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## Return of Private Foundation

or Section 4947(a)(1) Trust Treated as Private Foundation

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OMB No 1545-0052

2013

Open to Public Inspection

For calendar year 2013 or tax year beginning

, and ending

Name of foundation <b>WILLIAM H. KEARNS FOUNDATION C/O ROBERT J HUGHES</b>		A Employer identification number <b>13-6199107</b>
Number and street (or P O box number if mail is not delivered to street address) <b>MARKS PANETH LLP 685 THIRD AVE</b>	Room/suite	B Telephone number <b>212-503-8942</b>
City or town, state or province, country, and ZIP or foreign postal code <b>NEW YORK, NY 10017</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>\$ 9,838,259.</b>	J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions, gifts, grants, etc., received				N/A	
2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch. B					
3 Interest on savings and temporary cash investments		94,961.	94,961.		
4 Dividends and interest from securities		157,864.	157,864.		STATEMENT 1
5a Gross rents					
b Net rental income or (loss)					
6a Net gain or (loss) from sale of assets not on line 10		194,409.			
b Gross sales price for all assets on line 6a		1,426,425.			
7 Capital gain net income (from Part IV, line 2)			194,409.		
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		<28,721.>	<28,721.>		STATEMENT 2
12 Total. Add lines 1 through 11		418,513.	418,513.		
13 Compensation of officers, directors, trustees, etc		156,000.	78,000.		78,000.
14 Other employee salaries and wages					
15 Pension plans, employee benefits		122,324.	61,162.		61,162.
16a Legal fees					
b Accounting fees		36,200.	18,100.		18,100.
c Other professional fees		61,442.	61,442.		0.
17 Interest					
18 Taxes		15,555.	8,702.		4,853.
19 Depreciation and depletion					
20 Occupancy					
21 Travel, conferences, and meetings					
22 Printing and publications					
23 Other expenses		6,023.	938.		5,085.
24 Total operating and administrative expenses. Add lines 13 through 23		397,544.	228,344.		167,200.
25 Contributions, gifts, grants paid		506,000.			506,000.
26 Total expenses and disbursements. Add lines 24 and 25		903,544.	228,344.		673,200.
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements		<485,031.>			
b Net investment income (if negative, enter -0-)			190,169.		
c Adjusted net income (if negative, enter -0-)				N/A	

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**WILLIAM H. KEARNS FOUNDATION**

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<b>Part II Balance Sheets</b> <small>Attached schedules and amounts in the description column should be for end-of-year amounts only</small>		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
<b>Assets</b>	1 Cash - non-interest-bearing			
	2 Savings and temporary cash investments	904,778.	458,007.	458,007.
	3 Accounts receivable ▶			
	Less: allowance for doubtful accounts ▶			
	4 Pledges receivable ▶			
	Less: allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons			
	7 Other notes and loans receivable ▶			
	Less: allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments - U.S. and state government obligations <b>STMT 8</b>	110,352.	110,352.	119,000.
	b Investments - corporate stock <b>STMT 9</b>	4,498,909.	4,549,230.	6,970,736.
	c Investments - corporate bonds			
	<b>Liabilities</b>	11 Investments - land, buildings, and equipment basis ▶		
Less: accumulated depreciation ▶				
12 Investments - mortgage loans				
13 Investments - other <b>STMT 10</b>		1,361,446.	1,487,169.	1,525,872.
14 Land, buildings, and equipment: basis ▶ <b>18,712.</b>				
Less: accumulated depreciation <b>STMT 11</b> ▶ <b>18,712.</b>				
15 Other assets (describe ▶ <b>PROMISSORY NOTE</b> )		759,783.	764,644.	764,644.
16 <b>Total assets</b> (to be completed by all filers - see the instructions. Also, see page 1, item 1)		7,635,268.	7,369,402.	9,838,259.
17 Accounts payable and accrued expenses				
18 Grants payable				
19 Deferred revenue				
20 Loans from officers, directors, trustees, and other disqualified persons				
21 Mortgages and other notes payable				
22 Other liabilities (describe ▶ <b>STATEMENT 12</b> )	18,750.	0.		
23 <b>Total liabilities</b> (add lines 17 through 22)	18,750.	0.		
<b>Net Assets or Fund Balances</b>	<b>Foundations that follow SFAS 117, check here</b> ▶ <input type="checkbox"/>			
	<b>and complete lines 24 through 26 and lines 30 and 31.</b>			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	<b>Foundations that do not follow SFAS 117, check here</b> ▶ <input checked="" type="checkbox"/>			
	<b>and complete lines 27 through 31.</b>			
	27 Capital stock, trust principal, or current funds	0.	0.	
28 Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.		
29 Retained earnings, accumulated income, endowment, or other funds	7,616,518.	7,369,402.		
30 <b>Total net assets or fund balances</b>	7,616,518.	7,369,402.		
31 <b>Total liabilities and net assets/fund balances</b>	7,635,268.	7,369,402.		

**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	7,616,518.
2 Enter amount from Part I, line 27a	2	<485,031.>
3 Other increases not included in line 2 (itemize) ▶ <b>SEE STATEMENT 7</b>	3	237,915.
4 Add lines 1, 2, and 3	4	7,369,402.
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	7,369,402.

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**Part IV Capital Gains and Losses for Tax on Investment Income**

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)	(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
<b>1a</b>			
<b>b</b> SEE ATTACHED STATEMENT			
<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> 1,426,425.		1,232,016.	194,409.

(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
<b>a</b>			
<b>b</b>			
<b>c</b>			
<b>d</b>			
<b>e</b>			194,409.

<b>2</b> 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	194,409.
<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). 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))
2012	219,134.	9,057,967.	.024192
2011	321,447.	8,909,505.	.036079
2010	327,319.	8,753,637.	.037392
2009	313,126.	7,910,053.	.039586
2008	382,171.	9,028,650.	.042329

<b>2</b> Total of line 1, column (d)	2	.179578
<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	3	.035916
<b>4</b> Enter the net value of noncharitable-use assets for 2013 from Part X, line 5	4	9,404,013.
<b>5</b> Multiply line 4 by line 3	5	337,755.
<b>6</b> Enter 1% of net investment income (1% of Part I, line 27b)	6	1,902.
<b>7</b> Add lines 5 and 6	7	339,657.
<b>8</b> Enter qualifying distributions from Part XII, line 4	8	673,200.

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

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

<p><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)</p> <p><b>b</b> Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b</p> <p><b>c</b> All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).</p>	1	1,902.
<b>2</b> Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	2	0.
<b>3</b> Add lines 1 and 2	3	1,902.
<b>4</b> Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4	0.
<b>5</b> Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-	5	1,902.
<b>6</b> Credits/Payments:		
<b>a</b> 2013 estimated tax payments and 2012 overpayment credited to 2013	<b>6a</b>	4,213.
<b>b</b> Exempt foreign organizations - tax withheld at source	<b>6b</b>	
<b>c</b> Tax paid with application for extension of time to file (Form 8868)	<b>6c</b>	
<b>d</b> Backup withholding erroneously withheld	<b>6d</b>	
<b>7</b> Total credits and payments. Add lines 6a through 6d	7	4,213.
<b>8</b> Enter any penalty for underpayment of estimated tax. Check here <input checked="" type="checkbox"/> if Form 2220 is attached	8	
<b>9</b> Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	
<b>10</b> Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	2,311.
<b>11</b> Enter the amount of line 10 to be: Credited to 2014 estimated tax <input checked="" type="checkbox"/> 2,311. Refunded <input checked="" type="checkbox"/> 0.	11	0.

**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?	1a		X
<b>1b</b> Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for the 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	1b		X
<b>c</b> Did the foundation file Form 1120-POL for this year?	1c		X
<b>d</b> Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. <input checked="" type="checkbox"/> \$ 0. (2) On foundation managers. <input checked="" type="checkbox"/> \$ 0.			
<b>e</b> Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. <input checked="" type="checkbox"/> \$ 0.			
<b>2</b> Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities	2		X
<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? If "Yes," attach a conformed copy of the changes	3		X
<b>4a</b> Did the foundation have unrelated business gross income of \$1,000 or more during the year?	4a		X
<b>b</b> If "Yes," has it filed a tax return on Form 990-T for this year?	4b		
<b>5</b> Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T.	5		X
<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?	6	X	
<b>7</b> Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col. (c), and Part XV	7	X	
<b>8a</b> Enter the states to which the foundation reports or with which it is registered (see instructions) <input checked="" type="checkbox"/> NY			
<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 General Instruction G? If "No," attach explanation	8b	X	
<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 2013 or the taxable year beginning in 2013 (see instructions for Part XIV)? If "Yes," complete Part XIV	9		X
<b>10</b> Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	10		X

N/A

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

<b>11</b> 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	<input type="checkbox"/>	<b>X</b>
<b>12</b> 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	<input type="checkbox"/>	<b>X</b>
<b>13</b> Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► <b>N/A</b>	13	<b>X</b>	<input type="checkbox"/>
<b>14</b> The books are in care of ► <b>MILTON WARSHAW</b> Telephone no. ► <b>917-509-1235</b> Located at ► <b>C/O MARKS PANETH 685 THIRD AVE, NEW YORK, NY</b> ZIP+4 ► <b>10017</b>			
<b>15</b> 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	<b>N/A</b>	
<b>16</b> At any time during calendar year 2013, 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 <input type="checkbox"/>	No <b>X</b>

**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
<b>1a</b> During the year did the foundation (either directly or indirectly): (1) Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No (5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No (6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
<b>b</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	1b		<b>X</b>
<b>c</b> 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 2013?	1c		<b>X</b>
<b>2</b> 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)):			
<b>a</b> At the end of tax year 2013, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2013? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years ►			
<b>b</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.) <b>N/A</b>	2b		
<b>c</b> If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here.			
<b>3a</b> Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
<b>b</b> If "Yes," did it have excess business holdings in 2013 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 2013.) <b>N/A</b>	3b		
<b>4a</b> Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		<b>X</b>
<b>b</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 2013?	4b		<b>X</b>

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

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

- (1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No
- (2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No
- (3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☒ No
- (4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? ☐ Yes ☒ No
- (5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No

**b** If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)? **N/A**

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? **N/A** ☐ Yes ☐ No

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

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

**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? **N/A**

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

**1 List all officers, directors, trustees, foundation managers and their compensation.**

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE STATEMENT 13		156,000.	36,000.	86,324.

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

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

**Total number of other employees paid over \$50,000**

**0**

**Part 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
NONE		

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 N/A	
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 N/A	
2	
All other program-related investments. See instructions.	
3	
<b>Total.</b> Add lines 1 through 3	0.

Form 990-PF (2013)



**WILLIAM H. KEARNS FOUNDATION**  
**C/O ROBERT J HUGHES**
**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>	6,798,487.
<b>b</b>	Average of monthly cash balances	<b>1b</b>	687,856.
<b>c</b>	Fair market value of all other assets	<b>1c</b>	2,060,878.
<b>d</b>	<b>Total</b> (add lines 1a, b, and c)	<b>1d</b>	9,547,221.
<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>	9,547,221.
<b>4</b>	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	<b>4</b>	143,208.
<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>	9,404,013.
<b>6</b>	<b>Minimum investment return.</b> Enter 5% of line 5	<b>6</b>	470,201.

**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>	470,201.
<b>2a</b>	Tax on investment income for 2013 from Part VI, line 5	<b>2a</b>	1,902.
<b>b</b>	Income tax for 2013. (This does not include the tax from Part VI.)	<b>2b</b>	
<b>c</b>	Add lines 2a and 2b	<b>2c</b>	1,902.
<b>3</b>	Distributable amount before adjustments. Subtract line 2c from line 1	<b>3</b>	468,299.
<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>	468,299.
<b>6</b>	Deduction from distributable amount (see instructions)	<b>6</b>	0.
<b>7</b>	<b>Distributable amount as adjusted.</b> Subtract line 6 from line 5. Enter here and on Part XIII, line 1	<b>7</b>	468,299.

**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>	673,200.
<b>b</b>	Program-related investments - total from Part IX-B	<b>1b</b>	0.
<b>2</b>	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	<b>2</b>	
<b>3</b>	Amounts set aside for specific charitable projects that satisfy the:		
<b>a</b>	Suitability test (prior IRS approval required)	<b>3a</b>	
<b>b</b>	Cash distribution test (attach the required schedule)	<b>3b</b>	
<b>4</b>	<b>Qualifying distributions.</b> Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	<b>4</b>	673,200.
<b>5</b>	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	<b>5</b>	1,902.
<b>6</b>	<b>Adjusted qualifying distributions.</b> Subtract line 5 from line 4	<b>6</b>	671,298.

**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.

**WILLIAM H. KEARNS FOUNDATION**  
**C/O ROBERT J HUGHES**

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

	(a) Corpus	(b) Years prior to 2012	(c) 2012	(d) 2013
<b>1</b> Distributable amount for 2013 from Part XI, line 7				468,299.
<b>2</b> Undistributed income, if any, as of the end of 2013				
<b>a</b> Enter amount for 2012 only			70,550.	
<b>b</b> Total for prior years:		0.		
<b>3</b> Excess distributions carryover, if any, to 2013:				
<b>a</b> From 2008				
<b>b</b> From 2009				
<b>c</b> From 2010				
<b>d</b> From 2011				
<b>e</b> From 2012				
<b>f</b> Total of lines 3a through e	0.			
<b>4</b> Qualifying distributions for 2013 from Part XII, line 4: ► \$ 673,200.				
<b>a</b> Applied to 2012, but not more than line 2a			70,550.	
<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 2013 distributable amount				468,299.
<b>e</b> Remaining amount distributed out of corpus	134,351.			
<b>5</b> Excess distributions carryover applied to 2013 (If an amount appears in column (d), the same amount must be shown in column (a))	0.			0.
<b>6</b> Enter the net total of each column as indicated below:				
<b>a</b> Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	134,351.			
<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 2012. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
<b>f</b> Undistributed income for 2013. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2014				0.
<b>7</b> Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
<b>8</b> Excess distributions carryover from 2008 not applied on line 5 or line 7	0.			
<b>9</b> Excess distributions carryover to 2014. Subtract lines 7 and 8 from line 6a	134,351.			
<b>10</b> Analysis of line 9:				
<b>a</b> Excess from 2009				
<b>b</b> Excess from 2010				
<b>c</b> Excess from 2011				
<b>d</b> Excess from 2012				
<b>e</b> Excess from 2013	134,351.			

N/A

- ☐ 4942(j)(3) or ☐ 4942(j)(5)

- (4) Gross investment income

[illegible]

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

WILLIAM H. KEARNS FOUNDATION

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C/O ROBERT J HUGHES

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**Part XV** **Supplementary Information** (continued)

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
<b>a Paid during the year</b>				
CAMA 2060 ALAMEDA PADRE SERRA, SUITE 201 SANTA BARBARA, CA 93103	NONE	501(C)(3)	CHARITABLE	5,000.
CAMP SUNSHINE PO BOX 8280 NEW YORK, NY 10150	NONE	501(C)(3)	CHARITABLE	2,000.
CITY CENTRAL 55TH ST MONTE FOUNDATION CAMP SUNSHINE PO BOX 8280 NEW YORK, NY 10150	NONE	501(C)(3)	CHARITABLE	25,000.
FOOD FOR NEEDY 114 W 26TH STREET, 10TH FL NEW YORK, NY 10001	NONE	501(C)(3)	CHARITABLE	5,000.
KUSC 11726 SAN VICENTE BLVD., STE 370 LOS ANGELES, CA 90049	NONE	501(C)(3)	CHARITABLE	2,500.
<b>Total</b>	<b>SEE CONTINUATION SHEET(S)</b>			<b>506,000.</b>
<b>b Approved for future payment</b>				
NONE				
<b>Total</b>				<b>0.</b>

Enter gross amounts unless otherwise indicated.

(See worksheet in line 13 instructions to verify calculations.)

<b>Line No.</b> ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes).
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[illegible]

## Part XVII

**Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations**

- |          |   |  |              |  |
|----------|---|--|--------------|--|
| <b>1</b> | 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? | <b>Yes</b>   |              |  |
|          |   |  |              |  |
| <b>a</b> | Transfers from the reporting foundation to a noncharitable exempt organization of:  | <b>(1)</b>   | <b>1a(1)</b> |  |
|          |   | <b>(2)</b>   | <b>1a(2)</b> |  |
|          | Other transactions:   | <b>(1)</b>   | <b>1b(1)</b> |  |
|          |   | <b>(2)</b>   | <b>1b(2)</b> |  |
|          |   | <b>(3)</b>   | <b>1b(3)</b> |  |
|          |   | <b>(4)</b>   | <b>1b(4)</b> |  |
|          |   | <b>(5)</b>   | <b>1b(5)</b> |  |
|          |   | <b>(6)</b>   | <b>1b(6)</b> |  |
|          | <b>c</b>  | Sharing of facilities, equipment, mailing lists, other assets, or paid employees   | <b>1c</b>    |  |
|          | <b>d</b>  | If the answer to any of the above is "Yes," complete the following schedule. Column <b>(b)</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 <b>(d)</b> the value of the goods, other assets, or services received. |              |  |

	Yes	No
1a(1)		X
1a(2)		X
1b(1)		X
1b(2)		X
1b(3)		X
1b(4)		X
1b(5)		X
1b(6)		X
1c		X

[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
- b** If "Yes," complete the following schedule.

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

**Sign  
Here**

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

May the IRS discuss this return with the preparer shown below (see instr. 1)?

☒ Yes ☐ No

Signature of officer or trustee

Date \_\_\_\_\_

Title

Print/Type preparer's name

Preparer's signature

Date

Check ☐ self-employed

PTIN

ROBERT HUGHES

Firm's name ► **MARKS PANETH LLP**

Firm's address ► **685 THIRD AVENUE  
NEW YORK, NY 10017**

Phone no. **212 503-8800**

Form **990-PF** (2013)

**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 SEE ATTACHED STATEMENT D		P	VARIOUS	VARIOUS
b SEE ATTACHED STATEMENT D		P	VARIOUS	VARIOUS
c S/T CAPITAL LOSS THRU P/S K-1		P	VARIOUS	VARIOUS
d L/T CAPITAL GAIN THRU P/S K-1S		P	VARIOUS	VARIOUS
e SALES OF INTEREST IN TW 8701 OPPORTUNITIES FUND L		P	VARIOUS	VARIOUS
f				
g				
h				
i				
j				
k				
l				
m				
n				
o				

(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 289,681.		315,494.	<25,813.>
b 1,101,353.		747,681.	353,672.
c 13,044.			13,044.
d 22,347.			22,347.
e		168,841.	<168,841.>
f			
g			
h			
i			
j			
k			
l			
m			
n			
o			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
(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			<25,813.>
b			353,672.
c			13,044.
d			22,347.
e			<168,841.>
f			
g			
h			
i			
j			
k			
l			
m			
n			
o			

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	194,409.
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

**WILLIAM H. KEARNS FOUNDATION  
C/O ROBERT J HUGHES**

**13-6199107**

**Part XV Supplementary Information**

**3 Grants and Contributions Paid During the Year (Continuation)**

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
METROPOLITAN MUSEUM OF ART 1000 FIFTH AVENUE NEW YORK, NY 10028	NONE	501(C)(3)	CHARITABLE	50,000.
MUSEUM OF MODERN ART 11 WEST 53RD STREET NEW YORK, NY 10019	NONE	501(C)(3)	CHARITABLE	25,000.
MUSIC ACADEMY OF THE WEST 1070 FAIRWAY ROAD SANTA BARBARA, CA 93108	NONE	501(C)(3)	CHARITABLE	2,500.
SANTA BARBARA COTTAGE HOSPITAL FOUNDATION PO BOX 689 SANTA BARBARA, CA 93102	NONE	501(C)(3)	CHARITABLE	150,000.
SANTA BARBARA FOUNDATION 1111 CHAPALA STREET, SUITE 200 SANTA BARBARA, CA 93101	NONE	501(C)(3)	CHARITABLE	2,500.
SANTA BARBARA SYMPHONY ASSOCIATION 1330 STATE STREET, STE 102 SANTA BARBARA, CA 93101	NONE	501(C)(3)	CHARITABLE	100,000.
SOCIAL VENTURE PARTNERS 15 EAST CARRILLO SANTA BARBARA, CA 93101	NONE	501(C)(3)	CHARITABLE	7,000.
YOUTH & FAMILY SERVICES PO BOX 2813 RAPID CITY, SD 57709	NONE	501(C)(3)	CHARITABLE	1,000.
UC SANTA BARBARA FOUNDATION UNIVERSITY OF CALIFORNIA SANTA BARBARA, CA 93106	NONE	501(C)(3)	CHARITABLE	125,000.
PBS SOCAL PO BOX 25113 SANTA ANA, CA 92799	NONE	501(C)(3)	CHARITABLE	1,000.
<b>Total from continuation sheets</b>				<b>466,500.</b>



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### 3 Grants and Contributions Paid During the Year (Continuation)

[illegible]

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FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 1

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SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
INTEREST & DIVIDENDS FROM P/S PERSHING ADVISOR	5,523. 152,341.	0. 0.	5,523. 152,341.	5,523. 152,341.	
TO PART I, LINE 4	157,864.	0.	157,864.	157,864.	

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FORM 990-PF OTHER INCOME STATEMENT 2

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DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
INCOME/LOSS FROM PARTNERHSIP K-1	<28,721.>	<28,721.>	
TOTAL TO FORM 990-PF, PART I, LINE 11	<28,721.>	<28,721.>	

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FORM 990-PF ACCOUNTING FEES STATEMENT 3

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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES	36,200.	18,100.		18,100.
TO FORM 990-PF, PG 1, LN 16B	36,200.	18,100.		18,100.

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FORM 990-PF OTHER PROFESSIONAL FEES STATEMENT 4

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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INVESTMENT ADVISORY FEES	61,442.	61,442.		0.
TO FORM 990-PF, PG 1, LN 16C	61,442.	61,442.		0.

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FORM 990-PF	TAXES			STATEMENT	5
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
FEDERAL TAXES	2,000.	0.		0.	
PAYROLL TAXES	9,207.	4,604.		4,603.	
FOREIGN TAXES WITHHELD	4,098.	4,098.		0.	
NYS CHARITIES CERTIFICATION FEE	250.	0.		250.	
TO FORM 990-PF, PG 1, LN 18	15,555.	8,702.		4,853.	

FORM 990-PF	OTHER EXPENSES			STATEMENT	6
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
TELEPHONE	2,986.	0.		2,986.	
ADVERTISEMENT	135.	0.		135.	
OFFICE EXPENSE	1,169.	0.		1,169.	
PAYROLL SERVICE FEES	1,252.	626.		626.	
BANK CHARGES	312.	312.		0.	
FILING FEES	169.	0.		169.	
TO FORM 990-PF, PG 1, LN 23	6,023.	938.		5,085.	

FORM 990-PF	OTHER INCREASES IN NET ASSETS OR FUND BALANCES			STATEMENT	7
DESCRIPTION	AMOUNT				
UNREALIZED GAIN/LOSS ON PARTNERSHIP K-1S	237,915.				
TOTAL TO FORM 990-PF, PART III, LINE 3	237,915.				

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FORM 990-PF	U.S. AND STATE/CITY GOVERNMENT OBLIGATIONS	STATEMENT	8
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DESCRIPTION	U.S. GOV'T	OTHER GOV'T	BOOK VALUE	FAIR MARKET VALUE
US TREASURY BONDS & NOTES-SEE STMT A	X		110,352.	119,000.
TOTAL U.S. GOVERNMENT OBLIGATIONS			110,352.	119,000.
TOTAL STATE AND MUNICIPAL GOVERNMENT OBLIGATIONS				
TOTAL TO FORM 990-PF, PART II, LINE 10A			110,352.	119,000.

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FORM 990-PF	CORPORATE STOCK	STATEMENT	9
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DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
CORPORATE STOCK-SEE STMT A	4,549,230.	6,970,736.
TOTAL TO FORM 990-PF, PART II, LINE 10B	4,549,230.	6,970,736.

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FORM 990-PF	OTHER INVESTMENTS	STATEMENT	10
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DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
INVESTMENTS IN PARTNERSHIPS-SEE STMT B	COST	975,267.	975,267.
ARDICA TECHNOLOGIES INC.	COST	86,055.	86,055.
NUKO TOYS INC	COST	100,000.	100,000.
TADOT INNOVATIONS	COST	150,000.	150,000.
DYGEST INC	COST	50,000.	50,000.
MUTUAL FUNDS-SEE STMT A	COST	80,847.	119,550.
MINOR STUDIO INTERACTIVE LLC	COST	45,000.	45,000.
TOTAL TO FORM 990-PF, PART II, LINE 13		1,487,169.	1,525,872.

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FORM 990-PF    DEPRECIATION OF ASSETS NOT HELD FOR INVESTMENT    STATEMENT    11

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DESCRIPTION	COST OR OTHER BASIS	ACCUMULATED DEPRECIATION	BOOK VALUE
COMPUTER	8,053.	8,053.	0.
OFFICE EQUIPMENT	1,634.	1,634.	0.
OFFICE EQUIPMENT	1,725.	1,725.	0.
FURNITURE & FIXTURES	7,300.	7,300.	0.
TOTAL TO FM 990-PF, PART II, LN 14	18,712.	18,712.	0.

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FORM 990-PF    OTHER LIABILITIES    STATEMENT    12

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DESCRIPTION	BOY AMOUNT	EOY AMOUNT
DUE TO WHK PROFIT SHARING PLAN	18,750.	0.
TOTAL TO FORM 990-PF, PART II, LINE 22	18,750.	0.

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FORM 990-PF      PART VIII - LIST OF OFFICERS, DIRECTORS      STATEMENT 13  
 TRUSTEES AND FOUNDATION MANAGERS

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NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
MILTON WARSHAW C/O MARKS PANETH 685 THIRD AVE NEW YORK, NY 10017	PRESIDENT/TREASURER 35.00	78,000.	18,000.	43,162.
JONATHAN MONDSCHIEIN C/O MARKS PANETH 685 THIRD AVE NEW YORK, NY 10017	ASST. SECY, 1.00	0.	0.	0.
MAXINE D. PRISYON C/O MARKS PANETH 685 THIRD AVE NEW YORK, NY 10017	VICE-PRES./SECY. 35.00	78,000.	18,000.	43,162.
JOSHUA MONDSCHIEIN C/O MARKS PANETH 685 THIRD AVE NEW YORK, NY 10017	ASST. SECY. 1.00	0.	0.	0.
LORNA GOLDBERG C/O MARKS PANETH 685 THIRD AVE NEW YORK, NY 10017	ASST. SECY. 1.00	0.	0.	0.
CARLA LORD C/O MARKS PANETH 685 THIRD AVE NEW YORK, NY 10017	ASST. SECY. 1.00	0.	0.	0.
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		156,000.	36,000.	86,324.

Asset No	Description	Date Acquired	Method	Life	Line No	Unadjusted Cost Or Basis	Bus % Excl	* Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Current Year Deduction
1	COMPUTER	032697	SL	5.00	16	8,053.			8,053.	8,053.		0.
2	OFFICE EQUIPMENT	VARIES	SL	5.00	16	1,634.			1,634.	1,634.		0.
3	OFFICE EQUIPMENT	070198	SL	5.00	16	1,725.			1,725.	1,725.		0.
4	FURNITURE & FIXTURES	041300	SL	7.00	16	7,300.			7,300.	7,300.		0.
	* TOTAL 990-PF PG 1 DEPR					18,712.		0.	18,712.	18,712.	0.	0.

**WILLIAM H KEARNS FOUNDATION****13-6199107****PORTFOLIO APPRAISAL****12/31/2013**

<u>Quantity</u>	<u>Security</u>	<u>Total Cost</u>	<u>Market Value</u>
<b>COMMON STOCKS</b>			
2500	ACE LIMITED	37,966.67	258,825.00
3000	AFLAC INC	80,268.25	200,400.00
1000	AMERICAN EXPRESS COMPANY	53,294.09	90,730.00
4000	AT&T INC	113,133.80	140,640.00
2200	BECTON DICKINSON & CO	76,793.81	243,078.00
2000	BERKSHIRE HATHAWAY INC COM CL B	191,921.69	237,120.00
1500	BROWN FORMAN CORP CL B	94,322.62	113,355.00
6400	CANADIAN NATL RY CO	64,416.81	364,928.00
4000	CENOVUS ENERGY INC	28,045.65	114,600.00
3000	COCA COLA CO	114,994.12	123,930.00
2500	COLGATE PALMOLIVE CO COM	134,860.95	163,025.00
237500	CONNOTATE TECH, INC	150,000.00	150,000.00
2000	DEERE & CO	165,260.61	182,660.00
600	DIAGEO PLC SPRD ADR NEW	58,447.46	79,452.00
2000	DIRECTV GROUP INC	125,364.56	138,120.00
2040	DUKE ENERGY CORP NEW COM	87,891.68	140,780.40
1600	EMERSON ELEC CO COM	80,434.94	112,288.00
4000	ENCANA CORP COM	30,394.35	72,200.00
2300	EXXON MOBIL CORP	105,156.34	232,760.00
100	GOOGLE INC CL A	66,908.85	112,071.00
1700	HEINEKEN N V SPONSORED ADR L1	45,849.34	57,392.00
4750	INTEGRATED FUNDRAISING MARKETING SOLUTIONS	71,250.00	71,250.00
3000	INTEL CORP	63,668.95	77,865.00
550	INTERNATIONAL BUSINESS MACHINES COR	49,052.13	103,163.50
2000	KINDER MORGAN INC	69,096.96	72,000.00
1674	KINDER MORGAN MGMT LLC	58,951.57	126,654.86
1200	LABORATORY CORPORATION OF AMER CMN	113,634.09	109,644.00
2430	LEUCADIA NATL CORP COM	65,857.04	68,866.20
2500	LOEWS CORP	107,266.29	120,600.00
700	M & T BANK CORP	61,184.10	81,494.00
300	MARKEL CORP COM	129,077.71	174,105.00
215	MASTERCARD INCORPORATED CMN CLASS A	88,507.69	179,623.90
1700	MCCORMICK & CO INC	57,995.99	117,164.00
4000	MICROSOFT CORP	94,381.05	149,640.00
3000	NESTLE SA SPONSORED ADRS REGISTERED	187,625.31	220,770.00
1500	NEXTERA ENERGY INC	75,806.65	128,430.00
2100	NOVARTIS AG SPONSORED ADR	82,848.31	168,798.00
152625	PANDORA NETWORKS INC	175,000.00	175,000.00

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2300 PLUM CREEK TIMBER CO INC	102,379.33	106,973.00
850 PRAXAIR INC	88,314.02	110,525.50
2950 PROCTER & GAMBLE CO	112,545.00	240,159.50
2000 SCHLUMBERGER LIMITED	150,095.37	180,220.00
1200 SMUCKER J M CO COM NEW	76,358.90	124,344.00
2500 SOUTHERN CO	90,983.95	102,775.00
5560 SPECTRA ENERGY CORP COM	95,168.17	198,047.20
1100 TIFFANY & CO.	63,935.04	102,058.00
675 VERISK ANALYTICS INC CL A	32,501.11	44,361.00
41667 VIZACOM INC	<u>50,000.00</u>	<u>50,000.00</u>

	4,319,211.32	6,732,886.06
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#### MUTUAL FUNDS

3000 KAYNE ANDERSON MLP INVESTMENT	80,847.39	119,550.00
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#### PREFERRED STOCK

29940 CONNOTATE TECH, INC	87,500.00	87,500.00
1000 FANNIE MAE PFD 8.25%	25,559.95	8,750.00
4000 HSBC FINANCE CORP PFD B DEP 1/40	66,958.05	91,600.00
50000 JIA INC SER B CON PFD	<u>50,000.00</u>	<u>50,000.00</u>

	230,018.00	237,850.00
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#### UNITED STATES TREASURY NOTES

100000 UNITED STATES TREAS BDS 5.000% Due 05-15-37	110,351.56	119,000.00
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#### TOTAL PORTFOLIO

	<u>4,740,428.27</u>	<u>7,209,286.06</u>
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**WILLIAM H. KEARNS FOUNDATION**  
**EIN# 13-6199107**  
**12/31/2013**

**PARTNERSHIP/S CORP**

TRAUTMAN WASSEMAN MARKET 8701 OPP FUND  
 SPECIAL SITUATION LIFE SCIENCE FUND, LP  
 ASCENDANT SPIRITS INC  
 SLG INTERNATIONAL OPPORTUNITIES, LP

BOOK VALUE		FMV @ 12/31/2013
Beginning	Ending	
192,051	-	-
387,807	667,700	667,700
49,972	34,538	34,538
264,714	273,029	273,029
<hr/>		<hr/>
<b>894,544</b>	<b>975,267</b>	<b>975,267</b>

**TOTAL PARTNERSHIP/S CORP**

EIN: 13-6199107

Marks Paneth & Shron LLP  
**REALIZED GAINS AND LOSSES**  
**WILLIAM H KEARNS FOUNDATION**  
**CONSOLIDATED REPORTING**  
*From 01-01-13 Through 12-31-13*

Open Date	Close Date	Quantity	Security	Cost Basis	Proceeds	Gain Or Loss	
						Short Term	Long Term
12-07-2010	01-30-2013	150	JOHNSON & JOHNSON COM	9,404.72	11,166.54		1,761.82
01-11-2011	01-30-2013	100	JOHNSON & JOHNSON COM	6,217.34	7,444.36		1,227.02
01-21-2011	01-30-2013	100	JOHNSON & JOHNSON COM	6,292.81	7,444.36		1,151.55
09-07-2012	01-30-2013	400	JOHNSON & JOHNSON COM	27,054.80	29,777.43	2,722.63	
12-17-2012	01-30-2013	750	JOHNSON & JOHNSON COM	53,202.00	55,832.66	2,630.66	
02-17-2009	02-14-2013	1	KINDER MORGAN MGMT LLC	25.12	55.59		30.47
06-06-2007	03-18-2013	1,000	PARTNERRE LTD PFD C 6.75%	24,559.95	25,000.00		440.05
06-11-2007	03-18-2013	100	PARTNERRE LTD PFD C 6.75%	2,439.99	2,500.00		60.01
06-11-2007	03-18-2013	900	PARTNERRE LTD PFD C 6.75%	21,869.96	22,500.00		630.04
07-22-2008	03-18-2013	191	PARTNERRE LTD PFD C 6.75%	3,744.92	4,775.00		1,030.08
07-22-2008	03-18-2013	400	PARTNERRE LTD PFD C 6.75%	8,065.90	10,000.00		1,934.10
07-22-2008	03-18-2013	1,000	PARTNERRE LTD PFD C 6.75%	19,606.89	25,000.00		5,393.11
07-22-2008	03-18-2013	8	PARTNERRE LTD PFD C 6.75%	156.86	200.00		43.14
07-22-2008	03-18-2013	64	PARTNERRE LTD PFD C 6.75%	1,270.71	1,600.00		329.29
07-22-2008	03-18-2013	100	PARTNERRE LTD PFD C 6.75%	1,960.68	2,500.00		539.32
07-22-2008	03-18-2013	237	PARTNERRE LTD PFD C 6.75%	4,779.05	5,925.00		1,145.95
03-10-2010	03-18-2013	2,000	PARTNERRE LTD PFD C 6.75%	49,210.55	50,000.00		789.45
08-18-2011	04-05-2013	75	MARTIN MARIETTA MATERIALS INC.	4,796.76	7,356.39		2,559.63
10-20-2011	04-05-2013	75	MARTIN MARIETTA MATERIALS INC.	5,171.43	7,356.39		2,184.96
09-07-2012	04-05-2013	500	MARTIN MARIETTA MATERIALS INC.	40,297.95	49,042.59	8,744.64	
03-16-2010	05-05-2013	2,000	JP MORGAN CHASE CAP X PFD TR SECS 7%	51,408.35	50,000.00		-1,408.35
02-17-2009	05-15-2013	1	KINDER MORGAN MGMT LLC	21.95	52.04		30.09
07-07-2005	05-15-2013	1,600	MCCORMICK & CO INC	50,480.99	119,348.26		68,867.27
01-30-2009	05-17-2013	1,500	KIMBERLY CLARK CORP COM	77,263.60	155,828.35		78,564.75
11-01-2001	05-17-2013	2,000	PRINCIPAL FINANCIAL GROUP INC	43,760.00	75,709.30		31,949.30

This report was compiled from information provided by various investment brokers and an independent pricing service.

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EIN: 13-6199107

Marks Paneth & Shron LLP  
**REALIZED GAINS AND LOSSES**  
**WILLIAM H KEARNS FOUNDATION**  
**CONSOLIDATED REPORTING**  
*From 01-01-13 Through 12-31-13*

Open Date	Close Date	Quantity	Security	Cost Basis	Proceeds	Gain Or Loss	
						Short Term	Long Term
03-25-2009	05-17-2013	2,000	PRINCIPAL FINANCIAL GROUP INC	18,661.95	75,709.30		57,047.35
12-07-2010	05-17-2013	100	SMUCKER J M CO COM NEW	6,522.81	10,280.50		3,757.69
01-20-2011	05-17-2013	900	SMUCKER J M CO COM NEW	57,023.26	92,524.45		35,501.19
01-24-2012	06-28-2013	150	EXPEDITORS INTERNATIONAL OF WASHINGTON INC	6,610.02	5,675.45		-934.57
05-25-2012	06-28-2013	100	EXPEDITORS INTERNATIONAL OF WASHINGTON INC	3,885.83	3,783.63		-102.20
09-10-2012	06-28-2013	750	EXPEDITORS INTERNATIONAL OF WASHINGTON INC	28,782.83	28,377.26	-405.57	
09-14-2012	06-28-2013	1,000	EXPEDITORS INTERNATIONAL OF WASHINGTON INC	39,202.60	37,836.34	-1,366.26	
01-30-2013	07-31-2013	1,500	POTASH CORP OF SASKATCHEWAN INC COM ISIN#C	64,537.89	44,407.33	-20,130.56	
06-03-2013	07-31-2013	1,500	POTASH CORP OF SASKATCHEWAN INC COM ISIN#C	62,415.90	44,407.32	-18,008.58	
02-17-2009	08-14-2013	0	KINDER MORGAN MGMT LLC	16.09	36.47		20.38
03-16-2001	09-23-2013	2,500	EXELON CORP CMN	79,995.63	74,885.69		-5,109.94
07-10-2009	09-23-2013	1,000	ISHARES MSCI BRAZIL INDX	49,194.05	48,784.65		-409.40
11-15-2011	09-23-2013	1,000	ISHARES MSCI BRAZIL INDX	61,397.95	48,784.65		-12,613.30
07-31-2003	09-23-2013	2,400	RIO TINTO PLC SPONSR ADR	57,356.82	119,242.88		61,886.06
11-26-2008	09-23-2013	600	RIO TINTO PLC SPONSR ADR	14,473.68	29,810.72		15,337.04
02-17-2009	11-14-2013	1	KINDER MORGAN MGMT LLC	34.72	73.64		38.92
TOTAL GAINS						14,097.93	374,250.04
TOTAL LOSSES						-39,910.97	-20,577.76
TOTAL REALIZED GAIN/LOSS						25,813.04	353,672.28

S/T 315,493.97 289,680.93 (25,813.04)  
 HT 747,681.33 1,101,353.61 353,672.28

This report was compiled from information provided by various investment brokers and an independent pricing service.

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