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**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.

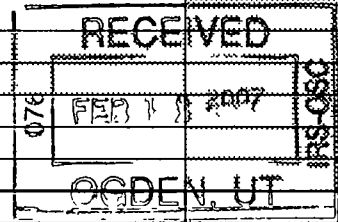
For calendar year 2005, or tax year beginning **OCT 1, 2005**, and ending **SEP 30, 2006**

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 LARSEN FOUNDATION, INC. Number and street (or P O box number if mail is not delivered to street address) Room/suite C/O R.E. INGRAM, 410 GEORGE STREET City or town, state, and ZIP code NEW BRUNSWICK, NJ 08901 | A Employer identification number 31-1482756 B Telephone number 732-524-1060 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"/> |
| 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 | | |
| I Fair market value of all assets at end of year (from Part II, col. (c), line 16) ▶ \$ 14,437,930. (Part I, column (d) must be on cash basis.) | | |
| J Accounting method <input checked="" type="checkbox"/> Cash <input 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) |
|---|------------------------------------|---------------------------|-------------------------|---|
| 1 Contributions, gifts, grants, etc., received | | | N/A | |
| 2 Check <input checked="" type="checkbox"/> If the foundation is not required to attach Sch B | | | | |
| 3 Interest on savings and temporary cash investments | | | | |
| 4 Dividends and interest from securities | 307,393. | 307,393. | | STATEMENT 2 |
| 5a Gross rents | | | | |
| b Net rental income or (loss) | | | | |
| 6a Net gain or (loss) from sale of assets not on line 10 | 406,553. | | | STATEMENT 1 |
| b Gross sales price for all assets on line 6a | 782,845. | | | |
| 7 Capital gain net income (from Part IV, line 2) | | 677,188. | | |
| 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 | | | | |
| 12 Total. Add lines 1 through 11 | 713,946. | 984,581. | | |
| 13 Compensation of officers, directors, trustees, etc | 0. | 0. | | 0. |
| 14 Other employee salaries and wages | | | | |
| 15 Pension plans, employee benefits | | | | |
| 16a Legal fees STMT 3 | 425. | 142. | | 283. |
| b Accounting fees STMT 4 | 3,750. | 1,250. | | 2,500. |
| c Other professional fees | | | | |
| 17 Interest | | | | |
| 18 Taxes STMT 5 | 13,166. | 0. | | 0. |
| 19 Depreciation and depletion | | | | |
| 20 Occupancy | | | | |
| 21 Travel, conferences, and meetings | | | | |
| 22 Printing and publications | | | | |
| 23 Other expenses STMT 6 | 3,571. | 1,189. | | 2,382. |
| 24 Total operating and administrative expenses. Add lines 13 through 23 | 20,912. | 2,581. | | 5,165. |
| 25 Contributions, gifts, grants paid | 1,305,629. | | | 1,305,629. |
| 26 Total expenses and disbursements. Add lines 24 and 25 | 1,326,541. | 2,581. | | 1,310,794. |
| 27 Subtract line 26 from line 12 | <612,595.> | | | |
| a Excess of revenue over expenses and disbursements | | | | |
| b Net investment income (if negative, enter -0-) | | 982,000. | | |
| c Adjusted net income (if negative, enter -0-) | | | N/A | |

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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 | 15,856. | 75,469. | 75,469. | |
| 2 Savings and temporary cash investments | 116,345. | 80,033. | 80,033. | |
| 3 Accounts-receivable ▶ | | | | |
| Less allowance for doubtful accounts ▶ | | | | |
| 4 Pledges receivable ▶ | | | | |
| Less allowance for doubtful accounts ▶ | | | | |
| 5 Grants receivable | | | | |
| 6 Receivables due from officers, directors, trustees, and other disqualified persons | | | | |
| 7 Other notes and loans receivable ▶ | | | | |
| Less allowance for doubtful accounts ▶ | | | | |
| 8 Inventories for sale or use | | | | |
| 9 Prepaid expenses and deferred charges | | 14,337. | 14,337. | |
| 10a Investments - U S and state government obligations | | | | |
| b Investments - corporate stock STMT 8 | 10,962,575. | 10,543,188. | 14,268,091. | |
| c Investments - corporate bonds | | | | |
| 11 Investments - land, buildings, and equipment basis ▶ | | | | |
| Less: accumulated depreciation ▶ | | | | |
| 12 Investments - mortgage loans | | | | |
| 13 Investments - other | | | | |
| 14 Land, buildings, and equipment basis ▶ | | | | |
| Less: accumulated depreciation ▶ | | | | |
| 15 Other assets (describe ▶) | | | | |
| 16 Total assets (to be completed by all filers) | 11,094,776. | 10,713,027. | 14,437,930. | |
| Liabilities | | | | |
| 17 Accounts payable and accrued expenses | | | | |
| 18 Grants payable | | | | |
| 19 Deferred revenue | | | | |
| 20 Loans from officers, directors, trustees, and other disqualified persons | | | | |
| 21 Mortgages and other notes payable | | | | |
| 22 Other liabilities (describe ▶) | | | | |
| 23 Total liabilities (add lines 17 through 22) | 0. | 0. | | |
| Net Assets or Fund Balances | | | | |
| Organizations that follow SFAS 117, check here ▶ <input type="checkbox"/> | | | | |
| and complete lines 24 through 26 and lines 30 and 31. | | | | |
| 24 Unrestricted | | | | |
| 25 Temporarily restricted | | | | |
| 26 Permanently restricted | | | | |
| Organizations that do not follow SFAS 117, check here ▶ <input checked="" type="checkbox"/> | | | | |
| and complete lines 27 through 31. | | | | |
| 27 Capital stock, trust principal, or current funds | 11,094,776. | 10,713,027. | | |
| 28 Paid-in or capital surplus, or land, bldg, and equipment fund | 0. | 0. | | |
| 29 Retained earnings, accumulated income, endowment, or other funds | 0. | 0. | | |
| 30 Total net assets or fund balances | 11,094,776. | 10,713,027. | | |
| 31 Total liabilities and net assets/fund balances | 11,094,776. | 10,713,027. | | |

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 | 11,094,776. |
| 2 Enter amount from Part I, line 27a | 2 | <612,595.> |
| 3 Other increases not included in line 2 (itemize) ▶ SEE STATEMENT 7 | 3 | 230,846. |
| 4 Add lines 1, 2, and 3 | 4 | 10,713,027. |
| 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 | 10,713,027. |

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 11,680 SHARES JOHNSON & JOHNSON COMMON STOCK | D | 12/12/96 | VARIOUS |
| b 1,350 SHARES NORTH FORK BANCORP | P | 03/28/05 | 03/23/06 |
| c 775 SHARES WALMART STORES INC. | P | VARIOUS | 08/02/06 |
| d | P | | |

e CAPITAL GAINS DIVIDENDS

| (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 706,939. | | 27,570. | 679,369. |
| b 39,190. | | 38,772. | 418. |
| c 34,085. | | 39,315. | <5,230.> |
| d | | | 0. |
| e 2,631. | | | 2,631. |

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

| (i) FMV as of 12/31/69 | (j) Adjusted basis as of 12/31/69 | (k) Excess of col (i) over col (j), if any | (l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h)) |
|------------------------|--------------------------------------|---|--|
| a | | | 679,369. |
| b | | | 418. |
| c | | | <5,230.> |
| d | | | 0. |
| e | | | 2,631. |

| | | |
|---|---|----------|
| 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 | 677,188. |
| 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)) |
|---|---------------------------------------|---|--|
| 2004 | 1,083,580. | 15,194,568. | .071314 |
| 2003 | 618,558. | 11,172,370. | .055365 |
| 2002 | 392,285. | 10,371,953. | .037822 |
| 2001 | 551,870. | 8,046,235. | .068587 |
| 2000 | 264,055. | 6,865,105. | .038463 |

| | | |
|--|---|-------------|
| 2 Total of line 1, column (d) | 2 | .271551 |
| 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 | .054310 |
| 4 Enter the net value of noncharitable-use assets for 2005 from Part X, line 5 | 4 | 13,412,061. |
| 5 Multiply line 4 by line 3 | 5 | 728,409. |
| 6 Enter 1% of net investment income (1% of Part I, line 27b) | 6 | 9,820. |
| 7 Add lines 5 and 6 | 7 | 738,229. |
| 8 Enter qualifying distributions from Part XII, line 4 | 8 | 1,310,794. |

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

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

| | | | |
|----|---|----|---------|
| 1a | Exempt operating foundations described in section 4940(d)(2), check here <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 checked="" type="checkbox"/> and enter 1% of Part I, line 27b | 1 | 9,820. |
| c | All other domestic organizations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (b) | | |
| 2 | Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-) | 2 | 0. |
| 3 | Add lines 1 and 2 | 3 | 9,820. |
| 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 | 9,820. |
| 6 | Credits/Payments | | |
| a | 2005 estimated tax payments and 2004 overpayment credited to 2005 | 6a | 14,337. |
| b | Exempt foreign organizations - tax withheld at source | 6b | |
| c | Tax paid with application for extension of time to file (Form 8868) | 6c | |
| d | Backup withholding erroneously withheld | 6d | |
| 7 | Total credits and payments. Add lines 6a through 6d | 7 | 14,337. |
| 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 | 4,517. |
| 11 | Enter the amount of line 10 to be Credited to 2006 estimated tax <input type="checkbox"/> 4,517. Refunded <input checked="" type="checkbox"/> | 11 | 0. |

Part VII-A Statements Regarding Activities

| | Yes | No |
|----|-----|----|
| 1a | | X |
| 1b | | X |
| 1c | | X |
| 2 | | X |
| 3 | | X |
| 4a | | X |
| 4b | | |
| 5 | | X |
| 6 | X | |
| 7 | X | |
| 8a | | |
| 8b | X | |
| 9 | | X |
| 10 | | X |
| 11 | X | |

1a 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?

1b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for definition)?
If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the organization in connection with the activities.

1c Did the organization file Form 1120-POL for this year?

2 Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year
(1) On the organization \$ 0. (2) On organization managers \$ 0.

e Enter the reimbursement (if any) paid by the organization during the year for political expenditure tax imposed on organization managers \$ 0.

2 Has the organization engaged in any activities that have not previously been reported to the IRS?
If "Yes," attach a detailed description of the activities.

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? If "Yes," attach a conformed copy of the changes

4a Did the organization have unrelated business gross income of \$1,000 or more during the year?

b If "Yes," has it filed a tax return on Form 990-T for this year? N/A

5 Was there a liquidation, termination, dissolution, or substantial contraction during the year?
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
• 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?

7 Did the organization have at least \$5,000 in assets at any time during the year?
If "Yes," complete Part II, col. (c), and Part XV.

8a Enter the states to which the foundation reports or with which it is registered (see instructions) NJ

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? If "No," attach explanation

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)? If "Yes," complete Part XIV

10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses

11 Did the organization comply with the public inspection requirements for its annual returns and exemption application?
Web site address N/A

12 The books are in care of RICHARD E. INGRAM Telephone no 732-524-1060
Located at 410 GEORGE STREET, NEW BRUNSWICK, NJ ZIP+4 08901

13 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 13 N/A

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.

Table with columns for question text, Yes/No checkboxes, and Yes/No columns. Includes questions 1a through 6b regarding disqualifying activities, taxes on undistributed income, and excess business holdings.

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 9 | | 0. | 0. | 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 |
|---|--|------------------|---|---------------------------------------|
| NONE | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |

Total number of other employees paid over \$50,000 ▶ 0

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

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

Total number of others receiving over \$50,000 for professional services ▶ 0

Part IX-A Summary of Direct Charitable Activities

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

Part IX-B Summary of Program-Related Investments

| Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2 | Amount |
|--|--------|
| 1 N/A | |
| 2 | |
| All other program-related investments See instructions | |
| 3 N/A | |
| 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 | 13,585,543. |
| b Average of monthly cash balances | 1b | 30,763. |
| c Fair market value of all other assets | 1c | |
| d Total (add lines 1a, b, and c) | 1d | 13,616,306. |
| 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 | 13,616,306. |
| 4 Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions) | 4 | 204,245. |
| 5 Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4 | 5 | 13,412,061. |
| 6 Minimum investment return. Enter 5% of line 5 | 6 | 670,603. |

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 | 670,603. |
| 2a Tax on investment income for 2005 from Part VI, line 5 | 2a | 9,820. |
| b Income tax for 2005 (This does not include the tax from Part VI) | 2b | |
| c Add lines 2a and 2b | 2c | 9,820. |
| 3 Distributable amount before adjustments Subtract line 2c from line 1 | 3 | 660,783. |
| 4 Recoveries of amounts treated as qualifying distributions | 4 | 0. |
| 5 Add lines 3 and 4 | 5 | 660,783. |
| 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 | 660,783. |

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 | 1,310,794. |
| b Program-related investments - total from Part IX-B | 1b | 0. |
| 2 Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes | 2 | |
| 3 Amounts set aside for specific charitable projects that satisfy the | | |
| a Suitability test (prior IRS approval required) | 3a | |
| b Cash distribution test (attach the required schedule) | 3b | |
| 4 Qualifying distributions. Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4 | 4 | 1,310,794. |
| 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 | 9,820. |
| 6 Adjusted qualifying distributions. Subtract line 5 from line 4 | 6 | 1,300,974. |

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 | | | | 660,783. |
| 2 Undistributed income, if any, as of the end of 2004 | | | | |
| a Enter amount for 2004 only | | | 0. | |
| b Total for prior years | | 0. | | |
| 3 Excess distributions carryover, if any, to 2005 | | | | |
| a From 2000 | | | | |
| b From 2001 | | | | |
| c From 2002 | | | | |
| d From 2003 | | | | |
| e From 2004 | | | | 152,374. |
| f Total of lines 3a through e | 152,374. | | | |
| 4 Qualifying distributions for 2005 from Part XII, line 4 ▶ \$ 1,310,794. | | | | |
| 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 | | | | 660,783. |
| e Remaining amount distributed out of corpus | 650,011. | | | |
| 5 Excess distributions carryover applied to 2005 (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 | 802,385. | | | |
| 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 instr | | | 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) | 0. | | | |
| 8 Excess distributions carryover from 2000 not applied on line 5 or line 7 | 0. | | | |
| 9 Excess distributions carryover to 2006. Subtract lines 7 and 8 from line 6a | 802,385. | | | |
| 10 Analysis of line 9 | | | | |
| a Excess from 2001 | | | | |
| b Excess from 2002 | | | | |
| c Excess from 2003 | | | | |
| d Excess from 2004 | | | | 152,374. |
| e Excess from 2005 | | | | 650,011. |

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 | Prior 3 years | | | (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 | | | | | |
| 3 Subtract line 2d from line 2c | | | | | |
| 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 26 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))

RALPH S. LARSEN

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

N/A

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 |
|--|--|--------------------------------------|-------------------------------------|-----------------|
| a Paid during the year SEE ATTACHED | | | | |
| Total | | | | ▶ 3a 1,305,629. |
| b Approved for future payment NONE | | | | |
| Total | | | | ▶ 3b 0. |

FORM 990-PF GAIN OR (LOSS) FROM SALE OF ASSETS STATEMENT 1

| (A) DESCRIPTION OF PROPERTY | MANNER ACQUIRED | DATE ACQUIRED | DATE SOLD | |
|--|---------------------------------|---------------------------|----------------|---------------------|
| 11,680 SHARES JOHNSON & JOHNSON COMMON STOCK | DONATED | 12/12/96 | VARIOUS | |
| (B) GROSS SALES PRICE | (C) VALUE AT TIME OF ACQ. | (D) EXPENSE OF SALE | (E) DEPREC. | (F) GAIN OR LOSS |
| 706,939. | 298,205. | 0. | 0. | 408,734. |

| (A) DESCRIPTION OF PROPERTY | MANNER ACQUIRED | DATE ACQUIRED | DATE SOLD | |
|---------------------------------|-------------------------------|---------------------------|----------------|---------------------|
| 1,350 SHARES NORTH FORK BANCORP | PURCHASED | 03/28/05 | 03/23/06 | |
| (B) GROSS SALES PRICE | (C) COST OR OTHER BASIS | (D) EXPENSE OF SALE | (E) DEPREC. | (F) GAIN OR LOSS |
| 39,190. | 38,772. | 0. | 0. | 418. |

| (A) DESCRIPTION OF PROPERTY | MANNER ACQUIRED | DATE ACQUIRED | DATE SOLD | |
|--------------------------------|-------------------------------|---------------------------|----------------|---------------------|
| 775 SHARES WALMART STORES INC. | PURCHASED | VARIOUS | 08/02/06 | |
| (B) GROSS SALES PRICE | (C) COST OR OTHER BASIS | (D) EXPENSE OF SALE | (E) DEPREC. | (F) GAIN OR LOSS |
| 34,085. | 39,315. | 0. | 0. | <5,230.> |

| (A) DESCRIPTION OF PROPERTY | MANNER ACQUIRED | DATE ACQUIRED | DATE SOLD |
|---------------------------------------|-------------------------------|---------------------------|----------------|
| | PURCHASED | | |
| (B) GROSS SALES PRICE | (C) COST OR OTHER BASIS | (D) EXPENSE OF SALE | (E) DEPREC. |
| 0. | 0. | 0. | 0. |
| (F) GAIN OR LOSS | | | |
| | 2,631. | | |
| TOTAL TO FORM 990-PF, PART I, LINE 6A | | | 406,553. |

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

| SOURCE | GROSS AMOUNT | CAPITAL GAINS DIVIDENDS | COLUMN (A) AMOUNT |
|----------------------------------|--------------|----------------------------|----------------------|
| FIFTH THIRDS BANK | 15,969. | 0. | 15,969. |
| JOHNSON & JOHNSON | 284,150. | 0. | 284,150. |
| UBS FINANCIAL SERVICES | 6,646. | 0. | 6,646. |
| VAN KAMPEN COMSTOCK FUND A | 628. | 0. | 628. |
| VAN KAMPEN COMSTOCK LT CAP GAIN | 2,284. | 2,284. | 0. |
| VAN KAMPEN COMSTOCK ST CAP GAIN | 347. | 347. | 0. |
| TOTAL TO FM 990-PF, PART I, LN 4 | 310,024. | 2,631. | 307,393. |

FORM 990-PF LEGAL FEES STATEMENT 3

| DESCRIPTION | (A) EXPENSES PER BOOKS | (B) NET INVEST- MENT INCOME | (C) ADJUSTED NET INCOME | (D) CHARITABLE PURPOSES |
|----------------------------|------------------------------|-----------------------------------|-------------------------------|-------------------------------|
| RICHARD E. INGRAM, ESQ. | 425. | 142. | | 283. |
| TO FM 990-PF, PG 1, LN 16A | 425. | 142. | | 283. |

| | | | |
|-------------|-----------------|-----------|---|
| FORM 990-PF | ACCOUNTING FEES | STATEMENT | 4 |
|-------------|-----------------|-----------|---|

| | (A) EXPENSES PER BOOKS | (B) NET INVEST- MENT INCOME | (C) ADJUSTED NET INCOME | (D) CHARITABLE PURPOSES |
|------------------------------|------------------------------|-----------------------------------|-------------------------------|-------------------------------|
| DESCRIPTION | | | | |
| RICHARD E. INGRAM, ESQ. | 3,750. | 1,250. | | 2,500. |
| TO FORM 990-PF, PG 1, LN 16B | 3,750. | 1,250. | | 2,500. |

| | | | |
|-------------|-------|-----------|---|
| FORM 990-PF | TAXES | STATEMENT | 5 |
|-------------|-------|-----------|---|

| | (A) EXPENSES PER BOOKS | (B) NET INVEST- MENT INCOME | (C) ADJUSTED NET INCOME | (D) CHARITABLE PURPOSES |
|--|------------------------------|-----------------------------------|-------------------------------|-------------------------------|
| DESCRIPTION | | | | |
| UNITED STATES TREASURY - EXCISE TAX | 13,166. | 0. | | 0. |
| TO FORM 990-PF, PG 1, LN 18 | 13,166. | 0. | | 0. |

| | | | |
|-------------|----------------|-----------|---|
| FORM 990-PF | OTHER EXPENSES | STATEMENT | 6 |
|-------------|----------------|-----------|---|

| | (A) EXPENSES PER BOOKS | (B) NET INVEST- MENT INCOME | (C) ADJUSTED NET INCOME | (D) CHARITABLE PURPOSES |
|--|------------------------------|-----------------------------------|-------------------------------|-------------------------------|
| DESCRIPTION | | | | |
| TREASURER, STATE OF NEW JERSEY | 25. | 8. | | 17. |
| UBS WIRE FEE | 25. | 8. | | 17. |
| LIVINGSTON & JEFFERSON MANAGEMENT FEE | 2,845. | 948. | | 1,897. |
| FIFTH THIRDS T/A & TAX SVC FEE | 676. | 225. | | 451. |
| TO FORM 990-PF, PG 1, LN 23 | 3,571. | 1,189. | | 2,382. |

FORM 990-PF OTHER INCREASES IN NET ASSETS OR FUND BALANCES STATEMENT 7

| DESCRIPTION | AMOUNT |
|--|----------|
| GAIN ON 6,650 SHARES JOHNSON & JOHNSON COMMON STOCK TO MESSIAH | 230,846. |
| TOTAL TO FORM 990-PF, PART III, LINE 3 | 230,846. |

FORM 990-PF CORPORATE STOCK STATEMENT 8

| DESCRIPTION | BOOK VALUE | FAIR MARKET VALUE |
|---|-------------|-------------------|
| SEE STATEMENT ATTACHED | 10,543,188. | 14,268,091. |
| TOTAL TO FORM 990-PF, PART II, LINE 10B | 10,543,188. | 14,268,091. |

FORM 990-PF PART VIII - LIST OF OFFICERS, DIRECTORS TRUSTEES AND FOUNDATION MANAGERS STATEMENT 9

| NAME AND ADDRESS | TITLE AND AVRG HRS/WK | COMPEN-SATION | EMPLOYEE BEN PLAN CONTRIB | EXPENSE ACCOUNT |
|--|----------------------------------|---------------|---------------------------|-----------------|
| RALPH S. LARSEN 8473 BAY COLONY DRIVE, APT 2202 NAPLES, FL 34108 | PRESIDENT/TRUSTEE 0.00 | 0. | 0. | 0. |
| DOROTHY M. LARSEN 8473 BAY COLONY DRIVE, APT 2202 NAPLES, FL 34108 | SECRETARY/TREASURER/TTEE 0.00 | 0. | 0. | 0. |
| KAREN LARSEN VERBLAAUW 12 TANAGER RUN KINNELON, NJ 07405 | TRUSTEE 0.00 | 0. | 0. | 0. |
| KRISTEN LARSEN DRIES 154 VAN ZANDT SKILLMAN, NJ 08558 | TRUSTEE 0.00 | 0. | 0. | 0. |
| GARRET W. LARSEN 3 WOODS WAY REDDING, CT 06896 | TURSTEE 0.00 | 0. | 0. | 0. |
| TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII | | 0. | 0. | 0. |

LARSEN FOUNDATION, INC.
CHARITABLE DISTRIBUTIONS
FYE 09/30/06

| | | |
|-------------------------------------|-----------|----------------------------|
| American Academy of Arts& | \$ | 2,500.00 |
| Christian & Missionary Alliance | | 667,000.00 |
| Dollars for Scholars | | 500.00 |
| Gospel Volunteers | | 50,000.00 |
| Gospel Volunteers | | 75,000.00 |
| Gospel Volunteers | | 75,000.00 |
| Inspiration Ministries | | 10,000.00 |
| International Foundation | | 5,000.00 |
| Messiah College | | 400,629.25 |
| Partnership for a Drug Free America | | 10,000.00 |
| United Way | | 10,000.00 |
| Total Contributions | \$ | <u>1,305,629.25</u> |