

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

2005

Department of the Treasury
Internal Revenue Service

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

For calendar year 2005, or tax year beginning Dec 1, 2005, **and ending** Nov 30, 2006

G Check all that apply: Initial return Final return Amended return Address change Name change

Use the IRS label. Otherwise, print or type. See Specific Instructions.	Name of organization Valentine Foundation		A Employer identification number 23-6806061
	Number and street (or P.O. box number if mail is not delivered to street address) Room/suite 300 Quarry Lane		B Telephone number (see instructions) (610) 642-4887
	City or town Haverford	State ZIP code PA 19041-1723	C If exemption application is pending, check here <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			D 1 Foreign organizations, check here <input type="checkbox"/> 2 Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, column (c), line 16) \$ 3,045,952.		J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____ <i>(Part I, column (d) must be on cash basis.)</i>	
			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"/>

	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Part I Analysis of Revenue and Expenses <i>(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions).)</i>				
REVENUE				
1 Contributions, gifts, grants, etc. received (att sch)	350,238.			
2 <input type="checkbox"/> If the foundn is not req to att Sch B				
3 Interest on savings and temporary cash investments	29,627.	29,627.		
4 Dividends and interest from securities	37,801.	30,551.		
5a Gross rents				
b Net rental income or (loss)				
6a Net gain/(loss) from sale of assets not on line 10	128,210.			
b Gross sales price for all assets on line 6a	510,471.			
7 Capital gain net: income (from Part IV, line 2)		128,210.		
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	545,876.	188,388.		
ADMINISTRATIVE AND EXPENSES				
13 Compensation of officers, directors, trustees, etc.				
14 Other employee salaries and wages	42,970.			
15 Pension plans, employee benefits				
16a Legal fees (attach schedule)				
b Accounting fees (attach sch) L-16b Stmt	3,300.			
c Other prof fees (attach sch) L-16c Stmt	41,745.	18,918.		
17 Interest				
18 Taxes (attach schedule) See Line 18 Stmt	9,490.			
19 Depreciation (attach schedule) and depletion	183.			
20 Occupancy	1,500.			
21 Travel, conferences, and meetings	3,612.			
22 Printing and publications	2,564.			
23 Other expenses (attach schedule) See Line 23 Stmt	21,020.			
24 Total operating and administrative expenses. Add lines 13 through 23	126,384.	18,918.		
25 Contributions, gifts, grants paid	172,000.			172,000.
26 Total expenses and disbursements. Add lines 24 and 25	298,384.	18,918.		172,000.
27 Subtract line 26 from line 12:				
a Excess of revenue over expenses and disbursements	247,492.			
b Net investment income (if negative, enter -0-)		169,470.		
c Adjusted net income (if negative, enter -0-)				

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	Cash — non-interest-bearing			
	2	Savings and temporary cash investments	231,783.	678,022.	678,022.
	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 (attach schedule) (see instructions)			
	7	Other notes and loans receivable (attach sch)			
		Less: allowance for doubtful accounts			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10a	Investments — U.S. and state government obligations (attach schedule)	L-10a Stmt 452,120.	306,709.	358,672.
	b	Investments — corporate stock (attach schedule)	L-10b Stmt 845,545.	802,565.	1,957,849.
	c	Investments — corporate bonds (attach schedule)	L-10c Stmt 60,175.	50,948.	50,409.
	11	Investments — land, buildings, and equipment: basis			
	Less: accumulated depreciation (attach schedule)				
12	Investments — mortgage loans				
13	Investments — other (attach schedule)				
14	Land, buildings, and equipment: basis	14,134.			
	Less: accumulated depreciation (attach schedule)	L-14 Stmt 13,180.	2,252.	954.	
15	Other assets (describe				
16	Total assets (to be completed by all filers — see instructions. Also, see page 1, item I)	1,591,875.	1,839,198.	3,045,952.	
L i a b i l i t i e s	17	Accounts payable and accrued expenses	238.	1,184.	
	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			
	23	Total liabilities (add lines 17 through 22)	238.	1,184.	
N e t A s s e t B a l a n c e s	Organizations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31. <input checked="" type="checkbox"/>				
	24	Unrestricted	1,591,637.	1,634,778.	
	25	Temporarily restricted		203,236.	
	26	Permanently restricted			
	Organizations 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)	1,591,637.	1,838,014.		
31	Total liabilities and net assets/fund balances (see instructions)	1,591,875.	1,839,198.		

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	1,591,637.
2	Enter amount from Part I, line 27a	2	247,492.
3	Other increases not included in line 2 (itemize)	3	
4	Add lines 1, 2, and 3	4	1,839,129.
5	Decreases not included in line 2 (itemize)	5	1,115.
6	Total net assets or fund balances at end of year (line 4 minus line 5) — Part II, column (b), line 30	6	1,838,014.

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)

1a See attached schedule	P	various	various
b			
c			
d			
e			

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a 510,471.		382,261.	128,210.
b			
c			
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) 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 0.	0.	0.	128,210.
b			
c			
d			
e			

2 Capital gain net income or (net capital loss).	— [If gain, also enter in Part I, line 7; if (loss), enter -0- in Part I, line 7]	2	128,210.
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 organization liable for the section 4942 tax on the distributable amount of any year in the base period? Yes No

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

1 Enter the appropriate amount in each column for each year; see 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))
2004	210,000.	2,807,454.	0.074801
2003	215,712.	2,586,736.	0.083392
2002	193,104.	2,401,644.	0.080405
2001	210,636.	2,601,069.	0.080981
2000	281,423.	2,852,973.	0.098642

2 Total of line 1, column (d)	2	0.418221
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	0.083644
4 Enter the net value of noncharitable-use assets for 2005 from Part X, line 5	4	2,897,539.
5 Multiply line 4 by line 3	5	242,362.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	1,695.
7 Add lines 5 and 6	7	244,057.
8 Enter qualifying distributions from Part XII, line 4	8	172,000.

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 letter: _____ (attach copy of ruling letter if necessary — see instructions)			
b Domestic organizations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b		1	3,389.
c All other domestic organizations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, column (b)			
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		2	0.
3 Add lines 1 and 2		3	3,389.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		4	0.
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-		5	3,389.
6 Credits/Payments:			
a 2005 estimated tax pmts and 2004 overpayment credited to 2005	6a		3,400.
b Exempt foreign organizations — tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c		0.
d Backup withholding erroneously withheld	6d		
7 Total credits and payments. Add lines 6a through 6d		7	3,400.
8 Enter any penalty for underpayment of estimated tax. Check here <input 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.
11 Enter the amount on line 10 to be: Credited to 2006 estimated tax <input type="checkbox"/> 11. Refunded <input type="checkbox"/>		11	

Part VII-A Statements Regarding Activities

	Yes	No
1 a During the tax year, did the organization attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for definition)? <i>If the answer is 'Yes' to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the organization in connection with the activities.</i>		X
c Did the organization file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the organization <input type="checkbox"/> \$ _____ (2) On organization managers <input type="checkbox"/> \$ _____		
e Enter the reimbursement (if any) paid by the organization during the year for political expenditure tax imposed on organization managers <input type="checkbox"/> \$ _____		
2 Has the organization engaged in any activities that have not previously been reported to the IRS? <i>If 'Yes,' attach a detailed description of the activities.</i>		X
3 Has the organization made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? <i>If 'Yes,' attach a conformed copy of the changes</i>		X
4 a Did the organization have unrelated business gross income of \$1,000 or more during the year?		X
b If 'Yes,' has it filed a tax return on Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If 'Yes,' attach the statement required by General Instruction T.</i>		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the organization have at least \$5,000 in assets at any time during the year? <i>If 'Yes,' complete Part II, column (c), and Part XV</i>	X	
8 a Enter the states to which the foundation reports or with which it is registered (see instructions) <input type="checkbox"/> <u>Pennsylvania</u>		
b If the answer is 'Yes' to line 7, has the organization furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? <i>If 'No,' attach explanation</i>	X	
9 Is the organization claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2005 or the taxable year beginning in 2005 (see instructions for Part XIV)? <i>If 'Yes,' complete Part XIV</i>		X
10 Did any persons become substantial contributors during the tax year? <i>If 'Yes,' attach a schedule listing their names and addresses.</i>		X
11 Did the organization comply with the public inspection requirements for its annual returns and exemption application? Web site address <input type="checkbox"/> N/A		X
12 The books are in care of <input type="checkbox"/> <u>Alexandra Frazier</u> Telephone no. <input type="checkbox"/> <u>(610) 642-4887</u> Located at <input type="checkbox"/> <u>300 Quarry Lane, Haverford, PA</u> ZIP + 4 <input type="checkbox"/> <u>19041-1723</u>		
13 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 — Check here <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the year <input type="checkbox"/> 13		

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.

- 1 a During the year did the organization (either directly or indirectly):
(1) Engage in the sale or exchange, or leasing of property with a disqualified person?
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?
(6) Agree to pay money or property to a government official? (Exception. Check 'No' if the organization agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.)

Table with 2 columns: Yes, No. Rows 1b, 1c.

- 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
c Did the organization 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 2005?

Table with 2 columns: Yes, No. Rows 1b, 1c.

- 2 Taxes on failure to distribute income (section 4942) (does not apply for years the organization was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):
a At the end of tax year 2005, did the organization have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2005?
If 'Yes,' list the years

Table with 2 columns: Yes, No. Rows 2b, 2c.

- b Are there any years listed in 2a for which the organization 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.)
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here.

Table with 2 columns: Yes, No. Rows 2b, 2c.

- 3a Did the organization hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?
b If 'Yes,' did it have excess business holdings in 2005 as a result of (1) any purchase by the organization 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 organization had excess business holdings in 2005.)

Table with 2 columns: Yes, No. Rows 3b, 3c.

- 4a Did the organization invest during the year any amount in a manner that would jeopardize its charitable purposes?
b Did the organization 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 2005?

Table with 2 columns: Yes, No. Rows 4a, 4b.

- 5a During the year did the organization pay or incur any amount to:
(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?
(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive?
(3) Provide a grant to an individual for travel, study, or other similar purposes?
(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)?
(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?

Table with 2 columns: Yes, No. Rows 5b, 5c.

- 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

Table with 2 columns: Yes, No. Rows 5b, 5c.

- c If the answer is 'Yes' to question 5a(4), does the organization claim exemption from the tax because it maintained expenditure responsibility for the grant?
If 'Yes,' attach the statement required by Regulations section 53.4945-5(d).
6a Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?
b Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?
If you answered 'Yes' to 6b, also file Form 8870.

Table with 2 columns: Yes, No. Rows 6a, 6b.

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
See attached list	per list			
See attached list	per list	0.	0.	0.
Trustees do not devote	per list			
Regular hours to the	per list	0.	0.	0.
organization	per list			
on a weekly basis	per list	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	None			
None	None	0.	0.	0.

Total number of other employees paid over \$50,000 None

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		
None	None	0.

Total number of others receiving over \$50,000 for professional services 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 none	0.
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 None	0.
2	
All other program-related investments. See instructions.	
3	
Total. Add lines 1 through 3	None

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	2,591,378.
b Average of monthly cash balances	1 b	348,786.
c Fair market value of all other assets (see instructions)	1 c	1,500.
d Total (add lines 1a, b and c)	1 d	2,941,664.
e Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1 e	
2 Acquisition indebtedness applicable to line 1 assets	2	
3 Subtract line 2 from line 1d	3	2,941,664.
4 Cash deemed held for charitable activities. Enter 1-1/2% of line 3 (for greater amount, see instructions)	4	44,125.
5 Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	2,897,539.
6 Minimum investment return. Enter 5% of line 5	6	144,877.

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	144,877.
2a Tax on investment income for 2005 from Part VI, line 5	2 a	3,389.
b Income tax for 2005. (This does not include the tax from Part VI.)	2 b	0.
c Add lines 2a and 2b	2 c	3,389.
3 Distributable amount before adjustments. Subtract line 2c from line 1	3	141,488.
4 Recoveries of amounts treated as qualifying distributions	4	0.
5 Add lines 3 and 4	5	141,488.
6 Deduction from distributable amount (see instructions)	6	0.
7 Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	141,488.

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	172,000.
b Program-related investments — total from Part IX-B	1 b	0.
2 Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	0.
3 Amounts set aside for specific charitable projects that satisfy the:		
a Suitability test (prior IRS approval required)	3 a	0.
b Cash distribution test (attach the required schedule)	3 b	0.
4 Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	172,000.
5 Organizations 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	0.
6 Adjusted qualifying distributions. Subtract line 5 from line 4	6	172,000.

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 2004	(c) 2004	(d) 2005
1 Distributable amount for 2005 from Part XI, line 7				141,488.
2 Undistributed income, if any, as of the end of 2004:				
a Enter amount for 2004 only			0.	
b Total for prior years: 20 01, 20 02, 20 03		0.		
3 Excess distributions carryover, if any, to 2005:				
a From 2000	44,183.			
b From 2001	85,311.			
c From 2002	76,953.			
d From 2003	89,812.			
e From 2004	72,998.			
f Total of lines 3a through e	369,257.			
4 Qualifying distributions for 2005 from Part XII, line 4: ▶ \$ 172,000.				
a Applied to 2004, but not more than line 2a			0.	
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 2005 distributable amount				97,305.
e Remaining amount distributed out of corpus	74,695.			
5 Excess distributions carryover applied to 2005 (If an amount appears in column (d), the same amount must be shown in column (a).)	44,183.			44,183.
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	399,769.			
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 2004. Subtract line 4a from line 2a. Taxable amount — see instructions			0.	
f Undistributed income for 2005. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2006				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(E) or 4942(g)(3) (see instructions)	0.			
8 Excess distributions carryover from 2000 not applied on line 5 or line 7 (see instructions)	0.			
9 Excess distributions carryover to 2006. Subtract lines 7 and 8 from line 6a	399,769.			
10 Analysis of line 9:				
a Excess from 2001	85,311.			
b Excess from 2002	76,953.			
c Excess from 2003	89,812.			
d Excess from 2004	72,998.			
e Excess from 2005	74,695.			

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

N/A

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2005, enter the date of the ruling ▶

b Check box to indicate whether the organization is a private operating foundation described in section 4942(j)(3) or 4942(j)(5)

	Tax year				(e) Total
	(a) 2005	(b) 2004	(c) 2003	(d) 2002	
2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon:					
a 'Assets' alternative test — enter:					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b 'Endowment' alternative test — Enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c 'Support' alternative test — enter:					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

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

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 organization only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the organization 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 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:

c 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
<p><i>a Paid during the year</i> See attached list</p>	N/A	Public	All contributions are made to publicly supported charitable organizations to be used in their respective work	172,000.
Total				3a 172,000.
<p><i>b Approved for future payment</i> N/A</p>	N/A	N/A	N/A N/A	0.
Total				3b 0.

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

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 organization to a noncharitable exempt organization of:

- (1) Cash
- (2) Other assets

b Other transactions:

- (1) Sales of assets to a noncharitable exempt organization
- (2) Purchases of assets from a noncharitable exempt organization
- (3) Rental of facilities, equipment, or other assets
- (4) Reimbursement arrangements
- (5) Loans or loan guarantees
- (6) Performance of services or membership or fundraising solicitations

c Sharing of facilities, equipment, mailing lists, other assets, or paid employees

	Yes	No
1 a (1)		X
1 a (2)		X
1 b (1)		X
1 b (2)		X
1 b (3)		X
1 b (4)		X
1 b (5)		X
1 b (6)		X
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 organization. If the organization received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.

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

2a Is the organization 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

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

SIGNATURE	Signature of officer or trustee	Date	Title	
	Preparer's signature	07/19/07	Check it self-employed <input type="checkbox"/>	Preparer's SSN or PTIN (See instructions)
HERE	Firm's name (or yours if self-employed), address, and ZIP code	EIN		Phone no.
	Cappiali & Blumenthal, P.C. 920 W Sproul Road, Suite 204 Springfield PA 19064	23-2659382		

Schedule B
(Form 990, 990-EZ,
or 990-PF)

Department of the Treasury
Internal Revenue Service

Schedule of Contributors
Supplementary Information for
line 1 of Form 990, 990-EZ and 990-PF (see instructions)

OMB No. 1545-0047

2005

Name of organization Valentine Foundation	Employer identification number 23-6806061
---	---

Organization type (check one):

Filers of:

Form 990 or 990-EZ

Section:

- 501(c)(____) (enter number) organization
- 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation
- 527 political organization

Form 990-PF

- 501(c)(3) exempt private foundation
- 4947(a)(1) nonexempt charitable trust treated as a private foundation
- 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**. (**Note:** Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule – see instructions.)

General Rule –

- For organizations filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. (Complete Parts I and II.)

Special Rules –

- For a section 501(c)(3) organization filing Form 990, or Form 990-EZ, that met the 33-1/3% support test under Regulations sections 1.509(a)-3/1, 170A-9(e) and received from any one contributor, during the year, a contribution of the greater of \$5,000 or 2% of the amount on line 1 of these forms. (Complete Parts I and II.)
- For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, aggregate contributions or bequests of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. (Complete Parts I, II, and III.)
- For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, some contributions for use *exclusively* for religious, charitable, etc, purposes, but these contributions did not aggregate to more than \$1,000. (If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc, purpose. Do not complete any of the Parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc, contributions of \$5,000 or more during the year.) ► \$ _____

Caution: Organizations that are not covered by the General Rule and/or the Special Rules do not file Schedule B (Form 990, 990-EZ, or 990-PF) but they **must** check the box in the heading of their Form 990, Form 990-EZ, or on line 2 of their Form 990-PF, to certify that they do not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

BAA For Paperwork Reduction Act Notice, see the Instructions for Form 990, Form 990-EZ, and Form 990-PF.

Schedule B (Form 990, 990-EZ, or 990-PF) (2005)

Name of organization Valentine Foundation	Employer identification number 23-6806061
---	---

Part I Contributors (See Specific Instructions.)

(a) Number	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	Valentine, Phoebe v - Charitable Lead Trust Mellon Bank N.A, P.O. Box 7236 Philadelphia PA 19101-7236	\$ 147,002.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
2	See attached list	\$ 153,978.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
3	See attached list	\$ 49,258.	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II if there is a noncash contribution.)
---	-----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
---	-----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
---	-----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Depreciation and Amortization
(Including Information on Listed Property)

2005

Attachment
Sequence No. **67**

Department of the Treasury
Internal Revenue Service

▶ See separate instructions. ▶ Attach to your tax return.

Name(s) shown on return

Valentine Foundation

Identifying number

23-6806061

Business or activity to which this form relates

Form 990-PF page 1

Part I Election To Expense Certain Property Under Section 179

Note: If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount. See the instructions for a higher limit for certain businesses	1	\$105,000.
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation	3	\$420,000.
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	
6	(a) Description of property	(b) Cost: (business use only)	(c) Elected cost:
7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2004 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instrs)	11	
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2006. Add lines 9 and 10, less line 12	13	

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.) (See instructions.)

14	Special allowance for certain aircraft, certain property with a long production period, and qualified New York Liberty or GO Zone property (other than listed property) placed in service during the tax year (see instrs)	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	0.

Part III MACRS Depreciation (Do not include listed property.) (See instructions)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2005	17	183.
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here <input type="checkbox"/>		

Section B — Assets Placed in Service During 2005 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only — see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs		S/L	
h Residential rental property			27.5 yrs	MM	S/L	
i Nonresidential real property			39 yrs	MM	S/L	

Section C — Assets Placed in Service During 2005 Tax Year Using the Alternative Depreciation System

20a Class life				S/L	
b 12-year			12 yrs	S/L	
c 40-year			40 yrs	MM	S/L

Part IV Summary (see instructions)

21	Listed property. Enter amount from line 28	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations — see instructions	22	183.
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

Part V Listed Property (Include automobiles, certain other vehicles, cellular telephones, certain computers, and property used for entertainment, recreation, or amusement.)

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A - Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)

Table with 9 columns: (a) Type of property, (b) Date placed in service, (c) Business/investment use percentage, (d) Cost or other basis, (e) Basis for depreciation, (f) Recovery period, (g) Method/Convention, (h) Depreciation deduction, (i) Elected section 179 cost. Includes rows 24a-29.

Section B - Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other 'more than 5% owner,' or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

Table with 6 columns: (a) Vehicle 1, (b) Vehicle 2, (c) Vehicle 3, (d) Vehicle 4, (e) Vehicle 5, (f) Vehicle 6. Includes rows 30-36.

Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons (see instructions).

Table with 2 columns: Yes, No. Includes rows 37-41.

Part VI Amortization

Table with 6 columns: (a) Description of costs, (b) Date amortization begins, (c) Amortizable amount, (d) Code section, (e) Amortization period or percentage, (f) Amortization for this year. Includes rows 42-44.

Form 990-PF, Page 1, Part I, Line 18

Line 18 Stmt

Taxes: (see instructions)	Rev/Exp Book	Net Inv Inc	Adj Net Inc	Charity Disb
Income tax	4,571.			
Payroll taxes	4,919.			
Total	9,490.			

Form 990-PF, Page 1, Part I, Line 23

Line 23 Stmt

Other expenses:	Rev/Exp Book	Net Inv Inc	Adj Net Inc	Charity Disb
Membership dues	3,600.			
Office supplies	1,454.			
Software maintenance and support	1,244.			
Telephone	611.			
Workers compensation insurance	235.			
Other expenses	1,838.			
Directors' and officers' insura	1,125.			
Record Storage	716.			
Food	7,886.			
Website costs	212.			
Cable	185.			
Postage and Delivery	1,576.			
Parking	77.			
Bank service charges	261.			
Total	21,020.			

Form 990-PF, Page 1, Part I, Line 16b

L-16b Stmt

Line 16b - Accounting Fees:		
Name of Provider	Type of Service Provided	Amount Paid
Cappiali & blumenthal, P.C.	Bookkeeping and tax	3,300.
Total		3,300.

Form 990-PF, Page 1, Part I, Line 16c

L-16c Stmt

Line 16c - Other Professional Fees:		
Name of Provider	Type of Service Provided	Amount Paid
YIKES	computer consulting	223.
The Breton Company	Financial consulting	18,750.
Byte Me Computer Services	computer consulting	80.
Marilyn Lucas	Development consulting	7,500.
Jude Bucci	Design and Image consulting	4,535.
Jennifer Snavelly	Campaign Coordinator	9,739.
Scott Lean	Videography	750.
Merrill Lynch	Investment fee	168.

Form 990-PF, Page 1, Part I, Line 16c

Continued

L-16c Stmt

Line 16c - Other Professional Fees:		
Name of Provider	Type of Service Provided	Amount Paid
Total		<u>41,745.</u>

Form 990-PF, Page 2, Part II, Line 10a

L-10a Stmt

Line 10a - Investments - US and State Government Obligations:	End of Year	
	Book Value	Fair Market Value
<u>See schedule attached</u>	<u>306,709.</u>	<u>358,672.</u>
Total	<u>306,709.</u>	<u>358,672.</u>

Form 990-PF, Page 2, Part II, Line 10b

L-10b Stmt

Line 10b - Investments - Corporate Stock:	End of Year	
	Book Value	Fair Market Value
<u>See schedule attached</u>	<u>802,565.</u>	<u>1,957,849.</u>
Total	<u>802,565.</u>	<u>1,957,849.</u>

Form 990-PF, Page 2, Part II, Line 10c

L-10c Stmt

Line 10c - Investments - Corporate Bonds:	End of Year	
	Book Value	Fair Market Value
<u>See schedule attached</u>	<u>50,948.</u>	<u>50,409.</u>
Total	<u>50,948.</u>	<u>50,409.</u>

Form 990-PF, Page 2, Part II, Line 14

L-14 Stmt

Line 14b - Description of Land, Buildings, and Equipment	(a) Cost/Other Basis	(b) Accumulated Depreciation	(c) Book Value
<u>Equipment</u>	<u>2,686.</u>	<u>2,686.</u>	<u>0.</u>
<u>Equipment</u>	<u>2,744.</u>	<u>2,744.</u>	<u>0.</u>
<u>Computer software</u>	<u>6,796.</u>	<u>6,796.</u>	<u>0.</u>
<u>Computer</u>	<u>1,908.</u>	<u>954.</u>	<u>954.</u>

Form 990-PF, Page 2, Part II, Line 14

Continued

L-14 Stmt

Line 14b - Description of Land, Buildings, and Equipment	(a) Cost/Other Basis	(b) Accumulated Depreciation	(c) Book Value
Total	<u>14,134.</u>	<u>13,180.</u>	<u>954.</u>

Supporting Statement of:

Form 990-PF, p1/Line 1(a)

Description	Amount
Contributions	203,236.
Trust income	147,002.
Total	350,238.

Supporting Statement of:

Form 990-PF p11/Line 3 Column (d)

Description	Amount
Interest (CD's and Temp accounts)	10,048.
US Bonds	10,546.
Schwab (restricted)	1,783.
Tax exempt bonds	7,250.
Total	29,627.

Supporting Statement of:

Form 990-PF p11/Line 4 Column (d)

Description	Amount
Corporate Bonds	3,375.
Corporate stock	34,426.
Total	37,801.

Valentine Foundation
 Form 990 PF
 EIN 23-6806061
 Year Ended 11/30/06
 Schedule B, Part I
 Line 2 C

Name	Address	City	State	Zip	Contribution
Ms. Lee Alter	210 W. Rittenhouse Sq., 1506	Phila.	PA	19103	\$ 1,000
Ms. Ann R. Baruch	230 Laurel Lane	Haverford	PA	19041	5,000
Mr. and Mrs. Lou Berneman	2119 Delancey Place	Philadelphia	PA	19103	100
Mr & Mrs. Robert Bryan	310 Quarry Lane	Haverford	PA	19041	300
Ms. Rhonda Carboni	128 Hooton Road	Mt. Laurel	NJ	08054	25
Mr. and Mrs. Cummins Catherwood, Jr.	622 Rose Lane	Bryn Mawr	PA	19010	1,000
Mr. and Mrs. Isaac Clothier, IV	611 Winsford Road	Bryn Mawr	PA	19010	500
Ms. Peggy Curchack	7306 Emlen Street	Philadelphia	PA	19119	500
Robin Derry & Don Damell	51976 Quail Valley Dr.	Granger	IN	46530	200
Mr & Mrs. Donald Delson	621 N. Chester Rd.	Swarthmore	PA	19081	1,000
Mrs. John W. Drayton	74 Pasture Lane	Bryn Mawr	PA	19010-	100
Ms. Robin I. Eisenberg and Ms. Bean Meles	8226 Brookside Road	Elkins Park	PA	19027	970
Ms. Elizabeth Wallace Ellers	420 N. Rose Lane	Haverford	PA	19041	500
Ms. Patricia S. Feeney	105 Atsion Road	Medford	NJ	08055	421
Mr. and Mrs. G. A. Fernley	1318 Youngsford Road	Gladwyne	PA	19035	100
Dr. and Mrs. Thomas G. Frazier	300 Quarry Lane	Haverford	PA	19041	10,506
Mr & Mrs Richard Gwinn	220 Hares Lane	Radnor	PA	19087	200
Mr. and Mrs. Matthew Hamilton	1001 Rock Creek Rd.	Bryn Mawr	PA	19010	4,600
Mr. and Mrs. N. Peter Hamilton	500 Rose Lane	Haverford	PA	19041	1,000
Ms. Nancy Harris	412 S. Ithan Avenue	Villanova	PA	19085	1,000
Mr. and Mrs. Rad Hastings	309 Edgehill Road	Wayne	PA	19087	100
Mr. and Mrs. Leo Helmers	1325 Summer Hill Lane	Gladwyne	PA	19035	150
Hess Foundation, Inc.	307 Brentford Rd.	Haverford	PA	19041	10,000
Mr. and Mrs. Doc Hopkins	7711 St. Martins Lane	Philadelphia	PA	19118	1,000
Ms. Cynthia Jetter	4 Anderson Street	Media	PA	19063	200
Ms. Vicki W. Kramer	604 Washington Sq. Rd., #2916	Phila.	PA	19106	150
Eve B. Klothen & Kenneth L. Klothen	525 Walnut Lane	Swarthmore	PA	19081	100
Mr. and Mrs. Robert Legnini	416 Boxwood Road	Rosemont	PA	19010	30,000
Ms. Linda Lemmon	421 Berkley Road	Haverford	PA	19041	250

