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

2013

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- Information about Form 990-PF and its separate instructions is at www.irs.gov/form990pf

For calendar year 2013, or tax year beginning

, 2013, and ending

Vera C. Hendry Foundation
PO Box 1228
Sonoma, CA 95476

G Check all that apply Initial return Initial return of a former public charity
 Final return Amended return
 Address change Name change

H Check type of organization. Section 501(c)(3) exempt private foundation
 Section 4947(a)(1) nonexempt charitable trust Other taxable private foundation

I Fair market value of all assets at end of year (from Part II, column (c), line 16) **\$ 1,308,983.** J Accounting method: Cash Accrual
 Other (specify) Modified Cash (Part I, column (d) must be on cash basis)

A	Employer identification number 94-2639031
B	Telephone number (see the instructions) (415) 989-1889
C	If exemption application is pending, check here ► <input type="checkbox"/>
D	1 Foreign organizations, check here ► <input type="checkbox"/> 2 Foreign organizations meeting the 85% test, check here and attach computation ► <input type="checkbox"/>
E	If private foundation status was terminated under section 507(b)(1)(A), check here ► <input type="checkbox"/>
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) (see instructions))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
REVENUE	1 Contributions, gifts, grants, etc, received (att sch)				
	2 Ck ► <input checked="" type="checkbox"/> if the foundn is not req to att Sch B				
	3 Interest on savings and temporary cash investments				N/A
	4 Dividends and interest from securities	28,143.	28,143.		
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain/(loss) from sale of assets not on line 10	97,292.			
	b Gross sales price for all assets on line 6a	483,237.			
	7 Capital gain net income (from Part IV, line 2)		97,292.		
	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/(loss) (att sch)				
	11 Other income (attach schedule)				
	12 Total. Add lines 1 through 11	125,435.	125,435.		
ADMINISTRATIVE OPERATING AND EXPENSES	13 Compensation of officers, directors, trustees, etc.	0.			
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)				
	b Accounting fees (attach sch) See St 1	6,305.			6,305.
	c Other prof fees (attach sch) See St 2	11,387.	11,387.		
	17 Interest				
	18 Taxes (attach schedule) See Stm 3	242.	242.		
	19 Depreciation (attach sch) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule) See Statement 4	1,981.			1,981.
	24 Total operating and administrative expenses. Add lines 13 through 23	19,915.	11,629.		8,286.
	25 Contributions, gifts, grants paid Part XV	16,750.			16,750.
	26 Total expenses and disbursements. Add lines 24 and 25	36,665.	11,629.		25,036.
	27 Subtract line 26 from line 12: a Excess of revenue over expenses and disbursements	88,770.			
	b Net investment income (if negative, enter -0)		113,806.		
	c Adjusted net income (if negative, enter -0)				

614

4

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)	Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
A S S E T S	1	6,331.	31,376.	31,376.	
	2	14,559.	51,219.	51,219.	
	3				
	4				
	5				
	6				
	7				
	8				
	9				
	10a	Investments – U.S. and state government obligations (attach schedule)			
	b	Investments – corporate stock (attach schedule) <u>Statement 5</u>	489,950.	574,540.	574,540.
	c	Investments – corporate bonds (attach schedule) <u>Statement 6</u>	139,144.	109,109.	109,109.
	11	Investments – land, buildings, and equipment basis			
		Less: accumulated depreciation (attach schedule)			
	12	Investments – mortgage loans			
	13	Investments – other (attach schedule) <u>Statement 7</u>	550,392.	542,739.	542,739.
14	Land, buildings, and equipment basis				
	Less: accumulated depreciation (attach schedule)				
15	Other assets (describe ▶)				
16	Total assets (to be completed by all filers – see the instructions. Also, see page 1, item I)	1,200,376.	1,308,983.	1,308,983.	
L I A B B I L I T I E S	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, & other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe ▶ <u>See Statement 8</u>)		75.	
	23	Total liabilities (add lines 17 through 22)	0.	75.	
N F E U T N D A S S E L T A S N C O E R S	Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31. <input checked="" type="checkbox"/>				
	24	Unrestricted	1,200,376.	1,308,908.	
	25	Temporarily restricted			
	26	Permanently restricted			
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. <input type="checkbox"/>				
	27	Capital stock, trust principal, or current funds			
	28	Paid-in or capital surplus, or land, building, and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds			
	30	Total net assets or fund balances (see instructions)	1,200,376.	1,308,908.	
	31	Total liabilities and net assets/fund balances (see instructions)	1,200,376.	1,308,983.	

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	1,200,376.
2	Enter amount from Part I, line 27a	2	88,770.
3	Other increases not included in line 2 (itemize) ▶ <u>See Statement 9</u>	3	19,762.
4	Add lines 1, 2, and 3	4	1,308,908.
5	Decreases not included in line 2 (itemize) ▶	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5) – Part II, column (b), line 30	6	1,308,908.

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 shares MLC Company)			(b) How acquired P — Purchase D — Donation	(c) Date acquired (month, day, year)	(d) Date sold (month, day, year)
1 a Capital Gain Distributions			P	Various	Various
b Sales of Publicly Traded Securities			P	Various	Various
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 8,156.				8,156.	
b 475,081.			385,945.	89,136.	
c					
d					
e					
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69				(i) Gains (Column (h) gain minus column (k), but not less than -0-) or Losses (from column (h))	
(i) Fair Market Value as of 12/31/69		(j) Adjusted basis as of 12/31/69	(k) Excess of column (i) over column (j), if any		
a				8,156.	
b				89,136.	
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	97,292.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0- in Part I, line 8				3	0.

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 (column (b) divided by column (c))
2012	52,319.	1,179,992.	0.044338
2011	36,866.	1,171,831.	0.031460
2010	47,514.	1,096,607.	0.043328
2009	44,318.	1,038,315.	0.042683
2008	60,557.	1,298,490.	0.046636

2 Total of line 1, column (d)

2 0.208445

3 Average distribution ratio for the 5-year base period — divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years

3 0.041689

4 Enter the net value of noncharitable-use assets for 2013 from Part X, line 5

4 1,177,027.

5 Multiply line 4 by line 3

5 49,069.

6 Enter 1% of net investment income (1% of Part I, line 27b)

6 1,138.

7 Add lines 5 and 6

7 50,207.

8 Enter qualifying distributions from Part XII, line 4

8 25,036.

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)

1 a 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 instrs)	1	2,276.
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here ► <input type="checkbox"/> and enter 1% of Part I, line 27b	2	0.
c All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, column (b)	3	2,276.
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	4	0.
3 Add lines 1 and 2	5	2,276.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	6	
5 Tax based on investment income. Subtract line 4 from line 3 If zero or less, enter -0-	7	2,105.
6 Credits/Payments.	8	
a 2013 estimated tax pmts and 2012 overpayment credited to 2013	9	171.
b Exempt foreign organizations – tax withheld at source	10	
c Tax paid with application for extension of time to file (Form 8868)	11	
d Backup withholding erroneously withheld	Refunded	
7 Total credits and payments Add lines 6a through 6d	7	2,105.
8 Enter any penalty for underpayment of estimated tax Check here <input checked="" type="checkbox"/> If Form 2220 is attached	8	
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	
10 Overpayment If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	
11 Enter the amount of line 10 to be Credited to 2014 estimated tax	11	

Part VII-A Statements Regarding Activities

1 a 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?	Yes	No
1 a	X	
1 b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see the instructions for definition)?		
1 b	X	
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		
1 c Did the foundation file Form 1120-POL for this year?		
1 c	X	
1 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.		
1 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?		
2 If 'Yes,' attach a detailed description of the activities		
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If 'Yes,' attach a conformed copy of the changes		
3	X	
4 a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		
4 a	X	
4 b If 'Yes,' has it filed a tax return on Form 990-T for this year?		
4 b	N/A	
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year?		
5 If 'Yes,' attach the statement required by General Instruction T		
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either:		
6 • By language in the governing instrument, or		
6 • 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?		
7 Did the foundation have at least \$5,000 in assets at any time during the year? If 'Yes,' complete Part II, column (c), and Part XV		
7	X	
8 a Enter the states to which the foundation reports or with which it is registered (see instructions) ►		
8 a CA		
8 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		
8 b	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 2013 or the taxable year beginning in 2013 (see instructions for Part XIV)? If 'Yes,' complete Part XIV		
9	X	
10 Did any persons become substantial contributors during the tax year? If 'Yes,' attach a schedule listing their names and addresses		
10	X	

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If 'Yes', attach schedule (see instructions)	11	X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If 'Yes,' attach statement (see instructions)	12	X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address	13	X
14	The books are in care of ► <u>Ted G. Hoffman</u> Telephone no ► <u>(415) 989-1889</u> Located at ► <u>PO Box 1228 Sonoma CA</u> ZIP + 4 ► <u>95476</u>		
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 – Check here and enter the amount of tax-exempt interest received or accrued during the year	15	N/A
16	At any time during calendar year 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 No

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
1 a	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 checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(5)	Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
(6)	Agree to pay money or property to a government official? (Exception. Check 'No' if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
b	If any answer is 'Yes' to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here ►	1 b	X
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 2013?	1 c	X
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)).		
a	At the end of tax year 2013, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2013? If 'Yes,' list the years ► <u>20 __ , 20 __ , 20 __ , 20 __</u> .	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
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)	2 b	N/A
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ► <u>20 __ , 20 __ , 20 __ , 20 __</u>		
3 a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
b	If 'Yes,' did it have excess business holdings in 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.)	3 b	N/A
4 a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4 a	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 2013?	4 b	X

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

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

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

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

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

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

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? Yes No

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

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 Nob 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 Nob If 'Yes,' did the foundation receive any proceeds or have any net income attributable to the transaction? **N/A** Yes No**Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors****1 List all officers, directors, trustees, foundation managers and their compensation (see instructions).**

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
Ted Hoffman PO Box 1228 Sonoma, CA 95476	President 1.00	0.	0.	0.
Wendy Hoffman PO Box 1228 Sonoma, CA 95476	Treasurer 1.00	0.	0.	0.

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

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

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

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 (see instructions). If none, enter 'NONE.'

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
None		

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	<u>N/A</u>	
2		
3		
4		

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

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.		Amount
1	N/A	
2		
All other program-related investments See instructions		
3		
Total. Add lines 1 through 3.		0.

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	1 a	1,150,935.
b	Average of monthly cash balances	1 b	44,016.
c	Fair market value of all other assets (see instructions)	1 c	
d	Total (add lines 1a, b, and c)	1 d	1,194,951.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1 e	0.
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	1,194,951.
4	Cash deemed held for charitable activities Enter 1-1/2% of line 3 (for greater amount, see instructions)	4	17,924.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4	5	1,177,027.
6	Minimum investment return. Enter 5% of line 5	6	58,851.

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	58,851.
2a	Tax on investment income for 2013 from Part VI, line 5	2 a	2,276.
b	Income tax for 2013 (This does not include the tax from Part VI)	2 b	
c	Add lines 2a and 2b	2 c	2,276.
3	Distributable amount before adjustments Subtract line 2c from line 1	3	56,575.
4	Recoveries of amounts treated as qualifying distributions.	4	
5	Add lines 3 and 4	5	56,575.
6	Deduction from distributable amount (see instructions)	6	
7	Distributable amount as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1	7	56,575.

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	1 a	25,036.
b	Program-related investments – total from Part IX-B	1 b	
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)	3 a	
b	Cash distribution test (attach the required schedule)	3 b	
4	Qualifying distributions. Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	25,036.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b (see instructions)	5	
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	25,036.

Note. The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years.

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2012	(c) 2012	(d) 2013
1 Distributable amount for 2013 from Part XI, line 7				56,575.
2 Undistributed income, if any, as of the end of 2013			15,593.	
a Enter amount for 2012 only		0.		
b Total for prior years 20 ___, 20 ___, 20 ___				
3 Excess distributions carryover, if any, to 2013.				
a From 2008				
b From 2009				
c From 2010				
d From 2011				
e From 2012				
f Total of lines 3a through e	0.			
4 Qualifying distributions for 2013 from Part XII, line 4: ► \$ 25,036.			15,593.	
a Applied to 2012, but not more than line 2a				
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 2013 distributable amount				9,443.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2013 (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 2012. Subtract line 4a from line 2a. Taxable amount – see instructions			0.	
f Undistributed income for 2013. Subtract lines 4d and 5 from line 1 This amount must be distributed in 2014				47,132.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)	0.			
8 Excess distributions carryover from 2008 not applied on line 5 or line 7 (see instructions)	0.			
9 Excess distributions carryover to 2014. Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9:				
a Excess from 2009				
b Excess from 2010				
c Excess from 2011				
d Excess from 2012				
e Excess from 2013				

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

N/A

Part XV **Supplementary Information** (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year – see instructions.)

1 Information Regarding Foundation Managers:

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

None

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

None

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

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

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

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

• Any submission deadlines

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

Part XV Supplementary Information (continued)**3 Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year				
CA Pacific Medical Center Foundation 2015 Steiner Street San Francisco, CA 94115	N/A	PC	CPMC Hospital General Needs	10,000.
The University Foundation at Sac. State 6000 J Street Sacramento, CA 95819	N/A	PC	General Operations	5,750.
Jewish Vocational and Career Counseling 225 Bush St, Suite 400 San Francisco, CA 94104	N/A	PC	General Operations	1,000.
Total			► 3a	16,750.
b Approved for future payment				
Total			► 3b	

Part XVI-A Analysis of Income-Producing Activities

	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions)
	(a) Business code	(b) Amount	(c) Exclu- sion code	(d) Amount	
1 Program service revenue					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities			14	28,143.	
5 Net rental income or (loss) from real estate					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income					
8 Gain or (loss) from sales of assets other than inventory			18	97,292.	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue					
a					
b					
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e)				125,435.	
13 Total Add line 12, columns (b), (d), and (e)			13	125,435.	

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

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

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	1 a (1)	X
(2) Other assets	1 a (2)	X
b Other transactions		
(1) Sales of assets to a noncharitable exempt organization	1 b (1)	X
(2) Purchases of assets from a noncharitable exempt organization	1 b (2)	X
(3) Rental of facilities, equipment, or other assets	1 b (3)	X
(4) Reimbursement arrangements	1 b (4)	X
(5) Loans or loan guarantees	1 b (5)	X
(6) Performance of services or membership or fundraising solicitations	1 b (6)	X
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees.	1 c	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.

(a) Line no	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements
N/A			

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		

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  5-12-14 President
Signature of officer or trustee Date Title
May the IRS discuss this return with the preparer shown below (see instructions)?
 Yes No

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Michael Fontanello	Michael Fontanello	8/3/14		P01471027
	Firm's name	► Fontanello, Duffield & Otake, LLP		Firm's EIN ► 37-1420474	
	Firm's address	► 44 Montgomery Street, Suite 1305 San Francisco, CA 94104		Phone no	(415) 983-0200

BAA

Statement 1
Form 990-PF, Part I, Line 16b
Accounting Fees

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Accounting & Tax Prep Fee-2011	\$ 3,080.			\$ 3,080.
Accounting & Tax Prep Fee-2012	3,225.			3,225.
Total	<u>\$ 6,305.</u>	<u>\$ 0.</u>		<u>\$ 6,305.</u>

Statement 2
Form 990-PF, Part I, Line 16c
Other Professional Fees

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Investment Management Fees	\$ 11,387.	\$ 11,387.		
Total	<u>\$ 11,387.</u>	<u>\$ 11,387.</u>		<u>\$ 0.</u>

Statement 3
Form 990-PF, Part I, Line 18
Taxes

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Foreign Withholding Tax	\$ 242.	\$ 242.		
Total	<u>\$ 242.</u>	<u>\$ 242.</u>		<u>\$ 0.</u>

Statement 4
Form 990-PF, Part I, Line 23
Other Expenses

	(a) Expenses per Books	(b) Net Investment Income	(c) Adjusted Net Income	(d) Charitable Purposes
Bookkeeping	\$ 1,105.			\$ 1,105.
Business Registration Fees	55.			55.
Membership Dues	725.			725.
Postage	21.			21.
Subscriptions	75.			75.
Total	<u>\$ 1,981.</u>	<u>\$ 0.</u>		<u>\$ 1,981.</u>

Statement 5
Form 990-PF, Part II, Line 10b
Investments - Corporate Stocks

Corporate Stocks	Valuation Method	Book Value	Fair Market Value
Chevron Corp, 40 Sh	Mkt Val	\$ 4,996.	\$ 4,996.
Capital One Financial Corp, 73 Sh	Mkt Val	5,593.	5,593.
UnitedHealth Group Inc, 104 Sh	Mkt Val	7,831.	7,831.
Apple Inc, 20 Sh	Mkt Val	11,220.	11,220.
Comcast Corp, 154 Sh	Mkt Val	8,003.	8,003.
Gilead Sciences Inc, 81 Sh	Mkt Val	6,083.	6,083.
Oracle Corp, 135 Sh	Mkt Val	5,165.	5,165.
Anheuser-Busch Inbev, 57 Sh	Mkt Val	6,068.	6,068.
Johnson Controls Inc 119 Sh	Mkt Val	6,105.	6,105.
Target Corp 103 Sh	Mkt Val	6,517.	6,517.
TJX Cos Inc New 94 Sh	Mkt Val	5,991.	5,991.
Walt Disney 116 Sh	Mkt Val	8,862.	8,862.
CVS/Caremark Corp 93 Sh	Mkt Val	6,656.	6,656.
Monster Beverage Corp 63 Sh	Mkt Val	4,270.	4,270.
Apache Corp 59 Sh	Mkt Val	5,070.	5,070.
Affiliated Managers Group, Inc 30 Sh	Mkt Val	6,506.	6,506.
Aflac Inc 84 Sh	Mkt Val	5,611.	5,611.
Berkshire Hathaway Inc 74 Sh	Mkt Val	8,773.	8,773.
CME Group Inc 82 Sh	Mkt Val	6,434.	6,434.
JP Morgan Chase & Co 138 Sh	Mkt Val	8,070.	8,070.
US Bankcorp Del 115 Sh	Mkt Val	5,818.	5,818.
United Pacific Corp 44 Sh	Mkt Val	7,392.	7,392.
3M Co 48 Sh	Mkt Val	6,732.	6,732.
Cisco Systems Inc 301 Sh	Mkt Val	6,751.	6,751.
EMC Corp Mass 147 Sh	Mkt Val	3,697.	3,697.
Google Inc 7 Sh	Mkt Val	7,845.	7,845.
Microsoft Corp 120 Sh	Mkt Val	4,489.	4,489.
Diageo Plc- ADR 37 Sh	Mkt Val	4,900.	4,900.
Eaton Corp PLC 71 Sh	Mkt Val	5,405.	5,405.
Nestle S.A. Registered Shs- ADR 67 Sh	Mkt Val	4,931.	4,931.
Schlumberger 76 Sh	Mkt Val	6,848.	6,848.
Total S.A. - ADR 77 Sh	Mkt Val	4,718.	4,718.
Artisan Fds Inc Small Cap Fd 764 Sh	Mkt Val	22,622.	22,622.
Kalmar Grwth With Val Small Cap 1,176 Sh	Mkt Val	26,846.	26,846.
T. Rowe Price Small Captl 490 Sh	Mkt Val	21,793.	21,793.
Acadian Emerging Mkts Port 1,980 Sh	Mkt Val	36,307.	36,307.
Artisan Intl Fd 1,528 Sh	Mkt Val	46,585.	46,585.
Templeton Frontier Mkts Fd 2,010 Sh	Mkt Val	36,742.	36,742.
Thermo Fisher Scientific Inc 45 Sh	Mkt Val	5,011.	5,011.
Coach Inc 94 Sh	Mkt Val	5,276.	5,276.
Las Vegas Sands	Mkt Val	1,972.	1,972.
McDonalds Corp 15 Sh	Mkt Val	1,455.	1,455.
Kimberly Clark Corp Com 10 Sh	Mkt Val	1,045.	1,045.
Philip Morris International IN 30 Sh	Mkt Val	2,614.	2,614.
Proctor & Gamble 25 Sh	Mkt Val	2,035.	2,035.
Chevron Corp 25 Sh	Mkt Val	3,123.	3,123.
Duke Energy Holding Corp. Com 25 Sh	Mkt Val	1,725.	1,725.
National Oilwell Varco Inc Com 67 Sh	Mkt Val	5,329.	5,329.
Goldman Sachs Group Inc 26 Sh	Mkt Val	4,609.	4,609.
Baxter Intl Inc 73 Sh	Mkt Val	5,077.	5,077.
Bristol Myers Squibb Co 50 Sh	Mkt Val	2,658.	2,658.
Eli Lilly & Co Com 40 Sh	Mkt Val	2,040.	2,040.
Johnson & Johnson 25 Sh	Mkt Val	2,290.	2,290.
McKesson Corp 42 Sh	Mkt Val	6,779.	6,779.
Pfizer Inc 105 Sh	Mkt Val	3,216.	3,216.

Statement 5 (continued)
Form 990-PF, Part II, Line 10b
Investments - Corporate Stocks

Corporate Stocks	Valuation Method	Book Value	Fair Market Value
Boeing Co 48 Sh	Mkt Val	\$ 6,552.	\$ 6,552.
Cummins Inc 18 Sh	Mkt Val	2,537.	2,537.
Lockheed Martin Corp 20 Sh	Mkt Val	2,973.	2,973.
United Parcel Service-CL B 48 Sh	Mkt Val	5,044.	5,044.
Harris Corp Del 20 Sh	Mkt Val	1,396.	1,396.
International Business Mach 18 Sh	Mkt Val	3,376.	3,376.
Microsoft Corp 55 Sh	Mkt Val	2,058.	2,058.
Celanese Corp 71 Sh	Mkt Val	3,927.	3,927.
Verizon Communications 45 Sh	Mkt Val	2,211.	2,211.
Dominion Res Inc VA 25 Sh	Mkt Val	1,617.	1,617.
PPL Corporation 50 Sh	Mkt Val	1,505.	1,505.
Public SVC Enterprise Group Inc 40 Sh	Mkt Val	1,282.	1,282.
Astrazeneca PLC 40 Sh	Mkt Val	2,375.	2,375.
Bae Systems PLC - ADR 45 Sh	Mkt Val	1,318.	1,318.
Banco Bilbao Vizcaya Argent - ADR 125 Sh	Mkt Val	1,549.	1,549.
Bank Montreal Que Com 30 Sh	Mkt Val	2,000.	2,000.
Bank N S Halifax 30 Sh	Mkt Val	1,877.	1,877.
BASF Aktiengesellschaft 30 Sh	Mkt Val	3,234.	3,234.
BHP Billiton Limited - ADR 44 Sh	Mkt Val	3,001.	3,001.
BHP Billiton PLC 25 Sh	Mkt Val	1,553.	1,553.
British American Tobacco PLC ADR 25 Sh	Mkt Val	2,686.	2,686.
Deutsch Boerse AG 160 Sh	Mkt Val	1,320.	1,320.
Diageo PLC - ADR 10 Sh	Mkt Val	1,324.	1,324.
Eaton Corp PLC 35 Sh	Mkt Val	2,664.	2,664.
ENI SPA - ADR 45 Sh	Mkt Val	2,182.	2,182.
Glaxosmithkline PLC - ADR 40 Sh	Mkt Val	2,136.	2,136.
HSBC - ADR 91 Sh	Mkt Val	5,017.	5,017.
HSBC - ADR 50 Sh	Mkt Val	2,757.	2,757.
Itochu Corp - Unsponsored 45 Sh	Mkt Val	1,123.	1,123.
Keppel LTD 65 Sh	Mkt Val	1,156.	1,156.
Koninklijke Philips N.V. 46 Sh	Mkt Val	1,701.	1,701.
Michelin (CGDE) ADR 60 Sh	Mkt Val	1,281.	1,281.
National Grid PLC 25 Sh	Mkt Val	1,633.	1,633.
Nestle S.A. Registered Shares-ADR 40 Sh	Mkt Val	2,944.	2,944.
Nissan Motor Co., LTD - ADR 55 Sh	Mkt Val	924.	924.
Novartis AG - ADR 25 Sh	Mkt Val	2,010.	2,010.
Prudential PLC - ADR 60 Sh	Mkt Val	2,700.	2,700.
Reckitt Benckiser PLC 150 Sh	Mkt Val	2,414.	2,414.
Roche Holdings LTD - ADR 40 Sh	Mkt Val	2,808.	2,808.
Royal Dutch Shell PLC 40 Sh	Mkt Val	2,851.	2,851.
Sanofi-Aventis 25 Sh	Mkt Val	1,341.	1,341.
Siemens AG - ADR 12 Sh	Mkt Val	1,662.	1,662.
Singapore Telecommunications LTD 52 Sh	Mkt Val	1,513.	1,513.
Sumitomo Trust and Banking Comp. 190 Sh	Mkt Val	1,993.	1,993.
Telenor ASA - ADR 20 Sh	Mkt Val	1,431.	1,431.
TeliaSonera AB 130 Sh	Mkt Val	2,168.	2,168.
Telstra Corporation Limited 57 Sh	Mkt Val	1,336.	1,336.
Total S.A. - ADR 35 Sh	Mkt Val	2,144.	2,144.
Unilever N.V. - ADR 55 Sh	Mkt Val	2,213.	2,213.
Zurich Insurance Group 65 Sh	Mkt Val	1,896.	1,896.
Templeton China World Fund - Advr 315 Sh	Mkt Val	11,328.	11,328.
	Total	\$ 574,540.	\$ 574,540.

Statement 6
Form 990-PF, Part II, Line 10c
Investments - Corporate Bonds

<u>Corporate Bonds</u>		<u>Valuation Method</u>	<u>Book Value</u>	<u>Fair Market Value</u>
Target Corp	6.000%	01/15/18	25,000 Sh	Mkt Val \$ 28,871. \$ 28,871.
Bcton Dckinson	5.000%	05/15/19	25,000 Sh	Mkt Val 28,032. 28,032.
Praxair Inc.	3.250%	09/15/15	25,000 Sh	Mkt Val 26,117. 26,117.
Ttal Capital SA	3.125%	10/02/15	25,000 Sh	Mkt Val 26,089. 26,089.
			Total \$ 109,109.	\$ 109,109.

Statement 7
Form 990-PF, Part II, Line 13
Investments - Other

<u>Other Publicly Traded Securities</u>		<u>Valuation Method</u>	<u>Book Value</u>	<u>Fair Market Value</u>
Dodge & Cox Income Fd	810 Sh	Mkt Val	\$ 10,959.	\$ 10,959.
JP Morgan Alerian	900 Sh	Mkt Val	41,715.	41,715.
Eaton Vance Floating Rate Fd	1,307 Sh	Mkt Val	12,013.	12,013.
JP Morgan High Yield Fd	6,626 Sh	Mkt Val	52,872.	52,872.
Western Asset Intrmed Bd	10,468 Sh	Mkt Val	114,105.	114,105.
Pimco Emerging Mrkts Bond Fd	1,795 Sh	Mkt Val	19,210.	19,210.
Pimco Moderate Duration	8,692 Sh	Mkt Val	91,871.	91,871.
Ridgeworth Seix Floating	557 Sh	Mkt Val	5,045.	5,045.
Pimco Foreign Bond Fd	1,823 Sh	Mkt Val	19,180.	19,180.
Morgan Stanley Inst Int Rel Est	1,795 Sh	Mkt Val	35,875.	35,875.
AQR Managed Futures Strategy Fund	1,473	Mkt Val	15,604.	15,604.
ASG Global Alt. Fund Class Y	1,776 Sh	Mkt Val	20,302.	20,302.
Robeco Boston Partners Long/Short	1,499	Mkt Val	21,634.	21,634.
Elements Linked to the Rogers	6,000 Sh	Mkt Val	41,700.	41,700.
Goldman Sachs Commodity Strat.	2,674 Sh	Mkt Val	15,160.	15,160.
Vanguard REIT Viper	395 Sh	Mkt Val	25,494.	25,494.
		Total \$ 542,739.	\$ 542,739.	

Statement 8
Form 990-PF, Part II, Line 22
Other Liabilities

Credit Cards		\$ 75.
	Total \$ 75.	

2013

Federal Statements

Page 5

Vera C. Hendry Foundation

94-2639031

Statement 9
Form 990-PF, Part III, Line 3
Other Increases

Net Unrealized Gains or Losses on Investments

Total \$ 19,762.