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Form

990-PF

Department of the Treasury
Internal Revenue Service

Return of Private Foundation

or Section 4947(a)(1) Trust Treated as Private Foundation

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Information about Form 990-PF and its instructions is at www.irs.gov/form990pf.

OMB No 1545-0052

2013

Open to Public Inspection

For calendar year 2013, or tax year beginning 01-01-2013 , and ending 12-31-2013

Name of foundation SHERWOOD TRUST		A Employer identification number 91-6337526	
Number and street (or P O box number if mail is not delivered to street address) PO BOX 1855		B Telephone number (see instructions) (509) 529-2791	
City or town, state or province, country, and ZIP or foreign postal code WALLA WALLA, WA 99362		C If exemption application is pending, check here ☐	
G Check all that apply ☐ Initial return ☐ Initial return of a former public charity ☐ Final return ☐ Amended return ☐ Address change ☐ Name change		D 1. Foreign organizations, check here ☐ 2. Foreign organizations meeting the 85% test, check here and attach computation ☐	
H Check type of organization ☒ Section 501(c)(3) exempt private foundation ☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here ☐	
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) \$ 33,133,366		F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ☐	
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)
Revenue	1 Contributions, gifts, grants, etc , received (attach schedule)				
	2 Check ☒ if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments	320	320		
	4 Dividends and interest from securities.	584,574	584,574		
	5a Gross rents				
	b Net rental income or (loss) _____				
	6a Net gain or (loss) from sale of assets not on line 10	3,251,544			
	b Gross sales price for all assets on line 6a 9,307,730				
	7 Capital gain net income (from Part IV, line 2)		3,251,544		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
Operating and Administrative Expenses	b Less Cost of goods sold				
	c Gross profit or (loss) (attach schedule)				
	11 Other income (attach schedule)	-71,068	0		
	12 Total. Add lines 1 through 11	3,765,370	3,836,438		
	13 Compensation of officers, directors, trustees, etc	191,258	130,318		43,440
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits	9,152	6,864		2,288
	16a Legal fees (attach schedule).				
	b Accounting fees (attach schedule).	23,040	17,280		5,760
	c Other professional fees (attach schedule)	45,598	45,598		0
	17 Interest				
	18 Taxes (attach schedule) (see instructions)	87,959	16,291		0
	19 Depreciation (attach schedule) and depletion	157	0		
	20 Occupancy	7,694	7,694		0
	21 Travel, conferences, and meetings	12,549	12,177		0
	22 Printing and publications				
	23 Other expenses (attach schedule).	17,060	16,799		0
	24 Total operating and administrative expenses. Add lines 13 through 23	394,467	253,021		51,488
	25 Contributions, gifts, grants paid	1,373,075			1,373,075
	26 Total expenses and disbursements. Add lines 24 and 25	1,767,542	253,021		1,424,563
	27 Subtract line 26 from line 12				
	a Excess of revenue over expenses and disbursements	1,997,828			
	b Net investment income (if negative, enter -0-)		3,583,417		
	c Adjusted net income (if negative, enter -0-)				

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)	Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1	Cash—non-interest-bearing			
	2	Savings and temporary cash investments	227,846	370,849	370,849
	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 schedule) ▶ _____ 1,471,652 Less allowance for doubtful accounts ▶ _____ 0	1,471,652	1,471,652	1,471,652
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges	4,273		
	10a	Investments—U S and state government obligations (attach schedule)			
	b	Investments—corporate stock (attach schedule)			
	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)	25,436,868	27,371,872	31,290,628
Liabilities	14	Land, buildings, and equipment basis ▶ _____ 9,929 Less accumulated depreciation (attach schedule) ▶ _____ 9,692	394	237	237
	15	Other assets (describe ▶ _____)			
	16	Total assets (to be completed by all filers—see the instructions Also, see page 1, item I)	27,141,033	29,214,610	33,133,366
	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 ▶ _____)	72,596	148,345	
	23	Total liabilities (add lines 17 through 22)	72,596	148,345	
Net Assets or Fund Balances		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.			
	27	Capital stock, trust principal, or current funds	13,658,972	13,658,972	
	28	Paid-in or capital surplus, or land, bldg , and equipment fund	9,225,495	9,225,495	
	29	Retained earnings, accumulated income, endowment, or other funds	4,183,970	6,181,798	
	30	Total net assets or fund balances (see page 17 of the instructions)	27,068,437	29,066,265	
	31	Total liabilities and net assets/fund balances (see page 17 of the instructions)	27,141,033	29,214,610	

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	27,068,437
2	Enter amount from Part I, line 27a	2	1,997,828
3	Other increases not included in line 2 (itemize) ▶ _____	3	0
4	Add lines 1, 2, and 3	4	29,066,265
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	29,066,265

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)
1 a	LTCG PUBLICLY TRADED SECURITIES			
b	LITIGATION SETTLEMENT PUB TRADED SECURITY			
c	AURORA FUND	P	2000-07-01	2013-09-30
d	LTCG DIV PUBLICLY TRADED SECURITIES			
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 7,029,760		4,940,673	2,089,087
b			15
c 2,277,970		1,178,288	1,099,682
d			62,760
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			2,089,087
b			15
c			1,099,682
d			62,760
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	3,251,544
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 page 18 of 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))
2012	1,465,393	28,629,151	0 051185
2011	1,420,509	29,941,660	0 047443
2010	1,272,610	28,566,838	0 044549
2009	1,542,946	25,617,947	0 060229
2008	1,808,616	31,044,231	0 058259

2 Total of line 1, column (d).	2	0 261665
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 052333
4 Enter the net value of noncharitable-use assets for 2013 from Part X, line 5.	4	30,780,745
5 Multiply line 4 by line 3.	5	1,610,849
6 Enter 1% of net investment income (1% of Part I, line 27b).	6	35,834
7 Add lines 5 and 6.	7	1,646,683
8 Enter qualifying distributions from Part XII, line 4.	8	1,424,563

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 page 18 of the instructions)

1a	Exempt operating foundations described in section 4940(d)(2), check here ☐ and enter "N/A" on line 1		
	Date of ruling or determination letter _____ (attach copy of letter if necessary—see instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ☐ and enter 1% of Part I, line 27b	1	71,668
c	All other domestic foundations 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	71,668
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	71,668
6	Credits/Payments		
a	2013 estimated tax payments and 2012 overpayment credited to 2013	6a	13,680
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	13,680
8	Enter any penalty for underpayment of estimated tax. Check here ☐ 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	57,988
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	
11	Enter the amount of line 10 to be Credited to 2014 estimated tax ☐ Refunded ☐	11	

Part VII-A Statements Regarding Activities

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	Yes	No
b	Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of 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>	1b		No
c	Did the foundation file Form 1120-POL for this year?.	1c		No
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? <i>If "Yes," attach a detailed description of the activities.</i>	2		No
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>	3		No
4a	Did the foundation have unrelated business gross income of \$1,000 or more during the year?.	4a	Yes	
b	If "Yes," has it filed a tax return on Form 990-T for this year?.	4b	Yes	
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>	5		No
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	Yes	
7	Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col. (c), and Part XV.</i>	7	Yes	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ☐ WA _____			
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? <i>If "No," attach explanation.</i>	8b	Yes	
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 2013 or the taxable year beginning in 2013 (see instructions for Part XIV)? <i>If "Yes," complete Part XIV</i>	9		No
10	Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses.</i>	10		No

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		No
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		No
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	Yes	
Website address ▶SHERWOODTRUST ORG				
14	The books are in care of ▶JAN TORLANDTelephone no ▶(509) 522-1485 Located at ▶213 S 9TH AVENUE WALLA WALLA WAZIP +4 ▶99362			
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		
16	At any time during calendar year 2013, 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?	16	Yes	No
See instructions for exceptions and filing requirements for Form TD F 90-22.1 If "Yes", enter the name of the foreign country ▶ CJ				

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? ☐ Yes ☒ No (2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?. ☐ Yes ☒ No (3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☒ No (4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☒ Yes ☐ 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)?. ☐ Yes ☒ 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). ☐ Yes ☒ 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 page 20 of the instructions)?. . . Organizations relying on a current notice regarding disaster assistance check here. ▶ ☐	1b		No
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 2013?.	1c		No
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 2013, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2013?. ☐ Yes ☒ 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		
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?. ☒ Yes ☐ No			
b	If "Yes," did it have excess business holdings in 2013 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? (<i>Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2013.</i>).	3b		No
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		No
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 2013?	4b		No

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

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?

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

No

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?

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 Additional Data Table				

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	
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	
2	
All other program-related investments. See page 24 of the instructions.	
3	
Total. Add lines 1 through 3.	0

Part X

Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see instructions.)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc , purposes		
a	Average monthly fair market value of securities.	1a	29,348,554
b	Average of monthly cash balances.	1b	429,044
c	Fair market value of all other assets (see instructions).	1c	1,471,889
d	Total (add lines 1a, b, and c).	1d	31,249,487
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	31,249,487
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions).	4	468,742
5	Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4	5	30,780,745
6	Minimum investment return. Enter 5% of line 5.	6	1,539,037

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	1,539,037
2a	Tax on investment income for 2013 from Part VI, line 5.	2a	71,668
b	Income tax for 2013 (This does not include the tax from Part VI).	2b	
c	Add lines 2a and 2b.	2c	71,668
3	Distributable amount before adjustments Subtract line 2c from line 1.	3	1,467,369
4	Recoveries of amounts treated as qualifying distributions.	4	0
5	Add lines 3 and 4.	5	1,467,369
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	1,467,369

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	1,424,563
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	1,424,563
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	0
6	Adjusted qualifying distributions. Subtract line 5 from line 4.	6	1,424,563
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 2012	(c) 2012	(d) 2013
1 Distributable amount for 2013 from Part XI, line 7				1,467,369
2 Undistributed income, if any, as of the end of 2013				
a Enter amount for 2012 only.			1,372,604	
b Total for prior years 20__, 20__, 20__		0		
3 Excess distributions carryover, if any, to 2013				
a From 2008.				
b From 2009.				
c From 2010.				
d From 2011.				
e From 2012.				
f Total of lines 3a through e.	0			
4 Qualifying distributions for 2013 from Part XII, line 4 ▶ \$ 1,424,563				
a Applied to 2012, but not more than line 2a			1,372,604	
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 2013 distributable amount.				51,959
e Remaining amount distributed out of corpus	0			
5 Excess distributions carryover applied to 2013 (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 2012 Subtract line 4a from line 2a Taxable amount—see instructions			0	
f Undistributed income for 2013 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2014				1,415,410
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 2008 not applied on line 5 or line 7 (see instructions). . . .	0			
9 Excess distributions carryover to 2014. Subtract lines 7 and 8 from line 6a	0			
10 Analysis of line 9				
a Excess from 2009. . . .				
b Excess from 2010. . . .				
c Excess from 2011. . . .				
d Excess from 2012. . . .				
e Excess from 2013. . . .				

Part XIVPrivate 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 2013, 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)

☐ 4942(j)(3) or ☐ 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	Tax year	Prior 3 years			(e) Total
		(a) 2013	(b) 2012	(c) 2011	(d) 2010	
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 XVSupplementary 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))

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

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 or e-mail address of the person to whom applications should be addressed

GEORGE M EDWARDS SHERWOOD TRUST
PO BOX 1855
WALLA WALLA, WA 99362
(509) 529-3362

b

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

NO SPECIFIC FORM

c

Any submission deadlines

MARCH 1

d

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

RELIGIOUS, CHARITABLE, AND EDUCATIONAL PURPOSES WITHIN THE WALLA WALLA GEOGRAPHICAL AREA

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)				
a Paid during the year See Additional Data Table				
Total			3a	1,373,075
b Approved for future payment				
Total			3b	0

Enter gross amounts unless otherwise indicated

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

Form **990-PF** (2013)

TY 2013 Other Expenses Schedule**Name:** SHERWOOD TRUST**EIN:** 91-6337526

Description	Revenue and Expenses per Books	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
INSURANCE	1,074	1,074		0
OFFICE EXPENSES	2,264	2,264		0
DUES	2,968	2,968		0
INVESTMENT EXPENSES FROM LLLC K-1	27,991	27,991		0
LESS INV EXP REPORTED ON FORM 990-T	-27,991	-27,991		0
MISC EXPENSE	47	47		0
INT EXP DEFERRED COMP	261	0		0
SOFTWARE TECH SUPPORT	10,446	10,446		0

Form 990PF Part XV Line 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)				
a <i>Paid during the year</i>				
501 COMMONS 510 SECOND AVE W SEATTLE,WA 98119	N/A	PUBLIC	TECHNOLOGY	45,000
BLUE MT ACTION COUNCIL 1520 KELLY PLACE 140 WALLA WALLA,WA 99362	N/A	PUBLIC	CONVENING	12,600
BLUE MT ACTION COUNCIL 1520 KELLY PLACE 140 WALLA WALLA,WA 99362	N/A	PUBLIC	HELP FUND OPERATIONS OF COMMITMENT TO COMMUNITY	160,000
BLUE MT ACTION COUNCIL 1520 KELLY PLACE 140 WALLA WALLA,WA 99362	N/A	PUBLIC	FUND COMMUNITY LEADERSHIP PROGRAM	10,000
BLUE MT HERITAGE SOCIETY PO BOX 163 DAYTON,WA 99328	N/A	PUBLIC	CAPITAL PROJECT	90,000
BLUE MT HUMANE SOCIETY 7 E GEORGE ST WALLA WALLA,WA 99362	N/A	PUBLIC	OPERATING AWARD	1,000
BOY SCOUTS OF AMER BLUE MT COUNCIL 8478 W GAGE BLVD KENNEWICK,WA 99336	N/A	PUBLIC	OPERATING AWARD	2,500
CAMP FIRE USA WW COUNCIL 414 S PARK STREET WALLA WALLA,WA 99362	N/A	PUBLIC	OPERATING AWARD	1,000
CARNEGIE CENTER PO BOX 3223 WALLA WALLA,WA 99362	N/A	PUBLIC	OPERATING AWARD	1,000
CHRISTIAN AID CENTER 202 W BIRCH WALLA WALLA,WA 99362	N/A	PUBLIC	CAPITAL PROJECT	85,300
FRIENDS OF WALLA WALLA PUBLIC LIBRARY 238 E ALDER WALLA WALLA,WA 99362	N/A	PUBLIC	OPERATING AWARD	5,000
KIDS PLACE 209 MARCUS STREET WALLA WALLA,WA 99362	N/A	PUBLIC	PLANNING	22,000
LILLIE RICE CENTER 2616 ISAACS AVE WALLA WALLA,WA 99362	N/A	PUBLIC	OPERATING AWARD	1,000
LITTLE THEATRE OF WALLA WALLA PO BOX 39 WALLA WALLA,WA 99362	N/A	PUBLIC	OPERATING AWARD	5,000
LITTLE THEATRE OF WALLA WALLA PO BOX 39 WALLA WALLA,WA 99362	N/A	PUBLIC	REPLACEMENT RESERVE	20,000
Total  3a				1,373,075

Form 990PF Part XV Line 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)				
a Paid during the year				
MILTON-FREEWATER NEIGHBORHOOD SENIOR CENTER 322 N MAIN ST MILTONFREEWATER,OR 97862	N/A	PUBLIC	CAPITAL PROJECT	40,500
PHILANTHROPY NORTHWEST 2101 FOURTH AVENUE SEATTLE,WA 98121	N/A	PUBLIC	BRONZE SPONSOR FOR 2013	5,825
ROTARY CLUB OF WALLA WALLA PO BOX 418 WALLA WALLA,WA 99362	N/A	PUBLIC	ENDOWMENT FUND	200,000
RURAL DEVELOPMENT INITIATIVES INC 2620 RIVER ROAD SUITE 205 EUGENE,OR 97404	N/A	PUBLIC	2013 COMMUNITY LEADERSHIP PROGRAM	61,000
RURAL DEVELOPMENT INITIATIVES INC 2620 RIVER ROAD SUITE 205 EUGENE,OR 97404	N/A	PUBLIC	QOL INDEX	665
RURAL DEVELOPMENT INITIATIVES INC 2620 RIVER ROAD SUITE 205 EUGENE,OR 97404	N/A	PUBLIC	COMMUNITY LEADERSHIP PROGRAM GATHERING	15,000
SOCIAL VENTURE PARTNERS - SEATTLE 1601 SECOND AVENUE SUITE 615 SEATTLE,WA 98101	N/A	PUBLIC	SUPPORT POOLED FUND FOR STATE NON-PROFITS	15,000
STAR PROJECT PO BOX 1222 WALLA WALLA,WA 99362	N/A	PUBLIC	FIN DEVELOP	75,000
WALLA WALLA COMMUNITY COLLEGE FOUNDATION 500 TAUSICK WAY WALLA WALLA,WA 99362	N/A	PUBLIC	LEARNING CENTER	5,850
WALLA WALLA COMMUNITY COLLEGE FOUNDATION 500 TAUSICK WAY WALLA WALLA,WA 99362	N/A	PUBLIC	LEARNING CENTER SUPPORT	10,335
WALLA WALLA SYMPHONY PO BOX 92 WALLA WALLA,WA 99362	N/A	PUBLIC	OPERATING AWARD	5,000
WALLA WALLA VALLEY BANDS PO BOX 272 WALLA WALLA,WA 99362	N/A	PUBLIC	EQUIPMENT	56,000
WALLA WALLA VALLEY HISTORICAL SOC 755 MYRA ROAD WALLA WALLA,WA 99362	N/A	PUBLIC	OPERATING AWARD	5,000
WHITMAN COLLEGE 345 BOYER AVENUE WALLA WALLA,WA 99362	N/A	PUBLIC	ENDOWMENT	235,000
WW FAMILY YMCA 340 S PARK STREET WALLA WALLA,WA 99362	N/A	PUBLIC	COMM CENTER FOR YOUTH MERGER SUPPORT	150,000
Total  3a				1,373,075

Form 990PF Part XV Line 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)				
a <i>Paid during the year</i>				
WW FAMILY YMCA 340 S PARK STREET WALLA WALLA, WA 99362	N/A	PUBLIC	ANNUAL WORKSHOP	8,500
WW FAMILY YMCA 340 S PARK STREET WALLA WALLA, WA 99362	N/A	PUBLIC	OPERATING AWARD	5,000
WW FAMILY YMCA 340 S PARK STREET WALLA WALLA, WA 99362	N/A	PUBLIC	COMM CENTER FOR YOUTH MERGER SUPPORT	13,000
YWCA 213 S FIRST STREET WALLA WALLA, WA 99362	N/A	PUBLIC	OPERATING AWARD	5,000
Total			 3a	1,373,075

TY 2013 Accounting Fees Schedule**Name:** SHERWOOD TRUST**EIN:** 91-6337526

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
ACCOUNTING & BOOKKEEPING	23,040	17,280		5,760

Note: To capture the full content of this document, please select landscape mode (11" x 8.5") when printing.

TY 2013 Depreciation Schedule

Name: SHERWOOD TRUST

EIN: 91-6337526

Description of Property	Date Acquired	Cost or Other Basis	Prior Years' Depreciation	Computation Method	Rate / Life (# of years)	Current Year's Depreciation Expense	Net Investment Income	Adjusted Net Income	Cost of Goods Sold Not Included
SHARP FAX MACH	1997-06-01	1,079	1,079	200DB	5 0000000000000	0	0		
FILE CABINETS	1997-06-01	629	629	200DB	7 0000000000000	0	0		
HP DESK JET	1999-07-20	256	256	200DB	5 0000000000000	0	0		
SHARP AR COPIER	1999-08-25	2,347	2,347	200DB	5 0000000000000	0	0		
CONF TABLE & 10 CHAIRS	2002-02-08	3,229	3,229	200DB	7 0000000000000	0	0		
CABINET/TABLE FOR COPIER	2002-02-22	256	256	200DB	7 0000000000000	0	0		
MAP BOARD	2002-02-22	621	621	200DB	7 0000000000000	0	0		
POLY CONF TABLE	2008-02-25	635	494	200DB	7 0000000000000	56	0		
FUJITSU SCANNER	2010-08-05	877	624	200DB	5 0000000000000	101	0		

TY 2013 Investments - Other Schedule**Name:** SHERWOOD TRUST**EIN:** 91-6337526

Category / Item	Listed at Cost or FMV	Book Value	End of Year Fair Market Value
WALLA WALLA COUNTRY CLUB	AT COST	100	100
EUROPACIFIC GROWTH FUND A	AT COST	3,285,137	4,415,258
DODGE & COX STOCK FUND	AT COST	2,091,203	3,421,133
DODGE & COX INCOME FUND	AT COST	1,345,231	1,414,214
LIBERTY LAKE LAND CO	AT COST	637,496	0
T ROWE PRICE LARGE CAP GROWTH	AT COST	1,747,767	3,563,861
DODGE & COX INTL STOCK FUND	AT COST	4,282,509	4,460,847
BLACKSTONE PTNRS OFFSHORE FUND LTD	AT COST	1,834,313	2,534,893
PIMCO COMM REAL RETURN STRAT INST	AT COST	1,488,322	1,151,044
JP MORGAN HIGH YIELD FUND	AT COST	1,433,503	1,486,185
DIMENSIONAL FUND ADVISORS	AT COST	2,064,046	1,794,647
VANGUARD GROUP	AT COST	1,348,792	1,238,934
MUNDER SMALL CAP	AT COST	243,353	360,314
VANGUARD SMALL GROWTH	AT COST	306,193	356,209
STONE HARBOR EMERG MKTS	AT COST	1,446,535	1,403,202
PIMCO ALL ASSET	AT COST	3,817,372	3,689,787

TY 2013 Land, Etc. Schedule**Name:** SHERWOOD TRUST**EIN:** 91-6337526

Category / Item	Cost / Other Basis	Accumulated Depreciation	Book Value	End of Year Fair Market Value
SHARP FAX MACH	1,079	1,079	0	
FILE CABINETS	629	629	0	
HP DESK JET	256	256	0	
SHARP AR COPIER	2,347	2,347	0	
CONF TABLE & 10 CHAIRS	3,229	3,229	0	
CABINET/TABLE FOR COPIER	256	256	0	
MAP BOARD	621	621	0	
POLY CONF TABLE	635	550	85	
FUJITSU SCANNER	877	725	152	

TY 2013 Other Income Schedule

Name: SHERWOOD TRUST

EIN: 91-6337526

Description	Revenue And Expenses Per Books	Net Investment Income	Adjusted Net Income
OTHER INVESTMENT INCOME	-71,068		-71,068

TY 2013 Other Liabilities Schedule**Name:** SHERWOOD TRUST**EIN:** 91-6337526

Description	Beginning of Year - Book Value	End of Year - Book Value
DEFERRED COMPENSATION PAYABLE	72,596	90,357
EXCISE TAX PAYABLE	0	57,988

TY 2013 Other Professional Fees Schedule

Name: SHERWOOD TRUST

EIN: 91-6337526

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
CONSULTING WURTS	45,598	45,598		0

TY 2013 Taxes Schedule**Name:** SHERWOOD TRUST**EIN:** 91-6337526

Category	Amount	Net Investment Income	Adjusted Net Income	Disbursements for Charitable Purposes
1 FOREIGN TAX EXPENSE	16,291	16,291		0
2 EXCISE TAX ON NET INVESTMENT INCOME	71,668	0		0

Form 990PF Part VIII Line 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
GEORGE M EDWARDS	PRESIDENT 40 00	136,500	17,500	0
PO BOX 1855 WALLA WALLA,WA 99362				
ALLAN GILLESPIE	DIRECTOR 6 00	9,000	0	0
PO BOX 1855 WALLA WALLA,WA 99362				
PEGGY SANDERSON	VICE PRESIDENT 6 00	9,000	0	0
PO BOX 1855 WALLA WALLA,WA 99362				
LAWRENCE MULKERIN	CHAIR 6 00	9,000	0	0
PO BOX 1855 WALLA WALLA,WA 99362				
ROBERT L ZAGELOW	DIRECTOR 6 00	9,000	0	0
PO BOX 1855 WALLA WALLA,WA 99362				
JEAN ADAMS	DIRECTOR 6 00	1,258	0	0
PO BOX 1855 WALLA WALLA,WA 99362				