
<b>b</b>	Exempt foreign organizations—tax withheld at source	<b>6b</b>	0	00
<b>c</b>	Tax paid with application for extension of time to file (Form 8868)	<b>6c</b>	0	00
<b>d</b>	Backup withholding erroneously withheld	<b>6d</b>	0	00
<b>7</b>	Total credits and payments. Add lines 6a through 6d	<b>7</b>	2,558	00
<b>8</b>	Enter any <b>penalty</b> for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	<b>8</b>	0	00
<b>9</b>	<b>Tax due.</b> If the total of lines 5 and 8 is more than line 7, enter <b>amount owed</b>	<b>9</b>	651	00
<b>10</b>	<b>Overpayment.</b> If line 7 is more than the total of lines 5 and 8, enter the <b>amount overpaid</b>	<b>10</b>		
<b>11</b>	Enter the amount of line 10 to be: <b>Credited to 2013 estimated tax</b> <input type="checkbox"/> <b>Refunded</b> <input type="checkbox"/>	<b>11</b>		

**Part VII-A Statements Regarding Activities**

	Yes	No
<b>1a</b> 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?		✓
<b>b</b> Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see Instructions for the definition)? <i>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.</i>		✓
<b>c</b> Did the foundation file <b>Form 1120-POL</b> for this year?		✓
<b>d</b> Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: <b>(1)</b> On the foundation. ▶ \$ _____ <b>(2)</b> On foundation managers. ▶ \$ _____		
<b>e</b> Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ▶ \$ _____		
<b>2</b> Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If "Yes," attach a detailed description of the activities.</i>		✓
<b>3</b> 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? <i>If "Yes," attach a conformed copy of the changes.</i>		✓
<b>4a</b> Did the foundation have unrelated business gross income of \$1,000 or more during the year?		✓
<b>b</b> If "Yes," has it filed a tax return on <b>Form 990-T</b> for this year?		✓
<b>5</b> Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If "Yes," attach the statement required by General Instruction T.</i>		✓
<b>6</b> 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?	✓	
<b>7</b> Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col. (c), and Part XV</i>	✓	
<b>8a</b> Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ <u>Pennsylvania</u>		
<b>b</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 <i>General Instruction G</i> ? <i>If "No," attach explanation</i>	✓	
<b>9</b> 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)? <i>If "Yes," complete Part XIV</i>		✓
<b>10</b> Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>		✓

Part VII-A Statements Regarding Activities (continued)

11 At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)
12 Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application?
14 The books are in care of William F. MacDonald, Jr. Telephone no. 215-643-9916
15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041—Check here.
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?

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

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

1a During the year did the foundation (either directly or indirectly):
(1) Engage in the sale or exchange, or leasing of property with a disqualified person?
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?
(6) Agree to pay money or property to a government official?
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)?
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2012?
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):
a At the end of tax year 2012, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2012?
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?
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here.
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?
b If "Yes," did it have excess business holdings in 2012 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period?
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2012?

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

**5a** During the year did the foundation pay or incur any amount to:

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?  Yes  No

(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive?  Yes  No

(3) Provide a grant to an individual for travel, study, or other similar purposes?  Yes  No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (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)?  Yes  No

Organizations relying on a current notice regarding disaster assistance check here

**c** If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?  Yes  No

If "Yes," attach the statement required by Regulations section 53.4945–5(d).

**6a** Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?  Yes  No

**b** Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?  Yes  No

If "Yes" to 6b, file Form 8870.

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

**b** If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?  Yes  No

**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 F. MacDonald, Jr. Leslie MacDonald P. O. Box 270, Ambler, PA Ambler, PA 19002-0270	Trustees	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
Not Applicable		
Total number of others receiving over \$50,000 for professional services . . . . .		▶

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

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

Expenses

1	Not Applicable	
2		
3		
4		

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

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.

Amount

1	Not Applicable	
2		
All other program-related investments See instructions		
3		
Total. Add lines 1 through 3 . . . . .		▶

**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>	3,866,206
<b>b</b>	Average of monthly cash balances . . . . .	<b>1b</b>	342,182
<b>c</b>	Fair market value of all other assets (see instructions) . . . . .	<b>1c</b>	0
<b>d</b>	<b>Total</b> (add lines 1a, b, and c) . . . . .	<b>1d</b>	4,208,388
<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>	4,208,388
<b>4</b>	Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see instructions) . . . . .	<b>4</b>	63,126
<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>	4,145,262
<b>6</b>	<b>Minimum investment return.</b> Enter 5% of line 5 . . . . .	<b>6</b>	207,263

**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>	207,263
<b>2a</b>	Tax on investment income for 2012 from Part VI, line 5 . . . . .	<b>2a</b>	3,209
<b>b</b>	Income tax for 2012. (This does not include the tax from Part VI.) . . . . .	<b>2b</b>	0
<b>c</b>	Add lines 2a and 2b . . . . .	<b>2c</b>	3,209
<b>3</b>	Distributable amount before adjustments. Subtract line 2c from line 1 . . . . .	<b>3</b>	204,054
<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>	204,054
<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>	204,054

**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>	261,500
<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>	0
<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>	0
<b>b</b>	Cash distribution test (attach the required schedule) . . . . .	<b>3b</b>	0
<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>	261,500
<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 (see instructions) . . . . .	<b>5</b>	0
<b>6</b>	<b>Adjusted qualifying distributions.</b> Subtract line 5 from line 4 . . . . .	<b>6</b>	261,500

**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
<b>1</b> Distributable amount for 2012 from Part XI, line 7 . . . . .				204.054
<b>2</b> Undistributed income, if any, as of the end of 2012:				
<b>a</b> Enter amount for 2011 only . . . . .			(578.502)	
<b>b</b> Total for prior years: 20____, 20____, 20____		0		
<b>3</b> Excess distributions carryover, if any, to 2012:				
<b>a</b> From 2007 . . . . .	0			
<b>b</b> From 2008 . . . . .	0			
<b>c</b> From 2009 . . . . .	0			
<b>d</b> From 2010 . . . . .	0			
<b>e</b> From 2011 . . . . .	578.502			
<b>f</b> <b>Total</b> of lines 3a through e . . . . .	578.502			
<b>4</b> Qualifying distributions for 2012 from Part XII, line 4: ► \$ <u>261.500</u>				
<b>a</b> Applied to 2011, but not more than line 2a . . . . .			0	
<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 . . . . .				261.500
<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).)	578.502			578.502
<b>6</b> Enter the net total of each column as indicated below:				
<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 instructions . . . . .			(578.502)	
<b>f</b> Undistributed income for 2012. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2013 . . . . .				(635.948)
<b>7</b> Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions) . . . . .	0			
<b>8</b> Excess distributions carryover from 2007 not applied on line 5 or line 7 (see instructions) . . . . .	0			
<b>9</b> <b>Excess distributions carryover to 2013.</b> 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 . . . . .				

**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 foundation 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	
<b>2a</b> Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed . . . . .	No tApplicable				
<b>b</b> 85% of line 2a . . . . .					
<b>c</b> Qualifying distributions from Part XII, line 4 for each year listed . . . . .					
<b>d</b> Amounts included in line 2c not used directly for active conduct of exempt activities . . . . .					
<b>e</b> Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c . . . . .					
<b>3</b> Complete 3a, b, or c for the alternative test relied upon:					
<b>a</b> "Assets" alternative test—enter:					
<b>(1)</b> Value of all assets . . . . .					
<b>(2)</b> Value of assets qualifying under section 4942(j)(3)(B)(i) . . . . .					
<b>b</b> "Endowment" alternative test—enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed . . . . .					
<b>c</b> "Support" alternative test—enter:					
<b>(1)</b> Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties) . . . . .					
<b>(2)</b> Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii) . . . . .					
<b>(3)</b> Largest amount of support from an exempt organization . . . . .					
<b>(4)</b> 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).)

**Not Applicable**  
**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.

**Not Applicable**  
**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 F. MacDonald, Jr., P. O. Box 270, Ambler, PA 19002-0270, 215-643-9916

**b** The form in which applications should be submitted and information and materials they should include:  
  
 Applications may be submitted in letter form. Tax exempt statement must be included.

**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:

See attached sheet

**Part XV** Supplementary Information (continued)

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

Recipient	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
Name and address (home or business)				
<p><b>a</b> <i>Paid during the year</i></p> <p>See attached sheet</p>				
<p><b>Total</b> . . . . . ▶ <b>3a</b></p>				<p><b>261,500</b></p>
<p><b>b</b> <i>Approved for future payment</i></p> <p>See attached sheet</p>				
<p><b>Total</b> . . . . . ▶ <b>3b</b></p>				<p><b>130,000</b></p>





The Mill Spring Foundation – 990PF – 2012 – Part 1

ID# 23-6230874

Part 1 -

Operating/Administrative Expense:	
Line 16-b -Accounting Fees	6,000.00
Line 16-c -Other Professional Fees	15,405.00
Line 18 – Taxes: Final Payment Excise Tax	817.00
Estimated Tax – 2012/2013	3,718.00
Line 23 - Fiduciary Tax Service Fee	275.00
Purchase Accrued Interest	1,012.00
Loss – Sale of Securities	10,860.00
TOTAL	12,147.00

The Mill Spring Foundation – 990PF – 2012

ID# 23-6230874 – Part XV – Contributions Paid:

RECIPIENT	STATUS	PURPOSE	AMOUNT
Acting Without Boundaries	Public	Support children with physical disabilities	5,000
American Red Cross/SE PA	Public	Nurse Assistant Training Program	1,500
Baker Industries	Public	Work rehabilitation for the handicapped	10,000
Bethesda Project	Public	Care for abandoned poor	10,000
Chester Fund	School	Academic and arts programming for disadvantaged children	5,000
Christ's Home	School	Foster care/ education for neglected and abused children	5,000
College Settlement of Philadelphia	Public	Camp programs for needy children	3,000
Consumer Bankruptcy Assistance	Public	Providing financial advice to the poor	10,000
Community Cupboard	Public	Expansion Program	20,000
Drueding Center	Public	Transitional housing program for homeless women and children	5,000
Easter Seals/SE PA	Public	Core year-round programs in support of disabled children	2,000
Easter Seals/SE PA	Public	Camp and recreation programs	3,000
Enchantment Theatre	Public	Arts Education Program	2,500
Franklin Institute	Public	Unrestricted Contribution	2,500
Girls Rock Philly	Public	Summer camp fostering self respect	5,000
Hope Springs Equestrian Therapy	Public	Equestrian therapy for disabled children	3,000
Inglis House	Public	General operating support	500
Inter-Faith Housing Alliance	Public	Homelessness prevention	5,000
Ken Crest Centers	Public	Building maintenance on a key building	5,000
Operation Warm	Public	Provide warm coats for underserved children	2,500
Pennsylvania Free Enterprise	Public	Scholarship Fund	5,000
Philadelphia Zoo	Public	Corporate Partners Program	10,000
Please Touch Museum	Public	Hands-on exhibits and programs	5,000

Programs Employing People	Public	Summer camp for disabled children	5,000
Project Forward Leap	Public	Education program for inner-city youth	5,000
Rock the Future	Public	After school music education	4,000
Special Equestrians	School	Therapeutic Riding programs	2,000
Silver Springs	School	Residential Treatment Programs	5,000
University of the Arts	School	Arts Pre-College Programs	2,500
World Affairs Council	Public	Sustaining Membership	10,000
Wissahickon Valley Watershed	Public	Unrestricted contribution	10,000
Woodmere Art Museum	Public	Support youth programming	10,000
Ambler Area YMCA	Public	Capital Campaign	20,000
William Penn Charter School	School	Performing Arts Center	12,500
Franklin Institute	Public	Inspire Science Campaign	20,000
Germantown Academy	School	Capital Campaign	10,000
Whitemarsh Foundation	Public	Campaign for Erdenheim Farm	20,000
<b>TOTAL</b>			<b>261,500</b>
Approved for future payment:			
Franklin Institute	Public	Inspire Science Campaign	40,000
Germantown Academy	School	Capital Campaign	30,000
Whitemarsh Foundation	Public	Campaign for Erdenheim Farm	60,000
<b>TOTAL</b>			<b>130,000</b>

The Mill Spring Foundation – 990 PF – 2012

ID# 23-6230874

Part XV – Line d:

Only scientific, educational and charitable institutions should apply. Foundation does not make grants, contributions or loans to individuals.

The Mill Spring Foundation – 990PF – 2012  
 ID #236230874 – Part IV – Capital Gains and Losses:

SHARES	SECURITY	ACQ./ SOLD	COST	SELLING PRICE	GAIN	LOSS
65,000	Abbott Labs Note 11/9/07-11/30/12	8/11/08-9/14/12	66,746.55	65,664.30		1,082.25
40,000	ABBVIE, Inc. 1.200%-11/16/15	11/5/12-2/22/13	40,041.45	40,288.80	247.35	
40,000	American Express Cred. Ser. MTN	3/26/12-2/22/13	39,891.60	41,573.60	1,682.00	
40,000	Anheuser Busch	7/11/12-2/22/13	40,025.95	40,058.00	32.05	
20,000	Boston Prop LP	2/11/13-2/22/13	21,916.40	21,888.20		28.20
25,000	Coca Cola – 1.65%	3/14/12-2/22/13	24,941.75	25,523.50	581.75	
10,000	Colgate Palmolive Co.	11/8/11-2/15/13	9,855.40	10,134.00	278.60	
35,000	Comcast Corp.	6/22/09-2/22/13	34,924.75	42,316.05	7,391.30	
15,000	Dr. Pepper Snapple	11/13/12-2/22/13	14,883.75	14,645.40		238.35
15,000	Ecolab Inc.	8/6/12-11/9/12	14,992.50	15,031.65	39.15	
5,000	Exelon Corp.	10/3/12-2/22/13	5,500.55	5,418.60		81.95
40,000	Fed. Home Loan Mtg. Corp. 5%	5/18/12-2/20/13	43,166.60	41,817.72		1,348.88
35,000	Fed. Home Loan Mtg. Corp. 2.375%	1/18/12-2/20/13	32,947.75	36,067.15	1,119.40	
10,000	Fed Nat. Mtg. Assoc. 0.625 %	11/9/12-2/20/13	10,065.86	10,058.25		7.61
35,000	Fed. Nat. Mtg. Assoc. 0.375%	2/17/12-2/20/13	34,779.54	35,030.21	250.67	
110,000	Fed .Nat. Mtg. Assoc. 4.875%	3/5/10-2/20/13	120,527.33	127,312.90	6,785.57	
100,000	Fed. Nat. Mtg. Assoc. 5%	7/27/09-2/20/13	108,235.90	117,419.10	9,183.20	
85,000	General Electric Cap. Corp.	3/15/10-10/5/12	86,217.20	85,543.15		674.05

SHARES	SECURITY	ACQ./SOLD	COST	SELLING PRICE	GAIN	LOSS
20,000	General Electric Co. – 2.700%	10/1/12-2/22/13	19,953.00	19,793.40		159.60
30,000	Goldman Sachs Group Inc.	5/3/10-2/22/13	31,254.00	35,184.60	3,930.60	
45,000	Honeywell Intl.	3/15/12-2/22/13	44,825.40	53,085.15	8,259.15	
40,000	IBM Corp.	1/25/12-2/22/13	40,261.60	40,306.80	45.20	
20,000	Intel Corp.	12/14/12-2/22/13	19,978.80	19,988.80	10.00	
10,000	Johnson & Johnson	2/5/13-2/22/13	10,501.00	10,476.70		24.30
10,000	McDonalds Corp.	5/29/12-11/6/12	9,904.50	10,281.80	377.30	
25,000	Merck & Co.	9/10/12-2/22/13	24,949.25	24,888.75		60.50
20,000	Oracle Corp.	10/18/12-12/10/12	19,965.40	20,110.20	144.80	
10,000	PNC Financial V-A	11/1/12-2/22/13	10,118.67	9,851.90		266.77
20,000	Pepsico Inc.	3/5/12-3/22/13	19,991.20	20,050.00	58.80	
20,000	Proctor & Gamble Co.	2/6/12-2/22/13	19,858.40	19,890.80	32.40	
40,000	Time Warner Inc.	1/13/13-2/22/13	39,399.60	45,612.80	6,213.20	
55,000	Toyota Motor Credit Corp.	11/17/11-2/22/13	54,879.00	55,702.35	823.35	
20,000	US Bancorp. Ser. Mtn. – 3%	3/2/12-11/7/12	19,986.00	21,177.20	1,191.20	
40,000	US Treasury Notes – 0.25%	6/22/12-2/20/13	39,986.08	40,024.87	38.79	
35,000	US Treasury Notes – 0.750%	11/19/12-2/20/13	35,275.51	35,245.98		29.53
135,000	US Treasury Notes – 4.25%	3/13/12-2/20/13	140,896.24	144,317.71	3,421.47	
85,000	US Treasury Notes – 0.875%	3/13/12-2/20/13	85,060.05	85,909.48	849.43	
70,000	US Treasury Notes – 3.875%	2/6/11-2/20/13	69,645.40	80,598.16	10,952.76	
15,000	US Treasury Notes – 2%	3/13/12-2/20/13	15,008.85	15,285.29	276.44	
10,000	US Treasury Notes – 1.625%	2/12/13-2/20/13	9,684.42	9,696.44	12.02	
40,000	Wal Mart Stores Inc.	1/24/13-2/22/13	41,593.60	42,784.00	1,190.40	

SHARES	SECURITY	ACQ./SOLD	COST	SELLING PRICE	GAIN	LOSS
10,000	Walt Disney Co.	2/14/12-2/14/13	9,904.00	10,004.70	100.70	
40,000	Wells Fargo & Co.	6/27/12-2/22/13	39,921.60	40,650.80	729.20	
25,000	Zoetis Inc.	1/16/13-2/22/13	24,985.75	25,022.25	36.50	
15,000	Time Warner Inc.	3/15/10-11/15/12	14,775.00	17,448.30	2,673.30	
1,195	MSCI Emerging Markets	7/6/11-11/29/12	56,774.45	49,916.30		6,858.15
5,133.47	Pimco High Yield Fund CL-P	12/14/10-1/22/13	40,400.41	50,000.00	9,599.59	
10,000	Time Warner Inc.	3/15/10-1/24/13	9,850.00	11,547.10	1,697.10	
20,000	Wal Mart Stores Inc.	10/27/11-1/24/13	20,796.00	21,628.20	832.20	
			1,792,044.61	1,862,271.41	81,083.44	10,860.14
	<b>NET GAIN</b>				<b>70,223.30</b>	

The Mill Spring Foundation 990-PF – 2012

ID# 23-6230874 – Part II – Line 16:

INVESTMENTS	BOOK VALUE	MARKET VALUE
Dodge and Cox Stock Fund	200,000.00	212,692.23
Harbor International Fund Class Institutional	300,000	288,977.47
MSCI EAFE Growth ETF	350,668.80	293,312.50
MSCI EAFE Value ETF	350,116.23	306,971.10
MSCI Emerging Markets ETF	180,757.75	147,840.00
Russell 1000 Value ETF	350,006.98	408,895.20
Russell 1000 Growth ETF	499,589.47	644,476.40
Russell Mid-Cap Value ETF	199,836.52	199,244.80
S & P Small Cap 600 Growth ETF	98,077.35	193,700.00
S & P Small Cap 600 Value ETF	100,985.73	181,142.40
MFS Massachusetts Investors Growth Stock Fund Class Intl.	100,000.00	127,450.99
Vanguard FTSE Emerging Markets ETF	250,230.23	251,779.55
Wilmington Mid Cap Growth Fund Institutional Shares	177,939.42	184,540.41
Pimco High Yield Fund Class P	106,818.83	133,930.88
Ridgeworth SEIX Floating Rate High Income Fund I	225,000.00	222,657.07

INVESTMENTS	BOOK VALUE	MARKET VALUE
Tips Bond ETF	39,164.50	43,683.90
Powershares DB Commodity Index Tracking Fund ETF	48,084.87	53,903.85
SPDR Dow Jones REIT ETF	100,046.42	107,089.50
Cash	3,283.94	3,283.94
Wilmington US Government Money Market Fund Class Select	146,832.32	146,832.32
TOTAL	3,827,709.36	4,154,404.51