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**Return of Private Foundation  
or Section 4947(a)(1) Nonexempt Charitable Trust  
Treated as a Private Foundation****2011**Department of the Treasury  
Internal Revenue Service

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

For calendar year 2011, or tax year beginning 10/01, 2011, and ending 9/30, 2012

ANDERSON-PAFFARD FOUNDATION, INC.  
P.O. BOX 88  
NEW LONDON, CT 06320**A** Employer identification number  
06-1047468**B** Telephone number (see the instructions)  
(860) 442-0367**C** If exemption application is pending, check here ☐**D 1** Foreign organizations, check here ☐**2** Foreign organizations meeting the 85% test, check here and attach computation ☐**E** If private foundation status was terminated under section 507(b)(1)(A), check here ☐**F** If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ☐**G** Check all that apply: ☐ Initial return ☐ Initial Return of a former public charity  
☐ Final return ☐ Amended return  
☐ Address change ☐ Name change**H** Check type of organization: ☒ Section 501(c)(3) exempt private foundation  
☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation**I** Fair market value of all assets at end of year (from Part II, column (c), line 16) ☐  
**J** Accounting method ☒ Cash ☐ Accrual  
☐ Other (specify) \_\_\_\_\_  
(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	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
<b>1</b> Contributions, gifts, grants, etc., received (att sch)				
<b>2</b> Ck <input checked="" type="checkbox"/> if the foundn is not req to att Sch B				
<b>3</b> Interest on savings and temporary cash investments				
<b>4</b> Dividends and interest from securities	131,294.	131,294.	131,294.	
<b>5a</b> Gross rents				
<b>b</b> Net rental income or (loss)				
<b>6a</b> Net gain/(loss) from sale of assets not on line 10	90,043.			
<b>b</b> Gross sales price for all assets on line 6a	978,508.			
<b>7</b> Capital gain net income (from Part IV, line 2)		90,043.		
<b>8</b> Net short-term capital gain				
<b>9</b> Income modifications				
<b>10a</b> Gross sales less returns and allowances				
<b>b</b> Less: Cost of goods sold				
<b>c</b> Gross profit/(loss) (att sch)				
<b>11</b> Other income (attach schedule)				
<b>12 Total.</b> Add lines 1 through 11	221,337.	221,337.	131,294.	
<b>13</b> Compensation of officers, directors, trustees, etc	0.			
<b>14</b> Other employee salaries and wages				
<b>15</b> Pension plans, employee benefits				
<b>16a</b> Legal fees (attach schedule)				
<b>b</b> Accounting fees (attach sch) SEE ST 1	1,400.	1,400.		
<b>c</b> Other prof fees (attach sch) SEE ST 2	1,225.	1,225.		
<b>17</b> Interest				
<b>18</b> Taxes (attach schedule)(see instrs) SEE STM. 3	2,519.	2,519.		
<b>19</b> Depreciation (attach sch) and depletion				
<b>20</b> Occupancy				
<b>21</b> Travel, conferences, and meetings				
<b>22</b> Printing and publications				
<b>23</b> Other expenses (attach schedule) SEE STATEMENT 4	66.	66.		
<b>24 Total operating and administrative expenses.</b> Add lines 13 through 23	5,210.	5,210.		
<b>25</b> Contributions, gifts, grants paid PART XV	156,500.			156,500.
<b>26 Total expenses and disbursements.</b> Add lines 24 and 25	161,710.	5,210.	0.	156,500.
<b>27 Subtract line 26 from line 12:</b>				
<b>a Excess of revenue over expenses and disbursements</b>	59,627.			
<b>b Net investment income</b> (if negative, enter -0-)		216,127.		
<b>c Adjusted net income</b> (if negative, enter -0-)			131,294.	

SCANNED FEB 12 2013

REVENUE  
ADMINISTRATIVE  
AND  
EXPENSES

20

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		
ASSETS	1	Cash — non-interest-bearing		3,304.	4,196.	
	2	Savings and temporary cash investments		14,122.	9,076.	
	3	Accounts receivable				
		Less: allowance for doubtful accounts				
	4	Pledges receivable				
		Less: allowance for doubtful accounts				
	5	Grants receivable				
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)				
	7	Other notes and loans receivable (attach sch)				
		Less: allowance for doubtful accounts				
	8	Inventories for sale or use				
	9	Prepaid expenses and deferred charges				
	10a	Investments — U S and state government obligations (attach schedule)				
	b	Investments — corporate stock (attach schedule)	2,498,005.	2,561,787.		
	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 )	1.				
16	Total assets (to be completed by all filers — see the instructions. Also, see page 1, item I)	2,515,432.	2,575,059.	0.		
LIABILITIES	17	Accounts payable and accrued expenses				
	18	Grants payable				
	19	Deferred revenue				
	20	Loans from officers, directors, trustees, & other disqualified persons				
	21	Mortgages and other notes payable (attach schedule)				
	22	Other liabilities (describe )				
	23	Total liabilities (add lines 17 through 22)	0.	0.		
NET FUND ASSETS	Foundations that follow SFAS 117, check here 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 and complete lines 27 through 31.			X		
	27	Capital stock, trust principal, or current funds	2,740,129.	2,515,432.		
	28	Paid-in or capital surplus, or land, building, and equipment fund				
	29	Retained earnings, accumulated income, endowment, or other funds	-224,697.	59,627.		
	30	Total net assets or fund balances (see instructions)	2,515,432.	2,575,059.		
	31	Total liabilities and net assets/fund balances (see instructions)	2,515,432.	2,575,059.		

## 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	2,515,432.
2	Enter amount from Part I, line 27a	2	59,627.
3	Other increases not included in line 2 (itemize)	3	
4	Add lines 1, 2, and 3	4	2,575,059.
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	2,575,059.

**Part IV Capital Gains and Losses for Tax on Investment Income**

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shares MLC Company)		(b) How acquired P — Purchase D — Donation	(c) Date acquired (month, day, year)	(d) Date sold (month, day, year)
1 a SEE ATTACHED SCHEDULE.		P	VARIOUS	VARIOUS
b				
c				
d				
e				

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a 978,508.		888,465.	90,043.
b			
c			
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (Column (h) gain minus column (k), but not less than -0-) or Losses (from column (h))
(i) Fair Market Value as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of column (i) over column (j), if any	
a			90,043.
b			
c			
d			
e			

2 Capital gain net income or (net capital loss).	<div style="border: 1px solid black; padding: 2px;">           If gain, also enter in Part I, line 7            If (loss), enter -0- in Part I, line 7         </div>	2	90,043.
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	<div style="border: 1px solid black; padding: 2px;">           If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0-            in Part I, line 8         </div>	3	0.

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

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

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

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period?

☐ Yes☒ No

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

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

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (column (b) divided by column (c))
2010	149,900.	3,189,393.	0.047000
2009	132,500.	2,947,054.	0.044960
2008	125,774.	2,649,995.	0.047462
2007	192,515.	3,697,557.	0.052065
2006	166,500.	3,949,450.	0.042158

2 Total of line 1, column (d)	2	0.233645
3 Average distribution ratio for the 5-year base period — divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	0.046729
4 Enter the net value of noncharitable-use assets for 2011 from Part X, line 5	4	3,243,559.
5 Multiply line 4 by line 3	5	151,568.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	2,161.
7 Add lines 5 and 6	7	153,729.
8 Enter qualifying distributions from Part XII, line 4	8	156,500.

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

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

1 a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter 'N/A' on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary – see instrs)			
b Domestic foundations 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	2,161.
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, column (b)			
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)		2	0.
3 Add lines 1 and 2		3	2,161.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)		4	0.
5 <b>Tax based on investment income.</b> Subtract line 4 from line 3. If zero or less, enter -0-		5	2,161.
6 Credits/Payments.			
a 2011 estimated tax pmts and 2010 overpayment credited to 2011	6a	2,400.	
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	2,400.	
8 Enter any <b>penalty</b> for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8		
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	0.	
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	239.	
11 Enter the amount of line 10 to be: Credited to 2012 estimated tax <input checked="" type="checkbox"/> 239. Refunded <input type="checkbox"/>	11	0.	

**Part VII-A Statements Regarding Activities**

	Yes	No
1 a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see the instructions for definition)? <i>If the answer is 'Yes' to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.</i>		X
c Did the foundation file <b>Form 1120-POL</b> for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation <input checked="" type="checkbox"/> \$ 0. (2) On foundation managers <input checked="" type="checkbox"/> \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. <input checked="" type="checkbox"/> \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If 'Yes,' attach a detailed description of the activities.</i>		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? <i>If 'Yes,' attach a conformed copy of the changes</i>		X
4 a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If 'Yes,' has it filed a tax return on <b>Form 990-T</b> for this year?	N/A	
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If 'Yes,' attach the statement required by General Instruction T</i>		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? <i>If 'Yes,' complete Part II, column (c), and Part XIV</i>	X	
8 a Enter the states to which the foundation reports or with which it is registered (see instructions) N/A		
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 <i>General Instruction G</i> ? <i>If 'No,' attach explanation</i>	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)? <i>If 'Yes,' complete Part XIV</i>		X
10 Did any persons become substantial contributors during the tax year? <i>If 'Yes,' attach a schedule listing their names and addresses.</i>		X

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**Part VII-A Statements Regarding Activities (continued)**

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If 'Yes,' attach schedule (see instructions)	11		X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If 'Yes,' attach statement (see instructions)	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address <u>N/A</u>	13	X	
14	The books are in care of <u>ROBERT P. ANDERSON, JR.</u> Telephone no <u>(860) 442-0367</u> Located at <u>P.O. BOX 88, NEW LONDON, CT</u> ZIP + 4 <u>06320</u>			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here <u>N/A</u> and enter the amount of tax-exempt interest received or accrued during the year <u>15</u> <u>N/A</u>			
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		X

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

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

	Yes	No
1 a During the year did the foundation (either directly or indirectly):		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	<input 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)? Organizations relying on a current notice regarding disaster assistance check here <input type="checkbox"/>	1 b	N/A
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?	1 c	X
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):		
a At the end of tax year 2011, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2011? If 'Yes,' list the years <u>20__</u> , <u>20__</u> , <u>20__</u> , <u>20__</u>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer 'No' and attach statement - see instructions.)	2 b	N/A
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. <u>20__</u> , <u>20__</u> , <u>20__</u> , <u>20__</u>		
3 a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
b If 'Yes,' did it have excess business holdings in 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)	3 b	N/A
4 a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4 a	X
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2011?	4 b	X

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**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)?

5b N/A

Organizations relying on a current notice regarding disaster assistance check here

☐**c** If the answer is 'Yes' to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?N/A ☐ Yes ☐ No

If 'Yes,' attach the statement required by Regulations section 53.4945-5(d)

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

6b X

If 'Yes' to 6b, file Form 8870.

**7a** At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?☐ Yes ☒ No**b** If 'Yes,' did the foundation receive any proceeds or have any net income attributable to the transaction?

N/A

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
FREDERICK P. ANDERSON, MD 85 DURHAM ROAD GUILFORD, CT	PRESIDENT 1.00	0.	0.	0.
WILLA T. SCHUSTER 3 PARK PLACE MYSTIC, CT	V-PRESIDENT 1.00	0.	0.	0.
ROBERT P. ANDERSON, JR. 19 LATHAM LANE NOANK, CT	SECY/TREAS 1.00	0.	0.	0.

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

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

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

0

**Part VIII** Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)**3** Five highest-paid independent contractors for professional services (see instructions). If none, enter 'NONE.'

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

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 (see instructions)

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

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**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	3,242,963.
b Average of monthly cash balances	1b	49,990.
c Fair market value of all other assets (see instructions)	1c	
d Total (add lines 1a, b, and c)	1d	3,292,953.
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	3,292,953.
4 Cash deemed held for charitable activities. Enter 1-1/2% of line 3 (for greater amount, see instructions)	4	49,394.
5 Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	3,243,559.
6 Minimum investment return. Enter 5% of line 5	6	162,178.

**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	162,178.
2a Tax on investment income for 2011 from Part VI, line 5	2a	2,161.	
b Income tax for 2011. (This does not include the tax from Part VI)	2b		
c Add lines 2a and 2b		2c	2,161.
3 Distributable amount before adjustments. Subtract line 2c from line 1		3	160,017.
4 Recoveries of amounts treated as qualifying distributions		4	
5 Add lines 3 and 4		5	160,017.
6 Deduction from distributable amount (see instructions)		6	
7 Distributable amount as adjusted Subtract line 6 from line 5. Enter here and on Part XIII, line 1		7	160,017.

**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	156,500.
b Program-related investments — total from Part IX-B	1b	
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	156,500.
5 Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see instructions)	5	2,161.
6 Adjusted qualifying distributions. Subtract line 5 from line 4	6	154,339.

**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				160,017.
2 Undistributed income, if any, as of the end of 2011:				
a Enter amount for 2010 only			7,256.	
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 ▶ \$ 156,500.				
a Applied to 2010, but not more than line 2a			7,256.	
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				149,244.
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				10,773.
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)

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 2011, enter the date of the ruling. ▶

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

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

Tax year	Prior 3 years			(e) Total
(a) 2011	(b) 2010	(c) 2009	(d) 2008	
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 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:

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
<i>a Paid during the year</i> SEE ATTACHED SCHEDULE ,		EXEMPT	EXEMPT PURPOSES OF DONEE	156,500.
<b>Total</b>			<b>3a</b>	156,500.
<i>b Approved for future payment</i>				
<b>Total</b>			<b>3b</b>	

**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) Exclu- sion code	(d) Amount	
1	Program service revenue.					
a						
b						
c						
d						
e						
f						
g	Fees and contracts from government agencies					
2	Membership dues and assessments					
3	Interest on savings and temporary cash investments					
4	Dividends and interest from securities			14	131,294.	
5	Net rental income or (loss) from real estate:					
a	Debt-financed property					
b	Not debt-financed property					
6	Net rental income or (loss) from personal property					
7	Other investment income					
8	Gain or (loss) from sales of assets other than inventory			18	90,043.	
9	Net income or (loss) from special events					
10	Gross profit or (loss) from sales of inventory					
11	Other revenue:					
a						
b						
c						
d						
e						
12	Subtotal. Add columns (b), (d), and (e)				221,337.	
13	<b>Total.</b> Add line 12, columns (b), (d), and (e)				13	221,337.

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

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

[illegible]



2011

## FEDERAL STATEMENTS

PAGE 1

ANDERSON-PAFFARD FOUNDATION, INC.

06-1047468

**STATEMENT 1**  
**FORM 990-PF, PART I, LINE 16B**  
**ACCOUNTING FEES**

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES	\$ 1,400.	\$ 1,400.		
TOTAL	<u>\$ 1,400.</u>	<u>\$ 1,400.</u>	<u>\$ 0.</u>	<u>\$ 0.</u>

**STATEMENT 2**  
**FORM 990-PF, PART I, LINE 16C**  
**OTHER PROFESSIONAL FEES**

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
BOOKEEPING	\$ 1,225.	\$ 1,225.		
TOTAL	<u>\$ 1,225.</u>	<u>\$ 1,225.</u>	<u>\$ 0.</u>	<u>\$ 0.</u>

**STATEMENT 3**  
**FORM 990-PF, PART I, LINE 18**  
**TAXES**

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FEDERAL INCOME TAXES	\$ 2,519.	\$ 2,519.		
TOTAL	<u>\$ 2,519.</u>	<u>\$ 2,519.</u>	<u>\$ 0.</u>	<u>\$ 0.</u>

**STATEMENT 4**  
**FORM 990-PF, PART I, LINE 23**  
**OTHER EXPENSES**

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
OFFICE EXPENSE	\$ 16.	\$ 16.		
SECRETARY OF STATE	50.	50.		
TOTAL	<u>\$ 66.</u>	<u>\$ 66.</u>	<u>\$ 0.</u>	<u>\$ 0.</u>

**ANDERSON-PAFFARD FOUNDATION, INC**  
**SCHEDULE OF INVESTMENTS**  
**AS OF SEPTEMBER 30, 2012**

<u># Shares or Face Value</u>	<u>Securities, Bonds and Mutual Funds</u>	<u>Cost Basis</u>	<u>Fair Market Value</u>
2,000	Abbott Laboratories	\$ 29,442	\$ 137,120
3,000	AG L Resources, Inc	44,097	122,730
1,000	Chevron Corp	57,052	116,560
1,000	Cullen Frost Bkrs.	31,696	57,430
4,000	Dominion Resources, Inc.	67,299	211,760
2,500	Exxon Corp.	78,130	228,625
240	Frontier Communications Corp	-	1,180
4,500	Gabelli Dividend & Income Trust	84,642	76,275
2,500	General Mills, Inc.	58,586	99,625
1,000	Johnson & Johnson, Inc.	53,550	68,910
5,000	Senior HSG PPTYSTR	60,138	108,900
1,000	Verizon Communications	12,745	45,570
2,500	Wells Fargo & Co. New	88,871	86,325
		<hr/>	<hr/>
		\$ 666,248	\$ 1,361,010

Equity Defined Portfolio

6,660	First Trust Capital Ser 15	65,739	65,668
3,803	First Trust Dividend Ser 1	36,014	46,358
2,510	First Trust Dividend Ser 2	28,004	30,070
4,240	First Trust Dividend Ser 13	41,387	41,722
5,980	First Trust Dividend Ser 14	56,996	57,946
6,382	First Trust Dividend Ser 15	65,131	64,905
4,938	First Trust Utilities Ser 19	49,996	50,861
7,629	First Trust Utilities Ser 21	75,791	77,663
5,263	First Trust Utilities Ser 22	51,607	51,577
3,651	First Trust Equity Ser 31	34,990	36,985
6,329	First Trust Equity Ser 32	64,998	64,872
15,197	First Trust Target	150,450	153,034
4,338	First Trust Portfolios LP Utilities Ser 18	44,995	48,889
5,525	First Trust Portfolios LP Utilities Ser 17	55,000	55,637
3,658	Advisors Asset Mgmt- 2012-2Q	36,135	38,043
3,653	Advisors Asset Mgmt- 2012-1Q	34,998	34,740
		<hr/>	<hr/>
		\$ 892,231	\$ 918,970



**ANDERSON-PAFFARD FOUNDATION, INC**

**SCHEDULE OF INVESTMENTS**

**AS OF SEPTEMBER 30, 2012**

<u># Shares or Face Value</u>	<u>Securities, Bonds and Mutual Funds</u>	<u>Cost Basis</u>	<u>Fair Market Value</u>
<u>Taxable Bonds</u>			
20,000	Geico Corp Deb	22,255	27,350
25,000	New York Tel Co.	26,340	25,486
21,000	Merck & Co Inc	22,051	28,589
45,000	GTE California Inc.	50,542	52,282
3,000	Genl Elec Cap Corp	3,020	3,025
25,000	El Dupont Nemour	27,455	33,434
50,000	Johnson & Johnson Deb	63,851	72,454
10,000	United Technologies Corp	13,902	14,691
10,000	Deere & Co	14,057	15,574
10,000	Caterpillar Inc	13,723	14,449
10,000	Boeing Co	14,987	16,161
1,000	Texaco Capital Inc	1,426	1,561
5,000	Pacific Bell	5,305	5,265
10,000	XTO Energy Inc	13,841	15,565
40,000	Walmart	44,276	57,361
25,000	AT&T	25,599	33,547
10,000	Tennessee Valley Auth Power Bond	10,181	12,302
20,000	Houma La Rfdg Ctfs Indbt	21,347	20,055
20,000	Allegheny Cnty pa Redev	21,898	20,095
5,000	Los Angeles Ca Conv & Exhib	5,239	5,010
15,000	Central Greene Pa Sch Dist	19,004	19,274
15,000	Hydro Quebec	18,671	22,267
1,295	Bank of America	29,812	32,738
1,500	Deutsche Bank Cont Capital Tr	35,942	38,025
800	JP Morgan Chase Capital	19,565	20,408
		\$ 544,289	\$ 606,968
<u>Mutual Funds</u>			
73,925.416	Franklin Income Fd	\$ 160,010	\$ 166,332
3,017.581	Fundamental Invr Inc	115,000	121,065
3,492.205	Goldman Sachs	50,010	41,732
7,954.613	Income Fd of America Inc. Class A shares	134,000	143,024
		\$ 459,020	\$ 472,153
	Total portfolio value at September 30, 2012	\$ 2,561,787	\$ 3,359,101

**ANDERSON-PAFFARD  
STOCK SALES  
9/30/2012**

**SALES**

STOCK	DATE	SHARES	PROCEEDS	COST	REALIZED GAIN/(LOSS)
MERRILL LYNCH	10/04/11	1,200	21,631.13	25,909.20	(4,278.07)
MERRILL LYNCH	10/04/11	500	9,042.71	10,795.50	(1,752.79)
MERRILL LYNCH	10/04/11	200	3,620.02	4,318.20	(698.18)
MERRILL LYNCH	10/04/11	100	1,809.53	2,159.10	(349.57)
ALLEN CNTY IND	11/01/11	20,000	20,200.00	21,794.00	(1,594.00)
EUROPACIFIC GROWTH FD CL A	01/11/12	1,616.637	57,611.94	74,039.00	(16,427.06)
FIRST TRUST - DIVIDEND SER 5	03/08/12	3,765	41,395.42	34,992.00	6,403.42
CAPITAL WORLD GROWTH & INCOME FD	03/09/12	993.471	34,995.00	40,194.93	(5,199.93)
FIRST TRUST- CAPITAL SER 7	04/12/12	5,694	65,744.06	49,998.00	15,746.06
FIRST TRUST - TARGET	05/03/12	14,140	150,452.43	139,986.00	10,466.43
ABBOTT LABORATORIES	05/08/12	500	30,786.61	7,360.40	23,426.21
EXXON MOBIL CORP	05/08/12	1,500	124,053.92	46,878.00	77,175.92
GENERAL MILLS INC	05/08/12	1,500	57,508.24	35,151.75	22,356.49
FIRST TRUST - UTILITIES SER 13	05/24/12	4,924	55,797.78	49,992.00	5,805.78
CAPITAL WORLD GROWTH & INCOME FD	05/31/12	2,137.989	69,565.16	86,501.07	(16,935.91)
FT PORT LP NYSE INTL	05/31/12	1,668	11,324.89	16,513.00	(5,188.11)
ADVISORS ASSET MANAGEMENT	06/22/12	3,736	36,144.68	39,997.00	(3,852.32)
FIRST TRUST - UTILITIES SER 14	08/23/12	1,489	16,612.18	14,992.00	1,620.18
FIRST TRUST - DIVIDEND SER 7	08/30/12	2,389	30,139.86	24,993.00	5,146.86
NEXTERA ENERGY	09/04/12	1,000	25,000.00	41,521.00	(16,521.00)
CAPITAL INCOME BLDG CL A	09/07/12	846.342	44,995.00	47,285.14	(2,290.14)
GENERAL ELECTRIC CAP CORP	09/17/12	20,000	20,000.00	20,380.00	(380.00)
CAPITAL INCOME BLDG CL A	09/25/12	943.527	50,077.41	52,714.86	(2,637.45)
<b>TOTAL</b>			<b>978,507.97</b>	<b>888,465.15</b>	<b>90,042.82</b>

Form 990PF, Page 3, Part IV, Line 1a

**ANDERSON-PAFFARD FOUNDATION  
CONTRIBUTIONS  
9/30/2012**

	<u>September-12</u>	<u>September-11</u>
CONN. EARLY MUSIC SOCIETY	\$ 16,000	\$ 16,000
CONN LYRIC OPERA	2,000	2,000
CONN. TRUST FOR HISTORIC PRESERVATION	3,000	3,000
CONSERVATION & RESEARCH FOUNDATION	1,000	2,000
COVENANT SHELTER OF NL	-	-
DENISON PEQUOTSEPOS NAT. CENTER	10,000	-
GARDE THEATER	3,000	7,000
GROTON OPEN SPACE ASSOCIATION	20,000	10,000
L&M HOSPITAL	5,000	5,000
LOWER MYSTIC CEMETARY ASSOC.	1,500	2,000
METROPOLITAN OPERA	(1,000)	1,000
MYSTIC AREA SHELTER & HOSP.	4,000	5,000
MYSTIC ARTS CENTER	5,000	8,000
MYSTIC NOANK LIBRARY	5,000	7,000
MYSTIC RIVER HOMES, INC.	-	5,900
MYSTIC SEAPORT MUSEUM	12,000	12,000
NATCHAUG HOSPITAL	2,000	5,000
NATURE CONSERVATORY	10,000	10,000
NEW LONDON COMMUNITY MEAL CENTER	2,000	2,000
NOANK BAPTIST CHURCH	5,000	5,000
NOANK HISTORICAL SOCIETY	15,000	15,000
PLANNED PARENTHOOD	10,000	10,000
RELIANCE HOUSE	2,000	3,000
SALT MARSH OPERA	2,000	2,000
SALVATION ARMY	2,000	2,000
SMITH COLLEGE	1,000	1,000
UNITED WAY	1,000	1,000
VISITING NURSE ASSOCIATION OF S.E. CT	3,000	3,000
WATERFORD COUNTRY SCHOOL	10,000	-
WOMEN'S CENTER	5,000	5,000
	<u>\$ 156,500</u>	<u>\$ 149,900</u>