

Form **990-PF****Return of Private Foundation**

OMB No 1545-0052

Department of the Treasury
Internal Revenue Service

or Section 4947(a)(1) Trust Treated as Private Foundation
 ▶ Do not enter social security numbers on this form as it may be made public.
 ▶ Go to www.irs.gov/Form990PF for instructions and the latest information.

1908

2018

Open to Public Inspection

For calendar year 2018 or tax year beginning

09/01, 2018, and ending

08/31, 2019

Name of foundation

JOHN & ANN WATSON EDUCATIONAL TRUST

A Employer identification number

01-6033309

Number and street (or P.O. box number if mail is not delivered to street address)

Room/suite

B Telephone number (see instructions)

888-866-3275

City or town, state or province, country, and ZIP or foreign postal code

PROVIDENCE, RI 02901-1802

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

J Accounting method

☒ Cash☐ Accrual

end of year (from Part II, col. (c), line

Other (specify)

16) ▶ \$ 492,278.

(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))

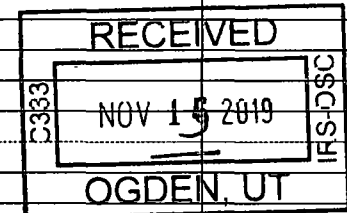
(a) Revenue and expenses per books

(b) Net investment income

(c) Adjusted net income

(d) Disbursements for charitable purposes (cash basis only)

	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions, gifts, grants, etc., received (attach schedule)				
2 Check ☒ if the foundation is not required to attach Sch. B.				
3 Interest on savings and temporary cash investments				
4 Dividends and interest from securities	9,956.	10,004.		STMT 1
5a Gross rents				
b Net rental income or (loss)				
6a Net gain or (loss) from sale of assets not on line 10	18,410.			
b Gross sales price for all assets on line 6a	173,988.			
7 Capital gain net income (from Part IV, line 2)		18,410.		
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)		-3,051.		STMT 2
12 Total Add lines 1 through 11	28,366.	25,363.		
13 Compensation of officers, directors, trustees, etc.	3,783.	2,270.		1,513.
14 Other employee salaries and wages		NONE	NONE	
15 Pension plans, employee benefits		NONE	NONE	
16a Legal fees (attach schedule)				
b Accounting fees (attach schedule)	1,250.	750.	NONE	500.
c Other professional fees (attach schedule)	1,247.			1,247.
17 Interest				
18 Taxes (attach schedule) (see instructions)	1,852.	231.		
19 Depreciation (attach schedule) and depletion				
20 Occupancy				
21 Travel, conferences, and meetings		NONE	NONE	
22 Printing and publications		NONE	NONE	
23 Other expenses (attach schedule)	110.	118.		
24 Total operating and administrative expenses. Add lines 13 through 23.	8,242.	3,369.	NONE	3,260.
25 Contributions, gifts, grants paid	22,000.			22,000.
26 Total expenses and disbursements Add lines 24 and 25	30,242.	3,369.	NONE	25,260.
27 Subtract line 26 from line 12	-1,876.			
a Excess of revenue over expenses and disbursements		21,994.		
b Net investment income (if negative, enter -0-)				
c Adjusted net income (if negative, enter -0-)				



6.28

u

 ENVELOPE
 POSTMARK DATE
 NOV 13 2019

 SCANNED
 DEC 12 2019

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			
2 Savings and temporary cash investments	10,571.	11,610.	11,610.
3 Accounts receivable ▶			
Less allowance for doubtful accounts ▶			
4 Pledges receivable ▶			
Less allowance for doubtful accounts ▶			

Part IV Capital Gains and Losses for Tax on Investment Income(a) List and describe the kind(s) of property sold (for example, 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 PUBLICLY TRADED SECURITIES****b OTHER GAINS AND LOSSES**

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 97,518.

96,483.

1,035.

b 76,470

59,095.

17,375.

c

d

e

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

(i) FMV as of 12/31/69

(j) Adjusted basis

(k) Excess of col (i)

(l) Gains (Col (h) gain minus
col (k), but not less than -0-) or
Losses (from col (h))

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 ☐ 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	220.
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	NONE
3	Add lines 1 and 2	3	220.
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only, others, enter -0-)	4	NONE
5	Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-	5	220.
6	Credits/Payments		
a	2018 estimated tax payments and 2017 overpayment credited to 2018	6a	892.
b	Exempt foreign organizations - tax withheld at source	6b	NONE
c	Tax paid with application for extension of time to file (Form 8868)	6c	NONE
d	Backup withholding erroneously withheld	6d	
7	Total credits and payments. Add lines 6a through 6d	7	892.
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	
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	672.
11	Enter the amount of line 10 to be Credited to 2019 estimated tax ☒ 220. Refunded ☒ 452.	11	452.

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?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes? See the instructions for the definition		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		
c Did the foundation file Form 1120-POL 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 ☒ \$ _____ (2) On foundation managers ☒ \$ _____		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ☒ \$ _____		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS?		X
If "Yes," attach a detailed description of the activities		
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		X
4a 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 Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year?		X
If "Yes," attach the statement required by General Instruction T		
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?		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		X
8a Enter the states to which the foundation reports or with which it is registered. See instructions ☒ ME		
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		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 2018 or the tax year beginning in 2018? See the instructions for Part XIV. If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X

Part VII-A Statements Regarding Activities (continued)

	Yes	No
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		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		X
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► N/A	X	
14 The books are in care of ► BANK OF AMERICA Telephone no ► (888) 866-3275 Located at ► PO BOX 1802, PROVIDENCE, RI ZIP+4 ► 02901-1802		
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		X
16 At any time during calendar year 2018, 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 FinCEN Form 114 If "Yes," enter the name of the foreign country ►		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
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 instructions Organizations relying on a current notice regarding disaster assistance, check here ► ☐		X
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 2018?		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 2018, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2018? If "Yes," list the years ►	☐ Yes ☒ 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)		
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here ►		
3a Did the 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 2018 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 2018)		
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		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 2018?		X

Form 990-PF (2018)

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

	Yes	No
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 4945(d)(4)(A)? 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		
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?		
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?		
8 Is the foundation subject to the section 4960 tax on payment(s) of more than \$1,000,000 in remuneration or excess parachute payment(s) during the year?	☐ Yes	☒ No

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors**1 List all officers, directors, trustees, and 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
BANK OF AMERICA, N A. 900 ELM ST., MANCHESTER, NH 03101	TRUSTEE 1	3,783	-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		NONE	NONE	NONE

Total number of other employees paid over \$50,000 **NONE**

Form 990-PF (2018)

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		NONE
Total number of others receiving over \$50,000 for professional services		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 NONE	
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 NONE	
2	
All other program-related investments See instructions	
3 NONE	
Total. Add lines 1 through 3	

Form 990-PF (2018)

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	479,257.
b	Average of monthly cash balances	1b	17,502.
c	Fair market value of all other assets (see instructions).	1c	NONE
d	Total (add lines 1a, b, and c)	1d	496,759.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2	Acquisition indebtedness applicable to line 1 assets	2	NONE
3	Subtract line 2 from line 1d.	3	496,759.
4	Cash deemed held for charitable activities Enter 1 1/2% of line 3 (for greater amount, see instructions).	4	7,451.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3 Enter here and on Part V, line 4	5	489,308.
6	Minimum investment return. Enter 5% of line 5	6	24,465.

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	24,465.
2a	Tax on investment income for 2018 from Part VI, line 5	2a	220.
b	Income tax for 2018 (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b.	2c	220.
3	Distributable amount before adjustments Subtract line 2c from line 1.	3	24,245.
4	Recoveries of amounts treated as qualifying distributions.	4	NONE
5	Add lines 3 and 4	5	24,245.
6	Deduction from distributable amount (see instructions).	6	NONE
7	Distributable amount as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1.	7	24,245.

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	25,260.
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	NONE
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	NONE
b	Cash distribution test (attach the required schedule)	3b	NONE
4	Qualifying distributions Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	25,260.
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	220.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	25,040.

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 2017	(c) 2017	(d) 2018
1 Distributable amount for 2018 from Part XI, line 7				24,245.
2 Undistributed income, if any, as of the end of 2018				
a Enter amount for 2017 only.			20,231.	
b Total for prior years 20____, 20____, 20____		NONE		
3 Excess distributions carryover, if any, to 2018				
a From 2013	NONE			
b From 2014	NONE			
c From 2015	NONE			
d From 2016	NONE			
e From 2017	NONE			
f Total of lines 3a through e	NONE			
4 Qualifying distributions for 2018 from Part XII, line 4 ► \$ 25,260.				
a Applied to 2017, but not more than line 2a			20,231.	
b Applied to undistributed income of prior years (Election required - see instructions)		NONE		
c Treated as distributions out of corpus (Election required - see instructions)	NONE			
d Applied to 2018 distributable amount.				5,029.
e Remaining amount distributed out of corpus. . .	NONE			
5 Excess distributions carryover applied to 2018 (If an amount appears in column (d), the same amount must be shown in column (a))	NONE			NONE
6 Enter the net total of each column as indicated below.				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	NONE			
b Prior years' undistributed income Subtract line 4b from line 2b.		NONE		
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		NONE		
d Subtract line 6c from line 6b Taxable amount - see instructions		NONE		
e Undistributed income for 2017 Subtract line 4a from line 2a Taxable amount - see instructions				
f Undistributed income for 2018 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2019.				19,216.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (Election may be required - see instructions)	NONE			
8 Excess distributions carryover from 2013 not applied on line 5 or line 7 (see instructions) . . .	NONE			
9 Excess distributions carryover to 2019. Subtract lines 7 and 8 from line 6a	NONE			
10 Analysis of line 9				
a Excess from 2014 . . .	NONE			
b Excess from 2015 . . .	NONE			
c Excess from 2016 . . .	NONE			
d Excess from 2017 . . .	NONE			
e Excess from 2018 . . .	NONE			

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

NOT APPLICABLE

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2018, 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)

	Tax year	Prior 3 years			(e) Total
	(a) 2018	(b) 2017	(c) 2016	(d) 2015	
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 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 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))

N/A

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

N/A

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., to individuals or organizations under other conditions, complete items 2a, b, c, and d. See instructions.

a The name, address, and telephone number or email address 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
a Paid during the year SEE STATEMENT 17				22,000.
Total			▶ 3a	22,000.
b Approved for future payment				
Total			▶ 3b	

Part XVI-A Analysis of Income-Producing Activities

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					
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					

Part VIII Information Regarding Transfers to and Transactions and Relationships With Noncharitable

FORM 990PF, PART I - OTHER INCOME
=====

DESCRIPTION -----	REVENUE AND EXPENSES PER BOOKS -----	NET INVESTMENT INCOME -----
FROM PARTNERSHIP/S-CORP		-3,051.
	-----	-----
TOTALS	=====	=====
		-3,051.
		=====

FORM 990PF, PART I - ACCOUNTING FEES
=====

DESCRIPTION -----	REVENUE AND EXPENSES PER BOOKS -----	NET INVESTMENT INCOME -----	ADJUSTED NET INCOME -----	CHARITABLE PURPOSES -----
TAX PREPARATION FEE - BOA	1,250.	750.		500.
TOTALS	1,250.	750.	NONE	500.
	=====	=====	=====	=====

FORM 990PF, PART I - OTHER PROFESSIONAL FEES

=====

DESCRIPTION -----	REVENUE AND EXPENSES PER BOOKS -----		CHARITABLE PURPOSES -----	
GRANTMAKING FEES - BOA	1,247.		1,247.	
	-----		-----	
TOTALS	1,247.		1,247.	
	=====		=====	

FORM 990PF, PART I - TAXES
=====

DESCRIPTION -----	REVENUE AND EXPENSES PER BOOKS -----	NET INVESTMENT INCOME -----
FOREIGN TAXES	170.	170.
EXCISE TAX - PRIOR YEAR	729.	
EXCISE TAX ESTIMATES	892.	
FOREIGN TAXES ON QUALIFIED FOR	41.	41.
FOREIGN TAXES ON NONQUALIFIED	20.	20.
	-----	-----
TOTALS	1,852.	231.
	=====	=====

FORM 990PF, PART I - OTHER EXPENSES
=====

DESCRIPTION -----	REVENUE AND EXPENSES PER BOOKS -----	NET INVESTMENT INCOME -----
OTHER ALLOCABLE EXPENSE-PRINCI	55.	55.
OTHER ALLOCABLE EXPENSE-INCOME	55.	55.
FROM PARTNERSHIP/S-CORP		8.
TOTALS	----- 110. =====	----- 118. =====

JOHN & ANN WATSON EDUCATIONAL TRUST
 FORM 990PF, PART II - CORPORATE STOCK
 =====

01-6033309

DESCRIPTION -----	BEGINNING BOOK VALUE -----	ENDING BOOK VALUE -----	ENDING FMV -----
464287507 ISHARES CORE S&P MID	13,590.	13,590.	19,005.
464287655 ISHARES RUSSELL 2000	10,278.	11,679.	17,117.
921943858 VANGUARD FTSE DEVELO	33,868.	24,892.	27,061.
693390841 PIMCO HIGH YIELD FD	4,553.	4,543.	4,773.
202671913 AGGREGATE BOND CTF	31,187.	50,281.	53,414.
207543877 SMALL CAP GROWTH LEA	6,220.	9,324.	10,569.
29099J109 EMERGING MARKETS STO	17,436.	16,114.	17,327.
302993993 MID CAP VALUE CTF	8,247.	13,543.	14,795.
303995997 SMALL CAP VALUE CTF	6,970.	9,619.	8,922.
323991307 MID CAP GROWTH CTF	8,178.	13,189.	15,923.
45399C107 DIVIDEND INCOME COMM	26,999.	35,224.	35,530.
99Z466197 INTERNATIONAL FOCUS	31,791.	24,728.	27,207.
99Z501647 STRATEGIC GROWTH COM	18,105.		
464287226 ISHARES CORE US. AGGR	5,324.	23,916.	25,337.
922042858 VANGUARD FTSE EMERGI	10,336.	5,531.	7,232.
922908363 VANGUARD S&P 500 ETF	34,474.	34,474.	52,108.
00203H859 AQR MANAGED FUTURES	5,830.		
09256H286 BLACKROCK STRATEGIC	28,828.		
94987W737 WELLS FARGO ABSOLUTE	8,812.		
00203H446 AQR LONG-SHORT EQUIT	5,338.		
74253Q747 PRINCIPAL MIDCAP BLE	12,292.	12,292.	16,009.
46138B103 INVESCO DB COMMODITY	24,828.		
62827P816 CATALYST/MILLBURN HE	13,398.		
00142R539 INVESCO BALANCED-RIS	10,707.		
99Z639934 LARGE CAP CORE CTF	22,118.	23,639.	25,306.
99Z639942 MID CAP CORE CTF	20,203.	20,370.	20,572.
99Z639959 SMALL CAP CORE CTF	17,382.	23,138.	21,586.
78468R622 SPDR BLOOMBERG BARCL		4,779.	4,896.
92203J407 VANGUARD TOTAL INTL		9,548.	10,289.

JOHN & ANN WATSON EDUCATIONAL TRUST

01-6033309

FORM 990PF, PART II - CORPORATE STOCK
=====

DESCRIPTION -----	BEGINNING BOOK VALUE -----	ENDING BOOK VALUE -----	ENDING FMV -----
52469H784 CLEARBRIDGE LARGE CA		16,905.	17,854.
77954Q403 ROWE T PRICE BLUE CH		17,706.	17,768.
693390882 PIMCO FOREIGN BD US\$		9,537.	10,068.
TOTALS	437,292. =====	428,561. =====	480,668. =====

JOHN & ANN WATSON EDUCATIONAL TRUST

01-6033309

FORM 990PF, PART II - OTHER INVESTMENTS
=====

COST/
FMV

DESCRIPTION

C OR F

73935S105 POWERSHARES DB COMMO

C

TOTALS

FORM 990PF, PART III - OTHER DECREASES IN NET WORTH OR FUND BALANCES
=====

DESCRIPTION -----	AMOUNT -----
CTF ADJUSTMENT	6,082.
ADJUST CARRY VALUE	10.

TOTAL	6,092.)
	=====

RECIPIENT NAME:
ST. JOSEPH'S COLLEGE
ADDRESS:
278 WHITES BRIDGE ROAD
Standish, ME 04084
RELATIONSHIP:
N/A
PURPOSE OF GRANT:
SCHOLARSHIPS
FOUNDATION STATUS OF RECIPIENT:
PC
AMOUNT OF GRANT PAID 1,500.

RECIPIENT NAME:
SOUTHERN MAINE COMMUNITY
ADDRESS:
2 FORT ROAD
South Portland, ME 04106
RELATIONSHIP:
N/A
PURPOSE OF GRANT:
SCHOLARSHIPS
FOUNDATION STATUS OF RECIPIENT:
PC
AMOUNT OF GRANT PAID 1,500.

RECIPIENT NAME:
ST. MICHAEL'S COLLEGE
ADDRESS:
ONE WINOOSKI PARK
Colchester, VT 05439
RELATIONSHIP:
N/A
PURPOSE OF GRANT:
SCHOLARSHIPS
FOUNDATION STATUS OF RECIPIENT:
PC
AMOUNT OF GRANT PAID 1,500.

RECIPIENT NAME:
WHEATON COLLEGE
ADDRESS:
26 E MAIN ST.
NORTON, MA 02766
RELATIONSHIP:
N/A
PURPOSE OF GRANT:
SCHOLARSHIPS
FOUNDATION STATUS OF RECIPIENT:
PC
AMOUNT OF GRANT PAID 1,500.

RECIPIENT NAME:
JAMES MADISON UNIVERSITY
ADDRESS:
800 S MAIN ST.
HARRISONBURG, VA 22807
RELATIONSHIP:
N/A
PURPOSE OF GRANT:
SCHOLARSHIPS
FOUNDATION STATUS OF RECIPIENT:
PC
AMOUNT OF GRANT PAID 1,500.

RECIPIENT NAME:
UNIVERSITY OF KENT AT BRUSSELS
ADDRESS:
THE REGISTRY, CANTERBURY, KENT
, UNITED KINGDOM CT2 7NZ
RELATIONSHIP:
N/A
PURPOSE OF GRANT:
SCHOLARSHIPS
FOUNDATION STATUS OF RECIPIENT:
PC
AMOUNT OF GRANT PAID 1,500.

RECIPIENT NAME:
UMASS LOWELL
ADDRESS:
220 PAWTUCKET ST
LOWELL, MA 01854
RELATIONSHIP:
N/A
PURPOSE OF GRANT:
SCHOLARSHIPS
FOUNDATION STATUS OF RECIPIENT:
PC
AMOUNT OF GRANT PAID 1,500.

RECIPIENT NAME:
PALMER COLLEGE OF CHIROPRACTIC
ADDRESS:
4777 CITY CENTER PARKWAY
PORT ORANGE, FL 32129
RELATIONSHIP:
N/A
PURPOSE OF GRANT:
SCHOLARSHIPS
FOUNDATION STATUS OF RECIPIENT:
PC
AMOUNT OF GRANT PAID 3,000.

RECIPIENT NAME:
UNIVERSITY OF STIRLING
ADDRESS:
AIRTHREY RD., SCOTLAND
, UNITED KINGDOM FK9 4LA
RELATIONSHIP:
N/A
PURPOSE OF GRANT:
SCHOLARSHIPS
FOUNDATION STATUS OF RECIPIENT:
PC
AMOUNT OF GRANT PAID 1,500.

RECIPIENT NAME:
THE UNIVERSITY OF MAINE
ADDRESS:
5703 ALUMNI HALL ROOM 100
ORONO, ME 04469
RELATIONSHIP:
N/A
PURPOSE OF GRANT:
SCHOLARSHIPS
FOUNDATION STATUS OF RECIPIENT:
PC
AMOUNT OF GRANT PAID 1,500.

RECIPIENT NAME:
AVE MARIA UNIVERSITY
ADDRESS:
5050 AVE MARIA BLVD
Ave Maria, FL 34142
RELATIONSHIP:
N/A
PURPOSE OF GRANT:
SCHOLARSHIPS
FOUNDATION STATUS OF RECIPIENT:
PC
AMOUNT OF GRANT PAID 4,000.

RECIPIENT NAME:
CATHOLIC UNIVERSITY OF AMERICA
ADDRESS:
CARDINAL STATION
WASHINGTON, DC 20064
RELATIONSHIP:
N/A
PURPOSE OF GRANT:
SCHOLARSHIPS
FOUNDATION STATUS OF RECIPIENT:
PC
AMOUNT OF GRANT PAID 1,500.

TOTAL GRANTS PAID: 22,000.
=====