

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

2002

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 2002, or tax year beginning _____, and ending _____

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 BELDON II FUND Number and street (or P.O. box number if mail is not delivered to street address) Room/suite 99 MADISON AVENUE, 8TH FLOOR City or town, state, and ZIP code NEW YORK, NY 10016	A Employer identification number 38-2756784 B Telephone number 212-616-5600
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		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"/>
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) \$ 73,941,682. (Part I, column (d) must be on cash basis.)		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"/>
J Accounting method: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____		

Part I Analysis of Revenue and Expenses <small>(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a).)</small>		(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 <small>Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch. B</small>			N/A	
	2 Distributions from split-interest trusts				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	2,937,959.	2,928,086.		Statement 2
	5a Gross rents				
	b (Net rental income or (loss))				
	6a Net gain or (loss) from sale of assets not on line 10	-242,027.			Statement 1
	b Gross sales price for all assets on line 6a	65,304,891.			
	7 Capital gain net income (from Part IV, line 2)		0.		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
b Less: Cost of goods sold					
c Gross profit or (loss)					
11 Other income	-1,807,690.	0.		Statement 3	
12 Total. Add lines 1 through 11	888,242.	2,928,086.			
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc.	317,023.	98,855.		218,168.
	14 Other employee salaries and wages	581,318.	4,113.		627,910.
	15 Pension plans, employee benefits	322,246.	51,559.		291,042.
	16a Legal fees Stmt 4	35,682.	3,569.		41,918.
	b Accounting fees Stmt 5	35,869.	8,744.		25,444.
	c Other professional fees Stmt 6	482,394.	446,746.		35,152.
	17 Interest				
	18 Taxes Stmt 7	30,500.	0.		0.
	19 Depreciation and depletion	111,126.	11,113.		
	20 Occupancy	161,871.	16,187.		145,684.
	21 Travel, conferences, and meetings	87,795.	8,780.		89,559.
	22 Printing and publications				
	23 Other expenses Stmt 8	693,966.	29,987.		573,875.
	24 Total operating and administrative expenses. Add lines 13 through 23	2,859,790.	679,653.		2,048,752.
	25 Contributions, gifts, grants paid	9,429,019.			11,654,019.
26 Total expenses and disbursements. Add lines 24 and 25	12,288,809.	679,653.		13,702,771.	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements ...	-11,400,567.				
b Net investment income (if negative, enter -0-)		2,248,433.			
c Adjusted net income (if negative, enter -0-)			N/A		

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only.		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value		
Assets	1	Cash - non-interest-bearing		438.	511,072.	511,072.
	2	Savings and temporary cash investments		7,496,260.	790,895.	790,895.
	3	Accounts receivable ▶ 303,456.				
		Less: allowance for doubtful accounts ▶		697,590.	303,456.	303,456.
	4	Pledges receivable ▶				
		Less: allowance for doubtful accounts ▶				
	5	Grants receivable				
	6	Receivables due from officers, directors, trustees, and other disqualified persons				
	7	Other notes and loans receivable ▶				
		Less: allowance for doubtful accounts ▶				
	8	Inventories for sale or use				
	9	Prepaid expenses and deferred charges				
	10a	Investments - U.S. and state government obligations Stmt 9		15,388,876.	8,351,809.	8,351,809.
	b	Investments - corporate stock Stmt 10		17,879,968.	16,556,140.	16,556,140.
	c	Investments - corporate bonds Stmt 11		17,892,562.	9,098,539.	9,098,539.
	11	Investments - land, buildings, and equipment: basis ▶				
	Less: accumulated depreciation ▶					
12	Investments - mortgage loans					
13	Investments - other Stmt 12		27,587,034.	37,744,208.	37,744,208.	
14	Land, buildings, and equipment: basis ▶ 937,130.					
	Less: accumulated depreciation ▶ 405,133.		629,602.	531,997.	531,997.	
15	Other assets (describe ▶ Statement 13)		41,531.	53,566.	53,566.	
16	Total assets (to be completed by all filers)		87,613,861.	73,941,682.	73,941,682.	
Liabilities	17	Accounts payable and accrued expenses		130,731.	145,275.	
	18	Grants payable		6,235,000.	4,010,000.	
	19	Deferred revenue				
	20	Loans from officers, directors, trustees, and other disqualified persons				
	21	Mortgages and other notes payable				
	22	Other liabilities (describe ▶ PAYROLL)		64,095.	2,939.	
	23	Total liabilities (add lines 17 through 22)		6,429,826.	4,158,214.	
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here ▶ <input checked="" type="checkbox"/>					
	and complete lines 24 through 26 and lines 30 and 31.					
	24	Unrestricted		81,184,035.	69,783,468.	
	25	Temporarily restricted				
	26	Permanently restricted				
	Organizations that do not follow SFAS 117, check here ▶ <input type="checkbox"/>					
	and complete lines 27 through 31.					
	27	Capital stock, trust principal, or current funds				
28	Paid-in or capital surplus, or land, bldg., and equipment fund					
29	Retained earnings, accumulated income, endowment, or other funds					
30	Total net assets or fund balances		81,184,035.	69,783,468.		
31	Total liabilities and net assets/fund balances		87,613,861.	73,941,682.		

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	81,184,035.
2	Enter amount from Part I, line 27a	2	-11,400,567.
3	Other increases not included in line 2 (itemize) ▶	3	0.
4	Add lines 1, 2, and 3	4	69,783,468.
5	Decreases not included in line 2 (itemize) ▶	5	0.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	69,783,468.

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)		(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a				
b See Attached Statement				
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				
b				
c				
d				
e 65,304,891.		65,547,477.	-242,586.	
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))	
(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any		
a				
b				
c				
d				
e			-242,586.	
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	-242,586.	
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). If (loss), enter -0- in Part I, line 8		3	N/A	

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

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

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

Was the 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 (col. (b) divided by col. (c))
2001	13,621,195.	90,810,826.	.1499953
2000	11,363,516.	99,684,036.	.1139953
1999	3,806,499.	104,386,645.	.0364654
1998	1,706,915.	75,242,921.	.0226854
1997	1,101,748.	12,357,970.	.0891528
2 Total of line 1, column (d)			.4122942
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			.0824588
4 Enter the net value of noncharitable-use assets for 2002 from Part X, line 5			91,474,884.
5 Multiply line 4 by line 3			7,542,909.
6 Enter 1% of net investment income (1% of Part I, line 27b)			22,484.
7 Add lines 5 and 6			7,565,393.
8 Enter qualifying distributions from Part XII, line 4			13,714,939.

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)

Table with 11 rows for excise tax calculations. Includes fields for exempt operating foundations, domestic organizations, tax under section 511, add lines 1 and 2, subtitle A tax, tax based on investment income, credits/payments, total credits, penalty, tax due, overpayment, and amount of line 10.

Part VII-A Statements Regarding Activities

Table with 11 rows for activity statements. Includes questions about influencing legislation, political purposes, Form 1120-POL, political expenditures, reimbursement, IRS reporting, unrelated business income, Form 990-T, liquidation, section 508(e) requirements, assets, state registration, Form 990-PF copies, private operating foundation status, substantial contributors, public inspection requirements, and books in care.

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

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

1a During the year did the 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?
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 page 19 of the instructions)?
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 2002?
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 2002, did the organization have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2002?
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?
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here.
3a Did the 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 2002 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?
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 2002?
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?
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)?
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?
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?

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

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

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
See Statement 14		317,023.	48,013.	0.

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

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
ANITA NAGER 99 MADISON AVE, NEW YORK, NY	PROGRAM OFFICER 40	154,221.	23,133.	0.
JULIE A HERMAN 99 MADISON AVE, NEW YORK, NY	PROGRAM OFFICER 40	56,460.	0.	0.
FRANCISCO SANCHEZ 99 MADISON AVE, NEW YORK, NY	MIS 40	83,616.	12,542.	0.
HOLERI FARUOL 99 MADISON AVE, NEW YORK, NY	GRANTS MGR 40	64,945.	9,742.	0.
ANGELICA VELEZ 99 MADISON AVE, NEW YORK, NY	OFFICE MGR 40	70,306.	10,546.	0.
Total number of other employees paid over \$50,000				2

3 Five highest-paid independent contractors for professional services. If none, enter "NONE."

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
SALOMON SMITH BARNEY WASHINGTON, DC	INVESTMENT ADVICE	404,334.
THE BUTTONWOOD PARTNERSHIP	PROGRAM CONSULTING	127,500.
CROXTON COLLABORATIVE	CONSTRUCTION CONSULTING	59,000.
Total number of others receiving over \$50,000 for professional services		0

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1 N/A	
2	
3	
4	

Part IX-B Summary of Program-Related Investments

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.		Amount
1	N/A	
2		
All other program-related investments. See instructions.		
3		
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	1a	88,549,255.
b	Average of monthly cash balances	1b	3,712,494.
c	Fair market value of all other assets	1c	606,154.
d	Total (add lines 1a, b, and c)	1d	92,867,903.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0.
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	92,867,903.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	1,393,019.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	91,474,884.
6	Minimum investment return. Enter 5% of line 5	6	4,573,744.

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	4,573,744.
2a	Tax on investment income for 2002 from Part VI, line 5	2a	22,484.
b	Income tax for 2002. (This does not include the tax from Part VI.)	2b	1,415.
c	Add lines 2a and 2b	2c	23,899.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	4,549,845.
4a	Recoveries of amounts treated as qualifying distributions	4a	0.
b	Income distributions from section 4947(a)(2) trusts	4b	0.
c	Add lines 4a and 4b	4c	0.
5	Add lines 3 and 4c	5	4,549,845.
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	4,549,845.

Part XII Qualifying Distributions (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	1a	13,702,771.
b	Program-related investments - Total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	12,168.
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	13,714,939.
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	5	22,484.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	13,692,455.

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 2001	(c) 2001	(d) 2002
1 Distributable amount for 2002 from Part XI, line 7				4,549,845.
2 Undistributed income, if any, as of the end of 2001:				
a Enter amount for 2001 only			0.	
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2002:				
a From 1997	301,253.			
b From 1998				
c From 1999				
d From 2000	6,633,730.			
e From 2001	9,457,514.			
f Total of lines 3a through e	16,392,497.			
4 Qualifying distributions for 2002 from Part XII, line 4: ▶ \$	13,714,939.			
a Applied to 2001, 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 2002 distributable amount				4,549,845.
e Remaining amount distributed out of corpus	9,165,094.			
5 Excess distributions carryover applied to 2002 (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	25,557,591.			
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 2001. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2002. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2003				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(E) or 4942(g)(3)	0.			
8 Excess distributions carryover from 1997 not applied on line 5 or line 7	301,253.			
9 Excess distributions carryover to 2003. Subtract lines 7 and 8 from line 6a	25,256,338.			
10 Analysis of line 9:				
a Excess from 1998				
b Excess from 1999				
c Excess from 2000	6,633,730.			
d Excess from 2001	9,457,514.			
e Excess from 2002	9,165,094.			

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 2002, 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	Prior 3 years			(e) Total
	(a) 2002	(b) 2001	(c) 2000	(d) 1999	
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-see page 25 of the 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 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:

**BELDON II FUND, 99 MADISON AVE 8TH FLOOR
NEW YORK, NY 10016 (212) 616-5600**

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

SEE GUIDELINES ATTACHED OR WWW.BELDON.ORG

c Any submission deadlines:

SEE GUIDELINES ATTACHED OR WWW.BELDON.ORG

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

SEE GUIDELINES ATTACHED OR WWW.BELDON.ORG

Part XV **Supplementary Information** (continued)

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

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
<p><i>a Paid during the year</i></p> <p>SEE SCHEDULE ATTACHED #16</p>				11654019.
<p>Total</p>				<p>3a 11654019.</p>
<p><i>b Approved for future payment</i></p> <p>SEE SCHEDULE ATTACHED #16</p>				4,010,000.
<p>Total</p>				<p>3b 4,010,000.</p>

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... 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 d If the answer to any of the above is "Yes," complete the following schedule.

Table with 4 columns: (a) Line no., (b) Amount involved, (c) Name of noncharitable exempt organization, (d) Description of transfers, transactions, and sharing arrangements. Content includes 'N/A'.

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

Table with 3 columns: (a) Name of organization, (b) Type of organization, (c) Description of relationship. Content includes '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 or fiduciary) is based on all information of which preparer has any knowledge.

Sign Here section containing signature lines for officer/trustee and preparer, and a signature box for Owen J Flanagan & Co with address and phone number.

Part IV Capital Gains and Losses for Tax on Investment Income

	(a) List and describe the kind(s) of property sold, e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.	(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a	A/C 179-10001-18 STMT #17	P		
b	A/C 179-10000-19 STMT #18	P		
c	A/C 179-10002-17 STMT #19	P		
d	A/C 179-10003-16 STMT #20	P		
e	A/C 179-10004-15 STMT #21	P		
f	A/C 179-00467-16 STMT #22	P		
g	A/C 179-00466-17 STMT #23	P		
h	A/C 179-10005-14 STMT #24	P		
i	AG EDWARDS A/C	P		
j	MAJESTIC PARTNERSHIP	P		
k	MISC. AUDIT ADJ.	P		
l	MAJESTIC PARTNERSHIP - UBIT			
m				
n				
o				

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a	3,135,991.		3,928,318.	-792,327.
b	1,068,021.		1,231,559.	-163,538.
c	989,403.		760,511.	228,892.
d	1,747,892.		2,114,646.	-366,754.
e	616,055.		688,118.	-72,063.
f	29,787,948.		29,129,786.	658,162.
g	26,880,850.		26,319,501.	561,349.
h	954,561.		1,339,094.	-384,533.
i	34,000.		35,385.	-1,385.
j	72,015.			72,015.
k	18,155.			18,155.
l			559.	-559.
m				
n				
o				

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Losses (from col. (h)) Gains (excess of col. (h) gain over col. (k), but not less than "-0-")
a			-792,327.
b			-163,538.
c			228,892.
d			-366,754.
e			-72,063.
f			658,162.
g			561,349.
h			-384,533.
i			-1,385.
j			72,015.
k			18,155.
l			-559.
m			
n			
o			

2	Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 If (loss), enter "-0-" in Part I, line 7 }	2	-242,586.
3	Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). If (loss), enter "-0-" in Part I, line 8	3	N/A

(a) Description of Property	(b) Gross Sales Price	(c) Cost or Other Basis	(d) Expense of Sale	Manner Acquired	Date Acquired	Date Sold
A/C 179-10003-16 STMT #20				Purchased		
	1,747,892.	2,114,646.	0.		0.	-366,754.

(a) Description of Property	(b) Gross Sales Price	(c) Cost or Other Basis	(d) Expense of Sale	Manner Acquired	Date Acquired	Date Sold
A/C 179-10004-15 STMT #21				Purchased		
	616,055.	688,118.	0.		0.	-72,063.

(a) Description of Property	(b) Gross Sales Price	(c) Cost or Other Basis	(d) Expense of Sale	Manner Acquired	Date Acquired	Date Sold
A/C 179-00467-16 STMT #22				Purchased		
	29,787,948.	29,129,786.	0.		0.	658,162.

(a) Description of Property	(b) Gross Sales Price	(c) Cost or Other Basis	(d) Expense of Sale	Manner Acquired	Date Acquired	Date Sold
A/C 179-00466-17 STMT #23				Purchased		
	26,880,850.	26,319,501.	0.		0.	561,349.

(a) Description of Property	(b) Gross Sales Price	(c) Cost or Other Basis	(d) Expense of Sale	(e) Deprec.	(f) Gain or Loss
A/C 179-10005-14 STMT #24	954,561.	1,339,094.	0.	0.	-384,533.

(a) Description of Property	(b) Gross Sales Price	(c) Cost or Other Basis	(d) Expense of Sale	(e) Deprec.	(f) Gain or Loss
AG EDWARDS A/C	34,000.	35,385.	0.	0.	-1,385.

(a) Description of Property	(b) Gross Sales Price	(c) Cost or Other Basis	(d) Expense of Sale	(e) Deprec.	(f) Gain or Loss
MAJESTIC PARTNERSHIP	72,015.	0.	0.	0.	72,015.

(a) Description of Property	(b) Gross Sales Price	(c) Cost or Other Basis	(d) Expense of Sale	(e) Deprec.	(f) Gain or Loss
MISC. AUDIT ADJ.	18,155.	0.	0.	0.	18,155.

Capital Gains Dividends from Part IV					0.
Total to Form 990-PF, Part I, line 6a					-242,027.

Form 990-PF	Dividends and Interest from Securities	Statement	2
Source	Gross Amount	Capital Gains Dividends	Column (A) Amount
DIVIDENDS	291,664.	0.	291,664.
INTEREST	2,646,295.	0.	2,646,295.
Total to Fm 990-PF, Part I, ln 4	2,937,959.	0.	2,937,959.

Form 990-PF	Other Income	Statement	3
Description		Amount	
APPRECIATION		-1,807,690.	
Total to Form 990-PF, Part I, line 11, Column A		-1,807,690.	

Form 990-PF	Legal Fees	Statement	4
Description	(a) Expenses Per Books	(b) Net Investment Income	(c) Adjusted Net Income
LICHTMAN, TRISTER, SINGER & ROSS	35,605.	3,561.	41,849.
WARNER NORCROSS	77.	8.	69.
To Fm 990-PF, Pg 1, ln 16a	35,682.	3,569.	41,918.

Form 990-PF	Accounting Fees	Statement	5
Description	(a) Expenses Per Books	(b) Net Investment Income	(c) Adjusted Net Income
EISNER LLP	12,100.	3,025.	7,538.
OWEN J FLANAGAN & CO - AUDIT	17,500.	4,375.	13,125.
MCGUIRE & ASSOC.	4,785.	1,196.	3,589.
PAYCHEX - P/R	1,484.	148.	1,192.
To Form 990-PF, Pg 1, ln 16b	35,869.	8,744.	25,444.

Form 990-PF	Other Professional Fees			Statement 6
Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
ANN GARVIN - PROGRAM	4,732.	0.		4,732.
SUPER WEB GIRL - COMPUTER	7,748.	775.		6,973.
HERON ASSOC./WILLIAM JAMES LTD	20,045.	2,005.		18,235.
MAJESTY I LP - INVESTMENT	29,084.	29,084.		0.
SMITH BARNEY- INVESTMENT	404,334.	404,334.		0.
VARIOUS- EMPLOYEE BENEFITS FIN.	4,665.	467.		4,086.
PROGRAM CONSULTING	10,000.	10,000.		0.
OTHER	972.	0.		972.
	814.	81.		154.
To Form 990-PF, Pg 1, ln 16c	482,394.	446,746.		35,152.

Form 990-PF	Taxes			Statement 7
Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
EXCISE	30,500.	0.		0.
To Form 990-PF, Pg 1, ln 18	30,500.	0.		0.

Form 990-PF	Other Expenses			Statement 8
Description	(a) Expenses Per Books	(b) Net Invest- ment Income	(c) Adjusted Net Income	(d) Charitable Purposes
REPAIRS & MAINTENANCE	28,804.	2,880.		25,924.
EQUIPMENT	37,924.	3,792.		33,533.
INSURANCE	5,758.	576.		12,113.
TEMP HELP	12,063.	0.		11,523.
ANNUAL REPORT	8,081.	808.		18,297.
MEMBERSHIPS	28,215.	2,822.		25,394.
OFFICE SUPPLIES	53,823.	5,382.		44,045.
OFFICE RENOVATIONS	100,315.	10,032.		24,656.
TELEPHONE, INTERNET, FAX	36,556.	3,656.		31,553.
FOUNDATION PROJECTS	382,033.	0.		346,482.
BANK CHARGES	394.	39.		355.
To Form 990-PF, Pg 1, ln 23	693,966.	29,987.		573,875.

Form 990-PF U.S. and State/City Government Obligations Statement 9

Description	U.S. Gov't	Other Gov't	Book Value	Fair Market Value
STATEMENT #25	X		8,351,809.	8,351,809.
Total U.S. Government Obligations			8,351,809.	8,351,809.
Total State and Municipal Government Obligations				
Total to Form 990-PF, Part II, line 10a			8,351,809.	8,351,809.

Form 990-PF Corporate Stock Statement 10

Description	Book Value	Fair Market Value
STATEMENT #25	16,556,140.	16,556,140.
Total to Form 990-PF, Part II, line 10b	16,556,140.	16,556,140.

Form 990-PF Corporate Bonds Statement 11

Description	Book Value	Fair Market Value
STATEMENT #25	9,098,539.	9,098,539.
Total to Form 990-PF, Part II, line 10c	9,098,539.	9,098,539.

Form 990-PF Other Investments Statement 12

Description	Book Value	Fair Market Value
ASSET BACKED STMT #25	13,173,572.	13,173,572.
ALTERNATIVE INVESTMENTS STMT #25	24,570,636.	24,570,636.
Total to Form 990-PF, Part II, line 13	37,744,208.	37,744,208.

Form 990-PF	Other Assets	Statement	13
Description	Book Value	Fair Market Value	
RENTAL DEPOSITS	37,360.	37,360.	
OTHER	16,206.	16,206.	
Total to Form 990-PF, Part II, line 15	53,566.	53,566.	

Form 990-PF	Part VIII - List of Officers, Directors Trustees and Foundation Managers	Statement	14
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Name and Address	Title and Avg Hrs/Wk	Compen- sation	Employee Ben Plan Contrib	Expense Account
AZADE ARDALI 99 MADISON AVE, 8TH FLOOR NEW YORK, NY 10016	CHIEF OPERATING OFFICER 40	143,939.	21,591.	0.
WILLIAM J. ROBERTS 99 MADISON AVE, 8TH FLOOR NEW YORK, NY 10016	EXECUTIVE DIRECTOR 40	173,084.	26,422.	0.
PATRICIA BAUMAN 99 MADISON AVE, 8TH FLOOR NEW YORK, NY 10016	TRUSTEE 3	0.	0.	0.
WADE GREENE 99 MADISON AVE, 8TH FLOOR NEW YORK, NY 10016	TRUSTEE 1	0.	0.	0.
RUTH HENNING 99 MADISON AVE, 8TH FLOOR NEW YORK, NY 10016	TRUSTEE 1	0.	0.	0.
JOHN HUNTING 99 MADISON AVE, 8TH FLOOR NEW YORK, NY 10016	PRESIDENT, TREASURER 15	0.	0.	0.
GENE KARPINSKI 99 MADISON AVE, 8TH FLOOR NEW YORK, NY 10016	TRUSTEE 1	0.	0.	0.

BELDON II FUND

38-2756784

LAEL STEGALL	TRUSTEE			
99 MADISON AVE, 8TH FLOOR	1	0.	0.	0.
NEW YORK, NY 10016				
ANN FOWLER WALLACE	TRUSTEE			
99 MADISON AVE, 8TH FLOOR	1	0.	0.	0.
NEW YORK, NY 10016				
HOLLY SCHADLER	TRUSTEE			
99 MADISON AVE, 8TH FLOOR	1	0.	0.	0.
NEW YORK, NY 10016				

Totals included on 990-PF, Page 6, Part VIII		<u>317,023.</u>	<u>48,013.</u>	<u>0.</u>
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