



See a Social Security Number? Say Something!
Report Privacy Problems to <https://public.resource.org/privacy>
Or call the IRS Identity Theft Hotline at 1-800-908-4490



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

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

2011

For calendar year 2011 or tax year beginning , 2011, and ending , 20

Name of foundation Alexander C. Waterhouse, Sr. Foundation		A Employer identification number 99-0263686		
Number and street (or P.O. box number if mail is not delivered to street address) 670 Queen St, #200		B Telephone number (see instructions) 808-592-4800		
City or town, state, and ZIP code Honolulu, HI 96813		C If exemption application is pending, check here ► <input type="checkbox"/>		
G Check all that apply: <input type="checkbox"/> Initial return <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Address change <input type="checkbox"/> Name change		D 1. Foreign organizations, check here . ► <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation . ► <input type="checkbox"/>		
H Check type of organization: <input type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here . ► <input type="checkbox"/>		
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) ► \$ 269 758		J Accounting method: <input type="checkbox"/> Cash <input type="checkbox"/> Accrual (Part I, column (d) must be on cash basis.)		
Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions.))		(a) Revenue and expenses per books	(b) Net investment income	
Revenue	1 Contributions, gifts, grants, etc., received (attach schedule)			
	2 Check ► <input 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	17005	17005	
	5a Gross rents			
	b Net rental income or (loss)			
	6a Net gain or (loss) from sale of assets not on line 10	(8311)		
	b Gross sales price for all assets on line 6a 539 909			
	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) (attach schedule)				
11 Other income (attach schedule) Sch 1	(308)	474		
12 Total. Add lines 1 through 11	8386	17479	1000	
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc.			
	14 Other employee salaries and wages	2000		
	15 Pension plans, employee benefits			
	16a Legal fees (attach schedule) Sch 2	476		476
	b Accounting fees (attach schedule) Sch 2	314		
	c Other professional fees (attach schedule) Sch 2	8276	8276	
	17 Interest RECEIVED			
	18 Taxes (attach schedule) (see instructions) Sch 2	1233	333	
	19 Depreciation (attach schedule) and depletion			
	20 Occupancy NOV 15 2012	0		
	21 Travel, conferences, and meetings			
	22 Printing and publications			
	23 Other expenses (attach schedule) Sch 2	419	70	5
	24 Total operating and administrative expenses. Add lines 13 through 23	12718		
25 Contributions, gifts, grants paid	9200		9200	
26 Total expenses and disbursements. Add lines 24 and 25	21918	8679	10681	
27 Subtract line 26 from line 12: a Excess of revenue over expenses and disbursements b Net investment income (if negative, enter -0-) . c Adjusted net income (if negative, enter -0-) .	(13532)	8800		

SCANNED NOV 16 2012

For Paperwork Reduction Act Notice, see instructions.

Cat. No. 11289X

Form 990-PF (2011)

914 25

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
	1 Cash—non-interest-bearing		10338	740	740
	2 Savings and temporary cash investments		1844	5094	5094
	3 Accounts receivable ►	1178			
	Less: allowance for doubtful accounts ►			1178	1178
	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 schedule) ►				
	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)				
	b Investments—corporate stock (attach schedule) . Sch 3	240324	232182	262746	
	c Investments—corporate bonds (attach schedule)				
	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 ►				
	Less: accumulated depreciation (attach schedule) ►				
	15 Other assets (describe ►)				
	16 Total assets (to be completed by all filers—see the instructions. Also, see page 1, item I)	252726	239194	269758	
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 (attach schedule)				
	22 Other liabilities (describe ►)				
	23 Total liabilities (add lines 17 through 22)				
Net Assets or Fund Balances	Foundations 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				
	Foundations 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				
	28 Paid-in or capital surplus, or land, bldg., and equipment fund				
	29 Retained earnings, accumulated income, endowment, or other funds	252726	239194		
	30 Total net assets or fund balances (see instructions)	252726	239194		
	31 Total liabilities and net assets/fund balances (see instructions)	252726	239194		

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 252726
2 Enter amount from Part I, line 27a	2 (13532)
3 Other increases not included in line 2 (itemize) ►	3
4 Add lines 1, 2, and 3	4 239194
5 Decreases not included in line 2 (itemize) ►	5
6 Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6 239194

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 Publicly traded securities – See Sch 4			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 539,909		548,220	(8,311)		
b					
c					
d					
e					
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) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))		
a					
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	(8,311)	
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		

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? Yes No
If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year, see the instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2010	15,519	292,884	.0530
2009	19,521	251,511	.0777
2008	18,451	374,624	.0493
2007	17,905	392,056	.0457
2006	15,144	350,218	.0432

2 Total of line 1, column (d) **2** .26893 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** .05384 Enter the net value of noncharitable-use assets for 2011 from Part X, line 5 **4** 295,5485 Multiply line 4 by line 3 **5** 15,9006 Enter 1% of net investment income (1% of Part I, line 27b) **6** 887 Add lines 5 and 6 **7** 15,9888 Enter qualifying distributions from Part XII, line 4 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. **8** 10,681

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 or determination letter: _____ (attach copy of letter if necessary—see instructions)	1	176
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ► <input type="checkbox"/> and enter 1% of Part I, line 27b	2	
c	All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).	3	176
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4	
3	Add lines 1 and 2	5	176
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	6	
5	Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-	7	
6	Credits/Payments:	8	
a	2011 estimated tax payments and 2010 overpayment credited to 2011	9	
b	Exempt foreign organizations—tax withheld at source	10	
c	Tax paid with application for extension of time to file (Form 8868)	11	
d	Backup withholding erroneously withheld	7	594
7	Total credits and payments. Add lines 6a through 6d	8	
8	Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	9	
9	Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	10	
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	11	418
11	Enter the amount of line 10 to be: Credited to 2012 estimated tax ► 418 Refunded ►		

Part VII-A Statements Regarding Activities

		Yes	No
1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a	X
1b	Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)?	1b	X
If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.			
1c	Did the foundation file Form 1120-POL for this year?	1c	X
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. ► \$ 0 (2) On foundation managers. ► \$ 0		
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. ► \$ 0		
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities.	2	X
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes	3	X
4a	Did the foundation have unrelated business gross income of \$1,000 or more during the year?	4a	X
b	If "Yes," has it filed a tax return on Form 990-T for this year?	4b	
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T.	5	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?	6	X
7	Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col. (c), and Part XV	7	X
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ► Hawaii		
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	8b	X
9	Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2011 or the taxable year beginning in 2011 (see instructions for Part XIV)? If "Yes," complete Part XIV	9	X
10	Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	10	X

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11	<input checked="" type="checkbox"/>
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12	<input checked="" type="checkbox"/>
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► NA	13	<input checked="" type="checkbox"/>
14	The books are in care of ► Waterhouse, Inc. Telephone no. ► 808-592-4800 Located at ► 670 Queen St., #200, Honolulu, HI ZIP+4 ► 96813		
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041—Check here and enter the amount of tax-exempt interest received or accrued during the year ► 15		<input type="checkbox"/>
16	At any time during calendar year 2011, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country ►	16	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

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

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

		Yes	No
1a	During the year did the foundation (either directly or indirectly):		
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person? . . .	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? . . .	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? . . .	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? . . .	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? . . .	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
	(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) . . .	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
b	If any answer is "Yes" to 1a(1)–(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? . . .	NA	
	Organizations relying on a current notice regarding disaster assistance check here ► <input type="checkbox"/>		
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2011? . . .		1c <input checked="" type="checkbox"/>
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)): . . .		
a	At the end of tax year 2011, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2011? . . .	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
	If "Yes," list the years ► 20 , 20 , 20 , 20		
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement—see instructions.) . . .		2b NA
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ► 20 , 20 , 20 , 20		
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? . . .	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
b	If "Yes," did it have excess business holdings in 2011 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2011.) . . .		3b NA
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes? . . .		4a <input checked="" type="checkbox"/>
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2011? . . .		4b <input checked="" type="checkbox"/>

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

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

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

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

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

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

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

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

Organizations relying on a current notice regarding disaster assistance check here ►

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? NA Yes No

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

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

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? If "Yes" to 6b, file Form 8870. 6b X

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? Yes No

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? NA 7b

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 Schedule 5		2,000	0	0
.....				
.....				
.....				
.....				

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

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

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

0

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

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

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

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.		Expenses
1	NA	
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	NA	
2		
All other program-related investments See instructions		
3	NA	

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

b Average of monthly cash balances

c Fair market value of all other assets (see instructions)

d **Total** (add lines 1a, b, and c)

e Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)

2 Acquisition indebtedness applicable to line 1 assets

3 Subtract line 2 from line 1d

4 Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see instructions)

5 **Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4

6 **Minimum investment return.** Enter 5% of line 5

1a	277941
1b	20930
1c	1178
1d	300049
1e	
2	
3	300049
4	4501
5	295548
6	14777

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

2a Tax on investment income for 2011 from Part VI, line 5

b Income tax for 2011. (This does not include the tax from Part VI)

c Add lines 2a and 2b

3 Distributable amount before adjustments. Subtract line 2c from line 1

4 Recoveries of amounts treated as qualifying distributions

5 Add lines 3 and 4

6 Deduction from distributable amount (see instructions)

7 **Distributable amount** as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1

1	14777
2a	176
2b	
2c	176
3	14,601
4	
5	14,601
6	
7	14,601

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

b Program-related investments—total from Part IX-B

2 Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes

3 Amounts set aside for specific charitable projects that satisfy the:

a Suitability test (prior IRS approval required)

b Cash distribution test (attach the required schedule)

4 **Qualifying distributions.** Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4

5 Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see instructions)

6 **Adjusted qualifying distributions.** Subtract line 5 from line 4

1a	10,681
1b	
2	
3a	
3b	
4	10,681
5	
6	10,681

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 2010	(c) 2010	(d) 2011
1 Distributable amount for 2011 from Part XI, line 7				14 601
2 Undistributed income, if any, as of the end of 2011:				
a Enter amount for 2010 only				90 86
b Total for prior years: 20 ____,20 ____,20 ____		0		
3 Excess distributions carryover, if any, to 2011:				
a From 2006				
b From 2007				
c From 2008				
d From 2009				
e From 2010				
f Total of lines 3a through e	0			
4 Qualifying distributions for 2011 from Part XII, line 4: ► \$ <u>10 681</u>	0			
a Applied to 2010, but not more than line 2a				90 86
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 2011 distributable amount				15 95
e Remaining amount distributed out of corpus	0			
5 Excess distributions carryover applied to 2011 (If an amount appears in column (d), the same amount must be shown in column (a).)	0			0
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	0			
b Prior years' undistributed income. Subtract line 4b from line 2b		0		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0		
d Subtract line 6c from line 6b. Taxable amount—see instructions		0		
e Undistributed income for 2010. Subtract line 4a from line 2a. Taxable amount—see instructions				0
f Undistributed income for 2011. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2012				0
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)	0			
8 Excess distributions carryover from 2006 not applied on line 5 or line 7 (see instructions)	0			
9 Excess distributions carryover to 2012. Subtract lines 7 and 8 from line 6a	0			
10 Analysis of line 9:				
a Excess from 2007				
b Excess from 2008				
c Excess from 2009				
d Excess from 2010				
e Excess from 2011				

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

1a	If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2011, enter the date of the ruling ►				NA
b	Check box to indicate whether the foundation is a private operating foundation described in section <input type="checkbox"/> 4942(j)(3) or <input type="checkbox"/> 4942(j)(5)				
2a	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 $\frac{1}{3}$ 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 foundation had \$5,000 or more in assets at any time during the year—see instructions.)**1 Information Regarding Foundation Managers:**

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

NONE

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

NONE

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

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

a The name, address, and telephone number of the person to whom applications should be addressed:

Alexander C. Waterhouse, Sr. Foundation, 670 Queen St, #200, Honolulu, HI 96813

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

Letter Format - See Attached Schedule 6

c Any submission deadlines:

NONE

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

NONE

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)				
<i>a Paid during the year</i>				
See Attached Schedule 7				9,200
Total				► 3a 9,200
<i>b Approved for future payment</i>				
Total				► 3b 0

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.

Enter gross amounts unless otherwise indicated.		Unrelated business income	Excluded by section 512, 513, or 514	(e) Related or exempt function income (See instructions.)			
		(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount		
1	Program service revenue:					(e) Related or exempt function income (See instructions.)	
a							
b							
c							
d							
e							
f							
g	Fees and contracts from government agencies						
2	Membership dues and assessments						
3	Interest on savings and temporary cash investments						
4	Dividends and interest from securities						
5	Net rental income or (loss) from real estate:						
a	Debt-financed property						
b	Not debt-financed property						
6	Net rental income or (loss) from personal property						
7	Other investment income						
8	Gain or (loss) from sales of assets other than inventory						
9	Net income or (loss) from special events						
10	Gross profit or (loss) from sales of inventory						
11	Other revenue: a <u>Litigation settlement</u>						
b							
c							
d							
e							
12	Subtotal. Add columns (b), (d), and (e)					17479	
13	Total. Add line 12, columns (b), (d), and (e)					17479	

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

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

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?	Yes	No
<p>a Transfers from the reporting foundation to a noncharitable exempt organization of:</p> <p>(1) Cash</p> <p>(2) Other assets</p> <p>b Other transactions:</p> <p>(1) Sales of assets to a noncharitable exempt organization</p> <p>(2) Purchases of assets from a noncharitable exempt organization</p> <p>(3) Rental of facilities, equipment, or other assets</p> <p>(4) Reimbursement arrangements</p> <p>(5) Loans or loan guarantees</p> <p>(6) Performance of services or membership or fundraising solicitations</p> <p>c Sharing of facilities, equipment, mailing lists, other assets, or paid employees</p> <p>d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.</p>	1a(1)	X	
	1a(2)	X	
	1b(1)	X	
	1b(2)	X	
	1b(3)	X	
	1b(4)	X	
1b(5)	X		
1b(6)	X		
1c	X		

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? Yes No

b If "Yes," complete the following schedule.

(a) Name of organization	(b) Type of organization	(c) Description of relationship

**Sign
Here**

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

Signature of officer or trustee

11/8/12

Date

Vice President

Title

May the IRS discuss this return with the preparer shown below (see instructions)? Yes No

Signature of filer or Justice		Date	File No.		
Paid Preparer Use Only	Print/Type preparer's name		Preparer's signature	Date	Check <input type="checkbox"/> if self-employed PTIN
	Firm's name ►		Firm's EIN ►		
	Firm's address ►		Phone no		

Alexander C. Waterhouse, Sr. Foundation
Schedule to Tax Return - Form 990-PF
Year - 12/31/11

99-0263686

	(a) Revenue & Expenses per Books	(b) Net Investment Income	(d) Disbursement for Charitable Purposes
Schedule 1 - Other Income			
Form 990-PF - Part I			
Line 11 - Other Income			
Miscellaneous	396	396	
Litigation Settlement	78	78	
Partnership Loss	(739)		
Sec 1231 loss	(43)		
	<u>(308)</u>	<u>474</u>	
Schedule 2 - Operating and Administrative Expenses			
Form 990-PF - Part 1			
Line 16a - Legal Fees			
Cades Schutte	<u>476</u>		<u>476</u>
Line 16b - Accounting Fees			
Ikeda & Wong, CPA	<u>314</u>		
Line 16c - Other Professional Fees			
Investment Management Services			
Newport Coast	<u>8,276</u>	<u>8,276</u>	
Line 18 - Taxes			
Foreign taxes paid	333	333	
Form 990-PF taxes paid	<u>900</u>		
	<u>1,233</u>	<u>333</u>	
Line 23 - Other Expenses			
Insurance	125		
Investment fees	70	70	
Office expense	219		
DCCA Filing Fee	5		
	<u>419</u>	<u>70</u>	<u>5</u>

Alexander C. Waterhouse, Sr. Foundation
 EIN: 99-0263686
 Schedule to Form 990-PF
 Year - 12/31/11

Schedule 3 - Investments - Corporate Stocks
 Part II, Line 10b

Number of Shares	Company	End of Year	
		(b) Book Value	(c) Fair Market Value
426.272550	Altria Group Inc	8,700.00	12,638.98
321.505000	Kellogg Co	15,800.00	16,258.66
76.580050	Conocophillips	5,231.00	5,580.39
797.298910	Genesis Energy L P	20,254.09	22,356.26
202.889200	Sempra Energy	10,596.00	11,158.91
292.740050	Tortoise MLP FD Inc Com	7,500.00	7,543.91
45.893440	ETFS Gold TR SHS	7,788.58	7,110.27
34.058530	SPDR Gold Trust	5,219.00	5,176.56
153.089640	Bristol Myers Squibb Co	5,235.00	5,394.88
33.322470	Johnson & Johnson	2,144.78	2,185.29
7740.000000	AGIC Convertible & Income Fund	53,001.95	65,403.00
3497.308280	Medical PPTYs Trust	29,825.28	34,518.43
8.539240	Google Inc Cl A	5,346.79	5,515.50
1264.473710	AT&T Inc Com	32,347.48	38,237.68
59.131940	Verizon Communications Inc	2,170.13	2,372.37
118.081770	Ishares TR Hight YLD Corp	10,518.33	10,560.05
581.194660	Powershares Global ETF Trust HI YLD USD	10,503.40	10,734.66
		<hr/> <u>232,181.81</u>	<hr/> <u>262,745.80</u>

Alexander C. Waterhouse, Sr. Foundation
 Schedule to Tax Return - Form 990-PF
 Year - 12/31/11

99-0263686

Schedule 4 - Capital Gains and Losses

Form 990-PF, Part IV - Capital Gains and Losses for Tax on Investment Income

<u>(a) Description of Property</u>	<u>(b) How Acquired</u>	<u>(c) Date Acquired</u>	<u>(d) Date Sold</u>	<u>(e) Sale Price</u>	<u>(g) Cost or Basis</u>	<u>(h) Gain or (Loss)</u>
296 sh Arch Coal Inc	P	3/21/11	4/15/11	9,915.38	10,000.00	(84.62)
122 sh Baidu Com Inc	P	Various	Various	16,188.94	16,529.17	(340.23)
375 sh Bank of America Corp	P	2/8/11	2/28/11	5,317.95	5,500.00	(182.05)
108 sh Boeing Co Ba	P	Various	7/21/11	7,896.66	8,077.00	(180.34)
577 sh Cheniere Energy Ine	P	11/1/11	Various	5,612.79	6,847.57	(1,234.78)
138 sh Chesapeake Energy	P	2/28/11	4/15/11	4,496.03	4,840.00	(343.97)
127 sh EOG Res Inc	P	Various	Various	13,016.74	13,743.00	(726.26)
100 sh Exxon Mobil Corp	P	10/12/11	10/18/11	7,785.35	7,728.95	56.40
2550 sh Frontier Communications	P	3/18/11	Various	16,779.49	18,965.04	(2,185.55)
12 sh Google Inc	P	7/21/11	9/6/11	5,924.96	6,960.00	(1,035.04)
82 sh Johnson & Johnson	P	10/12/11	10/18/11	5,199.90	5,257.12	(57.22)
278 sh Kellogg Co	P	Various	11/28/11	10,679.11	10,832.00	(152.89)
215 sh Kraft Foods	P	10/12/11	12/2/11	7,851.74	7,447.25	404.49
131 sh Marathon Oil Corp	P	1/31/11	3/15/11	6,388.27	6,000.00	388.27
988 sh Melco Crown Entmt	P	Various	Various	9,826.90	10,531.09	(704.19)
97 sh Molycorp Inc	P	8/15/11	Various	4,110.65	5,671.00	(1,560.35)
126 sh National Oilwell Varco Inc	P	3/29/11	5/3/11	9,099.02	10,192.00	(1,092.98)
151 sh Peabody Engr Corp	P	4/15/11	5/13/11	8,930.41	9,921.00	(990.59)
113 sh Philip Morris Intl Inc	P	10/12/11	10/18/11	7,414.29	7,496.98	(82.69)
240 sh Sanofi Sponsored Adr	P	5/3/11	Various	9,251.52	9,600.00	(348.48)
339 sh Southern Cooper Corp	P	Various	Various	10,579.05	9,742.46	836.59
161 sh Stillwater Mng Co	P	6/1/11	6/14/11	3,129.58	3,210.00	(80.42)
590 sh Tesoro Pete Corp	P	Various	5/3/11	14,933.33	15,132.43	(199.10)
178 sh Valero Energy Corp	P	3/21/11	4/29/11	5,006.68	5,000.00	6.68
141 sh Verizon Comm Inc	P	10/12/11	10/18/11	5,199.90	5,169.82	30.08
46 sh Wynn Resorts Ltd	P	12/5/11	12/9/11	5,074.04	5,343.58	(269.54)
480 sh Weatherford Intl Inc	P	3/21/11	3/29/11	10,489.73	10,000.00	489.73
103 sh Barclays Bk Plc	P	6/27/11	Various	2,362.22	2,497.50	(135.28)
234 sh Conocophillips	P	Various	3/15/11	17,483.14	13,444.31	4,038.83
107 sh Currencyshares Swiss Fra	P	Various	Various	11,872.37	12,466.45	(594.08)
252 sh Direxion Shs Etf	P	Various	8/9/11	10,657.98	10,819.28	(161.30)
178 sh ETFS Silver Tr	P	5/23/11	7/21/11	6,929.43	6,210.79	718.64
150 sh ETFS Gold Tr	P	Various	Various	24,561.38	25,803.89	(1,242.51)
192 sh ETFS Palladium Tr	P	Various	3/4/11	15,532.98	15,131.95	401.03
33 sh ETFS White Metals Basket	P	1/3/11	Various	1,652.98	1,800.00	(147.02)
59 sh Genesis Energy	P	5/3/11	7/27/11	1,499.97	1,618.26	(118.29)
448 sh Global X Fds China Enrg	P	1/19/11	Various	7,064.59	7,465.99	(401.40)
906 sh Global X Fds Lithium	P	Various	Various	15,520.77	17,466.15	(1,945.38)
905 sh Ishares Tr Dj Oil Equip	P	12/7/10	1/6/11	6,591.21	6,708.00	(116.79)

Alexander C. Waterhouse, Sr. Foundation
Schedule to Tax Return - Form 990-PF
Year - 12/31/11

99-0263686

Schedule 4 - Capital Gains and Losses

Form 990-PF, Part IV - Capital Gains and Losses for Tax on Investment Income

<u>(a) Description of Property</u>	<u>(b) How Acquired</u>	<u>(c) Date Acquired</u>	<u>(d) Date Sold</u>	<u>(e) Sale Price</u>	<u>(g) Cost or Basis</u>	<u>(h) Gain or (Loss)</u>
31 sh Ivanhoe Mines Ltd Ivn	P	6/16/10	1/6/11	779.46	466.43	313.03
31 sh Ivanhoe Mines Ltd Rights	P	6/16/10	Various	60.86	-	60.86
68 sh Occidental Pete Corp	P	10/13/10	Various	6,579.85	5,776.00	803.85
267 sh Powershares ETF Trust	P	1/19/11	Various	7,218.47	7,463.01	(244.54)
166 sh Powershs Db Multi Sect C	P	8/23/11	9/6/11	5,557.82	5,597.18	(39.36)
114 sh Proshares Tr Ultrasht Sds	P	6/27/11	6/29/11	2,407.40	2,502.50	(95.10)
911 sh Proshares Tr II Ultrasht E	P	Various	Various	16,651.12	17,601.70	(950.58)
4438 sh Proshares Tr Ult Shr S&P5	P	Various	Various	78,548.53	82,468.34	(3,919.81)
120 sh Proshares Tr Ultshr RU20(P	11/28/11	Various	4,569.23	5,516.75	(947.52)
113 sh Proshares Tr Srs	P	11/25/11	12/15/11	4,560.09	5,201.95	(641.86)
510 sh Sanofi Sponsored Adr Sny	P	Various	7/27/11	19,607.50	17,390.44	2,217.06
380 sh Stillwater Mng Co Swc	P	9/9/10	4/18/11	5,547.22	4,000.00	1,547.22
596 sh Verizon Communications	P	Various	3/15/11	20,667.33	16,047.70	4,619.63
63 sh Centurylink Ctl	P	9/29/09	Various	2,582.02	2,129.04	452.98
1143 sh Frontier Communications	P	Various	Various	6,865.77	8,352.22	(1,486.45)
263 sh Spdr Series Trust Brclys	P	Various	Various	9,862.01	10,536.33	(674.32)
Frac sh ETFS Gold Tr Shs Sgol	P	Various	Various	16.98	-	16.98

539,909.09 548,219.62 (8,310.53)

Alexander C. Waterhouse, Sr. Foundation

EIN: 99-0263686

Attachment to Form 990-PF

Year - 12/31/11

SCHEDULE 5 - OFFICERS AND DIRECTORS
Form 990-PF, Pg 6, Part VIII - Officers and Directors

(a) <u>NAME & ADDRESS</u>	(b) <u>TITLE/HOURS</u>	(c) <u>COMPENSATION</u>	(d) <u>EMPLOYEE BENEFITS</u>	(e) <u>EXPENSE ACCOUNT</u>
Stanley Y. Mukai 729 Elepaio Street Honolulu, HI 96816	President Secretary Director Part-Time	0	0	0
Edwin Kobashigawa 60 N. Beretania Street #904 Honolulu, HI 96817	Vice President Treasurer Part-Time	2,000	0	0
Gilbert J. Matsumoto 1060 Young St. #301 Honolulu, HI 96814	Director Part-Time	0	0	0
Total		<u>2,000</u>	<u>0</u>	<u>0</u>

Alexander C. Waterhouse, Sr. Foundation
99-0263686
Form 990-PF
Year – Dec 31, 2011

SCHEDULE 6

Part XV, Line 2b, Supplementary Information

The following procedures will be followed in determining which organizations will receive grants from the Foundation.

- I. Only those organizations described under IRC §509(a)(1), (2) or (3) will be allowed to apply for grant monies.
 - A. To substantiate such status, a copy of their ruling or determination letter will be required upon submission of their application for funds.
- II. During the review process the organization requesting funds will be checked against the most current Cumulative List of Organizations (described in Section 170(c) of the Internal Revenue Code of 1986) as published by the Department of Treasury. A check will also be made by review of published Internal Revenue Bulletins to ensure that the organization's exempt status has not been revoked.
- III. Upon approval of the grant, the grantee organization will be issued a letter setting out the terms of such grant.
- IV. The Foundation will not earmark any grants to any secondary grantee as described under IRC Reg. §53.4945-5(a)(6).

SCHEDULE 6

Alexander C. Waterhouse, Sr. Foundation
EIN: 99-0263686
Schedule to Form 990-PF
Year - 12/31/11

Schedule 7 - Grants and Contributions Paid During the Year.
Part XV, Line 3a - Grants and Contributions.

<u>Recipient's Name and Address</u>	<u>Relationship to Foundation Manager</u>	<u>Foundation Status of Recipient</u>	<u>Purpose of Grant or Contribution</u>	<u>Amount</u>
Aloha Council Boy Scouts 42 Puiwa Rd Honolulu, HI 96816	N/A	501 (c) (3)	Provide programs for developing youth for leadership	\$ 3,000
Iolani Boosters Club P.O. Box 3644 Honolulu, HI 96811	N/A	501 (c) (3)	Perpetuate, promote, and preserve school's team culture	200
SMEI Hawaii P.O. Box 61172 Honolulu, HI 96839	N/A	501 (c) (3)	Programs on ethical standards, continuing professional development	1000
Palama Settlement 810 N. Vineyard Blvd Honolulu, HI 96817	N/A	501 (c) (3)	Provide programs and services for underprivileged youth and adults	1000
New Mexico Military Institute 101 West College Blvd Roswell, New Mexico 88201	N/A	501 (c) (3)	Educational	1000
Child and Family Service 91-1841 Fort Weavers Rd Ewa Beach, HI 96707	N/A	501 (c) (3)	Provide programs and services for families and children	2000
Waialae Baptist Church 1047 21st Avenue Honolulu, HI 96816	N/A	501 (c) (3)	Religious education	1000
Total				<u>\$ 9,200</u>