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

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

2012

Open to public inspection

For calendar year 2012 or tax year beginning NOV 1, 2012, and ending OCT 31, 2013

Name of foundation Effie and Wofford Cain Foundation		A Employer identification number 75-6030774
Number and street (or P O box number if mail is not delivered to street address) 4131 Spicewood Springs Road	Room/suite A-1	B Telephone number 512-346-7490
City or town, state, and ZIP code Austin, TX 78759		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) \$ 124295893.	J Accounting method: ☒ Cash ☐ Accrual ☐ Other (specify) _____	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))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions, gifts, grants, etc., received				N/A	
2 Check ☒ if the foundation is not required to attach Sch B Interest on savings and temporary cash investments		2983.	2983.		
3 Dividends and interest from securities		2599204.	2585845.		
5a Gross rents		37319.	37319.		
b Net rental income or (loss) 30018.					
6a Net gain or (loss) from sale of assets not on line 10		7150878.			
b Gross sales price for all assets on line 6a 52127099.					
7 Capital gain net income (from Part IV, line 2)			6410785.		
8 Net short-term capital gain					
9 Income modifications					
10a Gross sales less returns and allowances					
b Less Cost of goods sold					
c Gross profit or (loss)					
11 Other income		280213.	280213.		
12 Total. Add lines 1 through 11		10070597.	9317145.		
13 Compensation of officers, directors, trustees, etc		387964.	21347.		366617.
14 Other employee salaries and wages					
15 Pension plans, employee benefits		156599.	7336.		149264.
16a Legal fees Stmt 2		29647.	14597.		15050.
b Accounting fees					
c Other professional fees Stmt 3		329913.	324300.		5612.
17 Interest					
18 Taxes Stmt 4		323850.	43782.		26644.
19 Depreciation and depletion Stmt 5		4871.	399.		
20 Occupancy		28778.	1781.		26996.
21 Travel, conferences, and meetings		83383.	15269.		65693.
22 Printing and publications		2453.	577.		1876.
23 Other expenses Stmt 6		25961.	17268.		23903.
24 Total operating and administrative expenses. Add lines 13 through 23		1373419.	446656.		681655.
25 Contributions, gifts, grants paid Stmt 7		4711700.			4711700.
26 Total expenses and disbursements. Add lines 24 and 25		6085119.	446656.		5393355.
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements		3985478.			
b Net investment income (if negative, enter -0-)			8870489.		
c Adjusted net income (if negative, enter -0-)				N/A	

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only		Beginning of year	End of year		
				(a) Book Value	(b) Book Value	(c) Fair Market Value	
Assets	1	Cash - non-interest-bearing					
	2	Savings and temporary cash investments		11026906.	4673927.	4673927.	
	3	Accounts receivable ▶					
		Less: allowance for doubtful accounts ▶					
	4	Pledges receivable ▶					
		Less: allowance for doubtful accounts ▶					
	5	Grants receivable					
	6	Receivables due from officers, directors, trustees, and other disqualified persons					
	7	Other notes and loans receivable ▶					
		Less: allowance for doubtful accounts ▶					
	8	Inventories for sale or use					
	9	Prepaid expenses and deferred charges					
	10a	Investments - U.S. and state government obligations Stmt 8		997676.	1076046.	1101318.	
	b	Investments - corporate stock Stmt 9		64287050.	72559411.	95280859.	
	c	Investments - corporate bonds Stmt 10		18272100.	20264698.	21393991.	
Liabilities	11	Investments - land, buildings, and equipment basis ▶ 391388.		391388.	391388.	375145.	
		Less: accumulated depreciation ▶ Stmt 11					
	12	Investments - mortgage loans					
	13	Investments - other Stmt 12		327185.	327185.	1141316.	
	14	Land, buildings, and equipment: basis ▶ 262688.					
		Less: accumulated depreciation Stmt 13 ▶ 184910.		82648.	77778.	329337.	
	15	Other assets (describe ▶)					
	16	Total assets (to be completed by all filers)		95384953.	99370433.	124295893.	
	17	Accounts payable and accrued expenses					
	18	Grants payable		359000.			
Net Assets or Fund Balances	19	Deferred revenue					
	20	Loans from officers, directors, trustees, and other disqualified persons					
	21	Mortgages and other notes payable					
	22	Other liabilities (describe ▶)					
	23	Total liabilities (add lines 17 through 22)		359000.	0.		
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		0.	0.	
		28	Paid-in or capital surplus, or land, bldg., and equipment fund		57555853.	57555853.	
		29	Retained earnings, accumulated income, endowment, or other funds		37470100.	41814580.	
30	Total net assets or fund balances		95025953.	99370433.			
31	Total liabilities and net assets/fund balances		95384953.	99370433.			

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	95025953.
2	Enter amount from Part I, line 27a	2	3985478.
3	Other increases not included in line 2 (itemize) ▶ Decrease in grants payable; rounding	3	359002.
4	Add lines 1, 2, and 3	4	99370433.
5	Decreases not included in line 2 (itemize) ▶	5	0.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	99370433.

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 Stmt. 14	P		
b			
c			
d			
e			

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a 52127099.		45716314.	6410785.
b			
c			
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	
a			6410785.
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	6410785.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). If (loss), enter -0- in Part I, line 8	{ }	3	N/A

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

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

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

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

☐ Yes ☒ No

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

1 Enter the appropriate amount in each column for each year; see the instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2011	5472142.	110519663.	.049513
2010	4454695.	111899814.	.039810
2009	5278311.	103679750.	.050910
2008	6554778.	93799707.	.069881
2007	6434032.	132647199.	.048505

2 Total of line 1, column (d)	2	.258619
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	.051724
4 Enter the net value of noncharitable-use assets for 2012 from Part X, line 5	4	117267439.
5 Multiply line 4 by line 3	5	6065541.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	88705.
7 Add lines 5 and 6	7	6154246.
8 Enter qualifying distributions from Part XII, line 4	8	5393355.

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

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

1a Exempt operating foundations described in section 4940(d)(2), check here ☐ and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary-see instructions)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here ☐ and enter 1% of Part I, line 27b		1	177410.
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).			
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		2	0.
3 Add lines 1 and 2		3	177410.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		4	0.
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-		5	177410.
6 Credits/Payments:			
a 2012 estimated tax payments and 2011 overpayment credited to 2012	6a	258664.	
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	258664.	
8 Enter any penalty for underpayment of estimated tax. Check here ☒ if Form 2220 is attached	8		
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9		
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	81254.	
11 Enter the amount of line 10 to be: Credited to 2013 estimated tax ☐ 81254. Refunded ☐ 0.	11		0.

Part VII-A Statements Regarding Activities

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

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Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	
Website address N/A				
14	The books are in care of Effie and Wofford Cain Foundation Telephone no. 512-346-7490 Located at 4131 Spicewood Springs Road, #A-1, Austin, TX ZIP+4 78759			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the year	15	N/A	
16	At any time during calendar year 2012, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country	16	Yes	No
				X

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

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

	Yes	No
1a During the year did the foundation (either directly or indirectly):		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	☐ Yes ☒ No	
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	☐ Yes ☒ No	
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	☐ Yes ☒ No	
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	☒ Yes ☐ No	
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	☐ Yes ☒ No	
(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.)	☐ Yes ☒ No	
b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here		X
1b		
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2012?		X
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		
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.)	N/A	
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.		
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)	N/A	
3b		
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		X
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2012?		X
4b		

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Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)**3** Five highest-paid independent contractors for professional services. If none, enter "NONE."

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
Smith Asset Management - 200 Crescent Court, Suite 850, Dallas, TX 75201	Inv. Management	85537.
Clearbrook Investment Consulting 10 High Street, Suite 620, Boston, MA 02110	Inv. Consulting	63065.
Wellington Asset Management 75 State Street, Boston, MA 02109	Inv. Management	51834.

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

0

Part IX-A Summary of Direct Charitable Activities

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

	Expenses
1 NONE	
2	
3	
4	

Part IX-B Summary of Program-Related Investments

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

	Amount
1 NONE	
2	
All other program-related investments. See instructions.	
3	

Total. Add lines 1 through 3

0.

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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	110562093.
b	Average of monthly cash balances	1b	6945765.
c	Fair market value of all other assets	1c	1545380.
d	Total (add lines 1a, b, and c)	1d	119053238.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0.
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	119053238.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	1785799.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	117267439.
6	Minimum investment return. Enter 5% of line 5	6	5863372.

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	5863372.
2a	Tax on investment income for 2012 from Part VI, line 5	2a	177410.
b	Income tax for 2012. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	177410.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	5685962.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	5685962.
6	Deduction from distributable amount (see instructions)	6	0.
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	5685962.

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	5393355.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	5393355.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	5	0.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	5393355.

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.

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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				5685962.
2 Undistributed income, if any, as of the end of 2012				
a Enter amount for 2011 only			5293932.	
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2012:				
a From 2007				
b From 2008				
c From 2009				
d From 2010				
e From 2011				
f Total of lines 3a through e	0.			
4 Qualifying distributions for 2012 from Part XII, line 4: ▶ \$ 5393355.				
a Applied to 2011, but not more than line 2a			5293932.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2012 distributable amount				99423.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2012 (If an amount appears in column (d), the same amount must be shown in column (a).)	0.			0.
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	0.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
e Undistributed income for 2011. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2012. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2013				5586539.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2007 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2013. Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9:				
a Excess from 2008				
b Excess from 2009				
c Excess from 2010				
d Excess from 2011				
e Excess from 2012				

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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)				
a Paid during the year				
Stmnt. 7				4711700.
Total			3a	4711700.
b Approved for future payment				
None				
Total			3b	0.

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		X
	(2) Other assets		X
b	Other transactions:		
	(1) Sales of assets to a noncharitable exempt organization		X
	(2) Purchases of assets from a noncharitable exempt organization		X
	(3) Rental of facilities, equipment, or other assets		X
	(4) Reimbursement arrangements		X
	(5) Loans or loan guarantees		X
	(6) Performance of services or membership or fundraising solicitations		X
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees		X
d	If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.		

[illegible]

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

(a) Name of organization	(b) Type of organization	(c) Description of relationship
N/A		

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

Sign Here
  
 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
	Firm's name ▶				Firm's EIN ▶
	Firm's address ▶				Phone no.

Statement 1

Part I, Line 11 - Other Income:

Description	Column A	Column B
	Balance Per Books	Investment Income
Oil & Gas Royalty Income	253,524	253,524
Shareholders' litigation settlement	26,689	26,689
Total Other Income	280,213	280,213

Statement 2

	Payee	Service	Column A Balance Per Books	Column B Related to Investment Income	Column D Disbursed for Charitable Purpose
Part I, Line 16a - Legal Fees					
	Borby, Crozier & Dobie, PC - fees	Legal and tax advice - Corporate	14,573	933	13,640
	Carrington, Coleman, Sloman & Blumenthal	Legal advice - Corporate	13,664	13,664	0
	Kuperman, Orr & Albers, PC	Legal advice - Property	1,410	0	1,410
	Total Legal		29,647	14,597	15,050

Statement 3

Part I, Line 16c - Other Professional Fees

Smith Asset Management	Investment management	85,537	85,537	0
Clearbrook Investment Consulting	Investment consulting	63,065	63,065	0
Wellington Management	Investment management	51,834	51,834	0
Westwood Trust	Investment management	43,023	43,023	0
UBS Financial	Investment management	42,368	42,368	0
JP Morgan Chase	Custodial management	26,410	26,410	0
Standish Mellon	Investment management	6,336	6,336	0
Grantham, Mayo, Van Otterloo & Co, LLC	Investment management	5,500	5,500	0
Frost National Bank	Plan sponsor for 401(k)	4,175	4,175	4,175
Carley & McCaw, Inc	Form 5550 filing for 401(k)	1,392	0	1,392
Maxwell, Locke & Ritter	Accounting consulting	228	228	0
Texas ProTax Austin	Property valuation services	45	0	45
Total Other Professional Fees		329,913	324,300	5,612

Statement 4

Part I, line 18 - Taxes:

Description	Column A Balance Per Books	Column B Related to Investment Income	Column D Disbursed for Charitable Purposes	Other
Payroll Taxes	27,805	1,347	26,459	
Ad Valorem Property Taxes	26,657	26,657	0	
Oil & Gas Production Tax	10,531	10,531	0	
Personal Property Taxes	193	8	185	
Foreign Dividend Taxes (K-1s)	0	5,239	0	
Excise Tax	258,664	0	0	258,664
Total	323,850	43,782	26,644	258,664

Taxes on office property are listed on Part I, Line 20

Statement 5

Part I, Line 19 - Depreciation and Depletion

-----Current Expense-----										
	Date Acquired	Cost	Recovery Period	Method Used	Rate	Accum as of 10/31/12	Column A		Column B	
							Balance Per Books	Related to Inv Income	Other	Disposed
Depreciation										
Office Furn & Fixtures	1981	467	5 Yrs	SL	0%	467	0	0	0	0
Office Furn & Fixtures	1982	259	5 Yrs	SL	0%	259	0	0	0	0
Office Furn & Fixtures	1985	1,180	5 Yrs	SL	0%	1,180	0	0	0	0
Office Furn & Fixtures	1987	1,655	5 Yrs	SL	0%	1,655	0	0	0	0
Office Furn & Fixtures	1988	1,169	5 Yrs	SL	0%	1,169	0	0	0	0
Office Furn & Fixtures	1989	48	7 Yrs	SL	0%	48	0	0	0	0
Office Furn & Fixtures	1990	250	7 Yrs	SL	0%	250	0	0	0	0
Office Furn & Fixtures	1991	260	7 Yrs	SL	0%	260	0	0	0	0
Office Furn & Fixtures	1992	5,793	7 Yrs	SL	0%	5,793	0	0	0	0
Office Furn & Fixtures	1993	10,931	7 Yrs	SL	0%	10,931	0	0	0	0
Office Furn & Fixtures	1994	3,941	7 Yrs	SL	0%	3,941	0	0	0	0
Office Furn & Fixtures	1995	792	7 Yrs	SL	0%	792	0	0	0	0
Office Furn & Fixtures	1998	399	7 Yrs	SL	0%	399	0	0	0	0
Office Furn & Fixtures	1999	3,485	7 Yrs	SL	0%	3,485	0	0	0	0
Office Furn & Fixtures	2001	3,955	7 Yrs	SL	0%	3,955	0	0	0	0
Office Furn & Fixtures	2002	1,821	7 Yrs	SL	0%	1,821	0	0	0	0
Office Furn & Fixtures	2004	3,915	7 Yrs	SL	0%	3,915	0	0	0	0
Office Furn & Fixtures	2008	750	7 Yrs	SL	14%	481	107	4	103	0
Office Equipment	1984	450	5 Yrs	SL	0%	450	0	0	0	0
Office Equipment	1987	80	5 Yrs	SL	0%	80	0	0	0	0
Office Equipment	1993	90	5 Yrs	SL	0%	90	0	0	0	0
Office Equipment	1994	628	5 Yrs	SL	0%	628	0	0	0	0
Office Equipment	1996	0	5 Yrs	SL	0%	0	0	0	0	0
Office Equipment	1999	1,595	5 Yrs	SL	0%	1,595	0	0	0	0
Office Equipment	2002	800	5 Yrs	SL	0%	800	0	0	0	0
Office Equipment	2007	2,713	5 Yrs	SL	0%	2,713	0	0	0	0
Office Equipment	2008	935	5 Yrs	SL	20%	841	93	4	90	0
Office Equipment	2010	889	5 Yrs	SL	20%	444	178	8	169	0
Data Processing Equipment	1999	1,188	5 Yrs	SL	0%	1,188	0	0	0	0
Data Processing Equipment	2002	200	5 Yrs	SL	0%	200	0	0	0	0
Data Processing Equipment	2007	11,019	5 Yrs	SL	10%	11,019	0	0	0	0
Data Processing Equipment	2010	2,698	5 Yrs	SL	20%	1,349	540	43	497	0
Data Processing Equipment	2012	1,499	5 Yrs	SL	20%	150	300	8	292	0
Office Condo - Building	1992	115,091	31.5 Yrs	SL	3% *	75,355	3,653	331	3,322	0
Office Refurbishment	2001	38,085	7 Yrs	SL	0%	38,085	0	0	0	0
Office Refurbishment	2002	4,251	7 Yrs	SL	0%	4,251	0	0	0	0
Total Depreciation		223,280				180,040	4,871	399	4,472	0

Statement 5

Part I, Line 19 - Depreciation and Depletion

-----Current Expense-----										
						Column A	Column B			
						Balance Per Books	Related to Inv Income	Other	Disposed	Accum as of 10/31/13
Depletion										
Oil & Gas Properties						0	0	0	0	12,043
Total Depletion						12,043	0	0	0	12,043
Total Depreciation and Depletion						192,083	4,871	399	4,472	196,953

* Annual rate of 3.1746%

F = First year 1/2 annual rate L = Last year 1/2 annual rate

Statement 6

Part I, Line 23 - Other Expenses:

Description	Column A	Column B	Column D
	Balance Per Books	Related to Investment Income	Disbursed for Charitable Purposes
Office Supplies	3,927	159	3,769
Pantry Supplies	832	34	798
Data Processing Supplies	2,930	118	2,812
Property Repairs	0	0	0
Property & Liability Insurance	12,336	498	11,838
Investment Property & Liability Insurance	815	815	0
Membership Dues	1,890	11	1,879
Direct Charitable	28	0	28
Miscellaneous	3,202	423	2,780
Other Deductions (K-1s)	0	15,210	0
Total	25,961	17,268	23,903

Statement 7 Page 1 of 9

Part XV, Line 3a - Grants & Contributions Paid During the Year:

Activity/Recipient/Address	Status	Purpose	Amount
Human Needs and Services			
Athens Samaritans PO Box 350, Athens, TX 75751	Public	General support	15,000
Austin Community Foundation 4315 Guadalupe Street, #300, Austin, TX 78751	Public	General support	2,500
Austin Police Operation Blue Santa 715 E. 8th Street, Austin, TX 78701-3300	Public	General support	10,000
Austin Recovery 8402 Crosspark Drive, Austin, TX 78754	Public	General support	5,000
Cariats of Austin PO Box 1947, Austin, TX 78767	Public	General support	1,200
CASA of Trinity Valley PO Box 2259, Athens, TX 75751	Public	General support	10,000
Center for Child Protection 8509 FM 969, Building 2, Austin, TX 78724	Public	General support	20,000
Christine Alberts Swan Songs PO Box 41475, Austin, TX 78704	Public	General support	5,000
Colleagues, The 3312 Pico Blvd., Santa Monica, CA 90405	Public	General support	2,500
Helping Hand Home for Children 3804 Avenue B, Austin, TX 78751	Public	General support	500
Henderson County Food Pantry 715 E. Corsicana, Athens, TX 75751	Public	General support	30,000
Henderson County United Way PO Box 1435, Athens, TX 75751	Public	General support	7,500
Independence Fund 32379 Collection Center Drive, Chicago, IL 60693-0323	Public	General support	15,000

Statement 7 Page 2 of 9

Part XV, Line 3a - Grants & Contributions Paid During the Year:

Activity/Recipient/Address	Status	Purpose	Amount
La Pasadita	Public	General support	1,000
8800 Business Park Drive, #200, Austin, TX 78759			
Lonestar Legacy	Public	General support	500
4316 Purdue Avenue, Dallas, TX 75225			
Make-A-Wish Foundation - Central & South Texas	Public	General support	10,000
2224 Walsh Tarlton Lane, Suite 200, Austin, TX 78746			
Make-A-Wish Foundation - North Texas	Public	General support	6,000
Northeast Regional Office, 102 N. College, Tyler, TX 75702			
March of Dimes Foundation	Public	General support	7,500
11044 Research Blvd., #A-210, Austin, TX 78759			
Meals on Wheels Ministries	Public	General support	15,000
PO Box 5475, Tyler, TX 75712			
National Charity League	Public	General support	2,000
950 South Coast Drive, #200, Costa Mesa, CA 92626			
People's Community Clinic	Public	General support	5,000
2909 N. IH-35, Austin, TX 78722			
Ronald McDonald House Charities	Public	General support	2,500
403 E. 15th Street, Austin, TX 78701			
Salvation Army-Austin	Public	General support	10,000
501 E. 8th Street, Austin, TX 78701			
Salvation Army-Harlingen	Public	General support	1,000
114 E. Jackson, Harlingen, TX 78550			
St. Vincent Citizens Nutrition Program	Public	General support	62,500
2131 West Third Street, Los Angeles, CA 90057-0992			
Teen & Family Services	Public	General support	25,000
3310 N. Capital of Texas Hwy., Austin, TX 78746			
TPFC Foundation	Public	General support	5,000
805 Morningside Drive, San Antonio, TX 78209-5525			

Statement 7 Page 3 of 9

Part XV, Line 3a - Grants & Contributions Paid During the Year:

Activity/Recipient/Address	Status	Purpose	Amount
West Austin Care Givers	Public	General support	5,000
2601 Exposition Blvd., Austin, TX 78703			
Total Human Needs and Services			282,200
Public and Community Benefit			
Animal Rescue Fund	Public	General support	1,000
PO Box 901, Wainscott, NY 11975			
Austin Community Foundation	Public	General support	5,000
PO Box 5159, Austin, TX 78763			
Cain Center, Inc.	Public	General support	25,000
915 S. Palestine, Athens, TX 75751			
Children's Crisis Prevention Network	Public	General support	2,000
PO Box 2464, Athens, TX 75751			
City of Athens, Texas	Public	Program support	30,000
508 E. Tyler Street, Athens, TX 75751			
City of Athens, Texas	Public	General support	300
508 E. Tyler Street, Athens, TX 75751			
Congressional Medal of Honor Foundation	Public	General support	10,000
5600 Tennyson Parkway, #190, Plano, TX 75024			
East Texas Arboretum & Botanical Society	Public	Henderson County Veterans Memorial	365,000
1601 Patterson Road, Athens, TX 75751			
Henderson County Historical Society	Public	General support	4,000
217 N. Prairieville, Athens, TX 75751			
Henderson County Humane Society	Public	General support	2,000
PO Box 162, Athens, TX 75751			
KIDFISH Foundation	Public	General support	3,000
413 S. Carroll Street, Athens, TX 75751			

Statement 7 Page 4 of 9

Part XV, Line 3a - Grants & Contributions Paid During the Year:

Activity/Recipient/Address	Status	Purpose	Amount
Public Library Fund 121 S. Prairieville, Athens, TX 75751 Total Public and Community Benefit	Public	General support	8,000 455,300
Cultural Institutions			
Program Presentation and Support			
ASCAP Foundation One Lincoln Plaza, New York, NY 10023-7142 Austin Film Festival 1801 Salina Street, Austin, TX 78702 Austin History Center Association PO Box 2287, Austin, TX 78768-2287 East Texas Arboretum & Botanical Society 1601 Patterson Road, Athens, TX 75751 Texas Music Office PO Box 13246, Austin, TX 78711 National WWII Museum 945 Magazine Street, New Orleans, LA 70130-3813 Total Cultural Institutions	Public Public Public Public Public Public	General support General support General support General support General support General support	25,000 10,000 1,000 20,000 9,000 250,000 315,000
Scientific and Medical Institutions			
Research and Treatment			
Baylor College of Medicine One Baylor Plaza, Houston, TX 77030 Children's Burn Foundation 4929 Van Nuys Blvd., Sherman Oaks, CA 91403	Public Public	Endowment enhancement General support	100,000 15,000

Statement 7 Page 5 of 9

Part XV, Line 3a - Grants & Contributions Paid During the Year:

Activity/Recipient/Address	Status	Purpose	Amount
Children's Cancer Fund of Dallas 2900 Live Oak, Dallas, TX 75204	Public	General support	32,000
Daughters of Charity of St. Vincent de Paul (Seton) 1201 West 38th Street, Austin, TX 78705	Public	General support	45,500
East Texas Medical Center 2000 S. Palestine, Athens, TX 75751	Public	General support	3,000
Hospice Austin 4107 Spicewood Springs Road, Suite 100, Austin, TX 78759	Public	General support	2,500
Leukemia & Lymphoma Society 8001 Centre Park, #150, Austin, TX 78754	Public	General support	2,500
Parkinson Voice Project 500 N. Coit Road, #2085, Richardson, TX 75080	Public	General support	10,000
Texas Scottish Rite Hospital 2222 Welborn Street, Dallas, TX 75219	Public	General support	30,800
University of Texas System 601 Colorado Street, Austin, TX 78701-2982	Public	Endowment enhancement	112,000
University of Texas Southwestern Medical Center 5323 Harry Hines Blvd., Dallas, TX 75235	Public	Endowment enhancement	850,000
Zale Lipshy University Hospital 5151 Harry Hines Blvd., Dallas, TX 75235	Public	General support	15,000
Total Research and Treatment			1,218,300

Educational Institutions

Scholarships and Awards

Athens Christian Preparatory Academy PO Box 2157, Athens, TX 75751	Public	Scholarships	25,000
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Statement 7 Page 6 of 9

Part XV, Line 3a - Grants & Contributions Paid During the Year:

Activity/Recipient/Address	Status	Purpose	Amount
Athens Independent School District 104 Hawn Street, Athens, TX 75751	Public	Scholarships	1,500
Kappa Alpha Order Educational Foundation PO Box 1865, Lexington, VA 24450	Public	Scholarships	3,000
National Football Foundation 21st at San Jacinto, Bellmont Hall, Austin, TX 78705	Public	Scholarships	12,000
North American Folk Music & Dance Alliance 509 Delaware #101, Kansas City, MO 64105	Public	Scholarships	10,000
St. Andrew's Episcopal School 1112 West 35th Street, Austin, TX 78705	Public	Special programs	25,000
Texas A&M Foundation 1501 Texas Avenue, South, College Station, TX 77840	Public	Endowed scholarships	100,000
Trinity Valley Community College 100 Cardinal Drive, Athens, TX 75751	Public	Scholarships	4,000
University of Texas at Austin 2400 Inner Campus Drive, Austin, TX 78712	Public	Endowed scholarships	52,000
University of Texas at Tyler 3900 University Blvd., Tyler, TX 75799	Public	Endowed scholarships	25,000
Visitation Academy of St. Louis County 3020 N. Ballas Road, St. Louis, MO 63131	Public	Scholarships	10,000
Total Scholarships and Awards			267,500
Educational Institutions Educational Programs			
Athens High School 708 E. College Street, Athens, TX 75751	Public	General support	10,000

Statement 7 Page 7 of 9

Part XV, Line 3a - Grants & Contributions Paid During the Year:

Activity/Recipient/Address	Status	Purpose	Amount
Hockaday School 11600 Welch Road, Dallas, TX 75229	Public	General support	3,000
Tagai Mentorship Program 3322 RR 620 South, Austin, TX 78738	Public	General support	1,000
University of Texas System 601 Colorado Street, Austin, TX 78701-2982	Public	General support	12,000
University of Texas at Austin 2400 Inner Campus Drive, Austin, TX 78712	Public	General support	103,000
Total Educational Programs			129,000
Educational Institutions			
Special Programs			
Grammy Foundation 3402 Pico Blvd., Santa Monica, CA 90405	Public	General support	7,500
Immanuel Lutheran College 501 Grover Road, Eau Claire, WI 54701	Public	General support	1,000
University of Texas System 601 Colorado Street, Austin, TX 78701-2982	Public	Endowment enhancement	250,000
University of Texas at Austin 2400 Inner Campus Drive, Austin, TX 78712	Public	Special programs	1,000,000
University of Texas at Austin 2400 Inner Campus Drive, Austin, TX 78712	Public	Special programs	150,000
University of Texas at Austin 2400 Inner Campus Drive, Austin, TX 78712	Public	Special programs	25,000
University of Texas at Austin 2400 Inner Campus Drive, Austin, TX 78712	Public	Special programs	4,000

Statement 7 Page 8 of 9

Part XV, Line 3a - Grants & Contributions Paid During the Year:

Activity/Recipient/Address	Status	Purpose	Amount
University of Texas at Austin	Public	Special programs	77,900
2400 Inner Campus Drive, Austin, TX 78712			
University of Texas at Austin	Public	General support	30,000
2400 Inner Campus Drive, Austin, TX 78712			
University of Texas at Austin	Public	General support	1,000
2400 Inner Campus Drive, Austin, TX 78712			
Total Special Programs			1,546,400

Religious Institutions

Religious Programs and Projects

Fellowship of Christian Athletes	Public	General support	5,000
1011 E. 53 1/2 Street, Suite 200, Austin, TX 78751			
First Baptist Church of Midland	Public	General support	1,000
2104 W. Louisiana Avenue, Midland, TX 79701			
First Presbyterian Church	Public	General support	20,000
306 East Tyler Street, Athens, TX 75751			
First Presbyterian Church	Public	General support	20,000
306 East Tyler Street, Athens, TX 75751			
First Presbyterian Church	Public	General support	255,000
306 East Tyler Street, Athens, TX 75751			
Good Shepherd Episcopal Church	Public	General support	20,000
2206 Exposition Blvd., Austin, TX 78703			
Good Shepherd Episcopal Church	Public	General support	100,000
2206 Exposition Blvd., Austin, TX 78703			
Ministry of Challenge	Public	General support	3,000
1500 East 12th Street, Austin, TX 78702			

Statement 7 Page 9 of 9

Part XV, Line 3a - Grants & Contributions Paid During the Year:

Activity/Recipient/Address	Status	Purpose	Amount
Ministry of Healing PO Box 7261, Tyler, TX 75711-7261	Public	General support	10,000
Mt. Dearborn Methodist Church PO Box 236, Great Falls, SC 29055	Public	General support	5,000
Mt. Dearborn Methodist Church PO Box 236, Great Falls, SC 29055	Public	General support	1,000
Westminster Presbyterian Church 3208 Exposition Blvd., Austin, TX 78763	Public	General support	20,000
Westminster Presbyterian Church 3208 Exposition Blvd., Austin, TX 78763	Public	General support	30,000
Young Life - Athens PO Box 520, Colorado Springs, CO 80901-0520	Public	General support	8,000
Total Religious Programs and Projects			498,000
Total Contributions			4,711,700

Statement 8

Part II, Line 10a - Investments - US & State Government Obligations:

Description	Beginning of Tax Year			End of Tax Year	
	Column A Book Value	Face Value	Column B Book Value	Column C Fair Market Value	
GS TIPS	997,676	NA	1,076,046	1,101,318	
Total US & State Government Obligations	997,676	0	1,076,046	1,101,318	

Statement 9

Part II, Line 10b - Investments - Corporate Stock:

Description	Beginning of Tax Year	End of Tax Year		
	Column A Book Value	# of Shares	Column B Book Value	Column C Fair Market Value
3M Company	50,010	0	0	0
Abbott Laboratories	50,975	0	0	0
Accenture PLC Class A	464,063	0	0	0
Actavis	0	3,500	500,798	541,030
Agco Corporation	430,576	0	0	0
Alaska Air Group	451,916	7,900	294,654	558,214
American Express Company	287,224	6,400	230,621	523,520
Ametek	380,241	11,050	307,101	528,522
Analog Devices	45,516	1,560	56,372	76,908
AOL	0	11,900	460,500	431,256
Apple	90,039	900	471,271	470,432
Automatic Data Processing	48,257	1,133	59,030	85,003
Avery Dennison Corporation	0	10,800	440,577	508,896
Baxter International	102,461	1,383	78,658	91,098
BB&T Corporation	458,812	0	0	0
Bed, Bath & Beyond	264,299	0	0	0
Blackrock	53,431	331	64,819	99,568
Boeing Company	0	3,700	386,846	482,850
Borg-Warner	0	4,500	446,101	464,085
Broadcom Communications Systems	476,625	0	0	0
Cadence Design Systems	455,490	0	0	0
Caterpillar	0	987	81,744	82,276
Centerpoint Energy	462,334	0	0	0
CF Industries Holdings	292,455	0	0	0
Chevron Corporation	535,642	4,677	484,010	561,053
Chubb Corporation	49,484	5,300	444,502	488,024

Statement 9

Part II, Line 10b - Investments - Corporate Stock:

Description	Beginning of Tax Year	End of Tax Year		
	Column A Book Value	# of Shares	Column B Book Value	Column C Fair Market Value
Cliffs Natural Resources	33,102	0	0	0
Coca Cola Enterprises	37,505	12,200	500,226	506,946
Colgate Palmolive Company	50,414	1,344	62,195	86,997
ConocoPhillips	51,672	1,332	73,876	97,676
Cooper Companies	353,487	3,700	256,406	478,077
Corelogic	0	16,000	449,208	532,320
Corning	0	2,000	26,852	34,180
CSX Corporation	4,485	200	4,485	5,212
Cullen Frost Bankers	1,469,638	100,136	1,378,063	7,088,627
Discover Financial Services	0	9,600	460,860	498,048
East West Bancorp	441,795	0	0	0
ExxonMobil Corporation	246,420	5,200	188,876	466,024
Ford Motor Company	0	1,000	16,380	17,110
Freeport-McMoran Cooper & Gold	16,935	1,000	32,488	36,760
General Dynamics Corporation	48,589	0	0	0
General Mills	48,524	1,673	67,996	84,353
Gentex Corporation	0	15,500	378,235	456,553
Helmerich & Payne	326,080	6,250	273,557	484,688
Hewlett-Packard Company	0	18,100	463,756	441,097
Home Depot	257,489	6,300	205,340	490,707
Honeywell International	47,690	0	0	0
Illinois Tool Works	40,471	1,044	51,320	82,257
Ingredion Incorporation	420,622	0	0	0
Intel Corporation	47,850	0	0	0
International Business Machines Corporation	210,896	0	0	0
Ishares Gold Trust	0	3,000	48,285	38,535
Johnson & Johnson	544,078	6,249	422,421	578,720

Statement 9

Part II, Line 10b - Investments - Corporate Stock:

Description	Beginning of Tax Year	End of Tax Year		
	Column A Book Value	# of Shares	Column B Book Value	Column C Fair Market Value
JP Morgan Chase & Company	542,670	15,060	561,551	776,192
Kimberly-Clark Corporation	487,999	4,600	400,940	496,800
Kroger Company	457,127	12,600	305,375	539,784
Lockheed Martin Corporation	99,870	0	0	0
Mattel	288,632	0	0	0
McDonalds Corporation	107,790	1,405	127,287	135,611
McKesson Corporation	285,426	3,275	177,207	512,014
Microsoft Corporation	52,057	0	0	0
Motorola Solutions	370,000	0	0	0
National-Oilwell Varco	459,097	5,800	459,097	470,844
NetApp	0	11,400	391,479	442,434
Nextera Energy	100,669	1,035	60,269	87,716
Nuance Communications	389,812	0	0	0
Occidental Petroleum Corporation	466,531	400	33,048	38,432
Omnicare	465,725	8,800	307,075	485,320
Oracle Corporation	438,489	0	0	0
Pepsico	102,151	1,028	67,148	86,445
Priceline.com	0	500	346,632	526,915
Procter & Gamble Company	100,925	1,008	66,719	81,396
Raytheon Company	25,573	0	0	0
Resmed	373,550	9,600	305,996	496,704
Robert Half International	458,050	0	0	0
Rock-Tenn Company, Class A	0	4,300	366,940	460,143
Rockwell Automation	0	4,500	440,930	496,845
Ross Stores	68,749	0	0	0

Statement 9

Part II, Line 10b - Investments - Corporate Stock:

Description	Beginning of Tax Year	End of Tax Year		
	Column A Book Value	# of Shares	Column B Book Value	Column C Fair Market Value
Royal Dutch Shell PLC	48,603	0	0	0
Sandisk Corporation	0	7,900	457,031	549,011
Siemens ADR	0	250	27,722	32,003
SPDR S&P Homebuilders ETF	0	1,000	29,171	30,515
Staples	17,458	6,018	71,995	97,064
Starbucks Corporation	0	6,200	439,682	502,510
Sysco Corporation	50,741	0	0	0
Target Corporation	0	1,216	77,617	78,785
Travelers Companies	483,081	6,424	418,954	554,391
United Parcel Service, Class B	0	835	76,280	82,030
US Bancorp Del	419,365	13,000	370,867	485,680
Valero Energy Corporation	0	11,300	430,792	465,221
VMWare, Class A	0	5,300	447,422	430,784
Vodafone Group PLC	51,314	0	0	0
Wabtec Corporation	466,025	8,200	329,071	534,558
Walgreen Company	55,788	0	0	0
Walmart Stores	50,575	0	0	0
Watson Pharmaceuticals	240,969	0	0	0
Western Digital Corporation	0	7,400	432,951	515,262
Whirlpool Corporation	0	3,600	434,203	525,636
Whole Foods Market	144,720	0	0	0
Xilinx Corporation	37,076	1,602	56,175	72,777
Chase Multi-Strategy Hedge Fund (Class C-A Series)	4,250,000	4,977	4,250,000	6,763,789
GMO Benchmark-Free Fund	0	184,503	4,994,500	5,020,330
Harbor International	0	101,563	6,500,000	7,189,609
Pimco All Asset Fund	7,194,919	752,139	9,213,458	9,386,695

Statement 9

Part II, Line 10b - Investments - Corporate Stock:

Description	Beginning of Tax Year	End of Tax Year		
	Column A Book Value	# of Shares	Column B Book Value	Column C Fair Market Value
SPDR Gold Trust	297,325	3,700	345,995	472,638
Templeton Foreign Equity Series	11,478,142	0	0	0
Vanguard Institutional Index Fund	10,191,400	81,005	8,880,873	13,048,231
Vanguard Small-Cap Index Fund	3,598,259	156,699	4,681,459	7,154,879
Vanguard Total Index Fund	0	110,030	3,416,102	3,680,504
Wellington Inflation Hedges	4,688,819	0	4,386,358	5,187,986
Westwood	4,233,985	0	7,204,613	7,788,756
Total Corporate Stock	64,287,050	1,848,020	72,559,411	95,280,859

Statement 10

Part II, Line 10c - Investments - Corporate Bonds:

Description	Beginning of Tax Year		End of Tax Year	
	Column A Book Value	Par/Face Value	Column B Book Value	Column C Fair Market Value
Baird FDS	0	NA	2,911,750	2,923,757
Pimco Global Bond Fund	1,000,000	NA	3,062,245	2,983,737
Templeton Global Bond Fund	1,035,107	NA	0	0
UBS Financial	0	NA	9,836,635	9,591,321
CF CIS Government/Credit Index Fund	7,803,858	NA	0	0
CF CIS Securitized Index Fund	3,982,337	NA	0	0
GS Corporate Credit Investment Fund	4,450,798	NA	4,454,068	5,895,175
Total Corporate Bonds	18,272,100	0	20,264,698	21,393,991

Statement 11

Part II, Line 11 - Investments - Land, Buildings and Equipment:

Description	Basis	Beginning of Tax Yr	End of Tax Year		
			Column A Book Value	Column B Accum. Depletion	Column C Book Value Fair Market Value
Real Estate - Block 124, Dallas, Texas	391,388	391,388		0	375,145
Total	391,388	391,388		0	375,145

Statement 12

Part II, Line 13 - Investments - Other:

Description	Basis	Beginning of Tax Yr	End of Tax Year		
			Column A Book Value	Column B Accum. Depletion	Column C Book Value Fair Market Value
Oil & Gas Royalty Interests (Producing)	323,099	323,099		12,043	1,137,230
Oil & Gas Royalty Interests (Non-producing)	4,086	4,086		0	4,086
Total	327,185	327,185		12,043	1,141,316

See Statement 5 for analysis of Accumulated Depletion.

Statement 13

Part II, Line 14 - Land, Buildings and Equipment:

Description	Basis at 10/31/13	Beginning of Tax Yr	End of Tax Year		
		Column A Book Value	Accum. Depret'n	Column B Book Value	Column Fair Market Value
Depreciable Assets					
Office Equipment	8,179	538	7,912	267	949
Furniture & Fixtures	41,070	269	40,908	162	6,056
Data Processing Equipment	16,604	2,698	14,745	1,859	2,424
Office Refurbishment	42,336	0	42,336	0	42,336
Office Condo - Building	115,091	39,736	79,008	36,083	173,333
Subtotal	223,281	43,241	184,910	38,371	225,100
Non-depreciable Assets					
Furniture & Fixtures	10,195	10,195	0	10,195	10,195
Office Condo - Land	29,212	29,212	0	29,212	94,042
Subtotal	39,407	39,407	0	39,407	104,237
Total	262,688	82,648	184,910	77,778	329,337

See Statement 5 for analysis of Accumulated Depreciation, additions and disposals.

Statement 14

Part IV, Line 1 & 2 - Capital Gains and Losses for Tax on Investment Income

# of Shares	Description	*How Acquired	Date Acquired	Date Sold	Sales Price	Cost	Gain (Loss)
Publicly Traded Securities							
245	CF CIS Securitized Index Fund	P	30-Jun-08	31-Oct-12	37,927,535	32,731,367	5,196,168
430	CF CIS Securitized Index Fund	P	30-Jun-08	30-Nov-12	24,649	23,368	1,281
41,077	CF CIS Securitized Index Fund	P	30-Jun-08	14-Dec-12	43,082	41,014	2,068
75,729	CF CIS Government/Credit Index Fund	P	30-Jun-08	14-Dec-12	4,113,862	3,917,955	195,907
850	Wellington Inflation Hedge	P	Various	01-Nov-12	8,892,856	7,871,393	1,021,463
841	Wellington Inflation Hedge	P	Various	01-Feb-13	13,074	10,412	2,662
896	Wellington Inflation Hedge	P	Various	01-May-13	13,198	10,311	2,887
872	Wellington Inflation Hedge	P	Various	01-Aug-13	13,238	10,996	2,242
28,209	Wellington Inflation Hedge	P	Various	03-Sep-13	12,324	10,708	1,616
0	Wellington Inflation Hedge (K-1 adjustments)	x	Various	31-Oct-11	400,000	346,686	53,314
0	Westwood Common Fund Equity gain distribution	P	Various	Various	0	358,875	(358,875)
0	Westwood Common Fund Equity (K-1 adjustments)	x	Various	31-Oct-11	673,282	2,011	671,270
Total Fixed Income					14,199,565	12,984,947	1,214,617
Total Publicly Traded Securities & Fixed Income					52,127,099	45,716,314	6,410,785

Statement 15

Part VIII, Line 1 - Officers, Directors, Trustees, Managers and Their Compensation:

(A)	(B) Title and Average Hours per Week Devoted to Position	(C) Compensation	(D) Benefit and Retirement Plans	(E) Expense Account
Franklin W. Denius 3500 Jefferson Street, Suite 315 Austin, Texas 78731	Director, President 35.00 Hours per week	27,400	22,029	0
John C. Cain 102 W. Tyler Athens, Texas 75751	Director of Real Estate Vice President 31.00 Hours per week	27,400	22,219	0
Charmaine D. McGill 4131 Spicewood Springs, #A-1 Austin, TX 78759	Director, Vice President, Grants Administrator 34.00 Hours per week	71,625	19,864	0
F. Wofford Denius 4551 Glencoe Avenue, Suite 300 Marina del Rey, CA 90292-7925	Director of Legal Vice President 32.00 Hours per week	27,400	20,167	0
Lynn Fowler 4131 Spicewood Springs, #A-1 Austin, Texas 78759	Executive Director, Secretary & Treasurer 44.62 Hours per week	177,104	47,087	0
Mary Bratz 4131 Spicewood Springs, #A-1 Austin, Texas 78759	Business Manager, Assistant Secretary 40.15 Hours per week	57,035	25,232	0
		387,964	156,599	0

Statement 16

Part XV, Supplementary Information:

Line 2a - Name and Address of the Person to Whom Applications Should be Addressed

Mrs. Lynn Fowler, Executive Director
The Cain Foundation
4131 Spicewood Springs Road, Suite A-1
Austin, Texas 78759
Telephone (512) 346-7490
FAX (512) 346-7491
Email info@cainfoundation.org

Line 2b - Application Form:

The Foundation does not accept unsolicited grant applications and no grants are made to or for the benefit of individuals.

Line 2c - Submission Deadlines:

There are no submission deadlines.

Line 2d - Restrictions or Limitations on Awards:

The Foundation does not accept unsolicited grant applications and no grants are made to or for the benefit of individuals