

MARTHA COAKLEY  
ATTORNEY GENERAL

# THE COMMONWEALTH OF MASSACHUSETTS

## OFFICE OF THE ATTORNEY GENERAL

NON-PROFIT ORGANIZATIONS/PUBLIC CHARITIES DIVISION

ONE ASHBURTON PLACE  
BOSTON, MASSACHUSETTS 02108

Office Use Only: Fiscal Year

(617) 727-2200, ext. 2101  
[www.mass.gov/ago/charities](http://www.mass.gov/ago/charities)

### Form PC

Report for the Fiscal Period: 07/01/2009 to 06/30/2010

Attorney General's Account #: 042372

Federal ID #: 51-0528943

When did the organization first engage in charitable work in Massachusetts? 11/14/1650

Has the organization applied for or been granted IRS tax exempt status? ☐ Yes ☒ No

If yes, date of application OR date of determination letter: \_\_\_\_\_

IRS Exemption under 501(c): **COPY**

If exempt under 501(c), are contributions to the organization tax deductible as charitable contributions? ☐ Yes ☐ No

#### Check all items attached (if applicable)

- ☐ Schedule A-1
- ☐ Schedule A-2
- ☐ Schedule RO
- ☐ Probate Account
- ☒ Copy of IRS Return
- ☒ Audited Financial Statements/Review
- ☒ Filing Fee
- ☐ Amended Articles/By-Laws

### Organization Data

Name: FEOFFEES OF THE GRAMMAR SCHOOL IN THE TOWN OF IPSWICH

Mailing Address: P.O. BOX 166

City: IPSWICH State: MA Zip: 01938

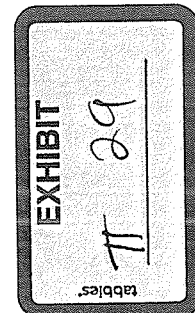
Phone Number: (978) 356-5558 Fax Number: \_\_\_\_\_

Email: \_\_\_\_\_ Website: \_\_\_\_\_

In the table below, please enter the appropriate codes from the corresponding tables found in the instructions. Enter up to 2 codes from Table 3 for your organization's main purpose(s)

Category	Code	Category	Code
County (Table 1)	5	Organization Purpose Code 1	8
Type of Organization (Table 2)	2	Organization Purpose Code 2	

Please check box if final return prior to dissolution: ☐



All questions must be completed in their entirety whether or not similar questions are answered in an attached federal form. See instructions and definition section for guidance.

1. On what date was the organization created? 11/14/1650

2. Where was the organization created? IPSWICH, MASSACHUSETTS

3. What is the form of organization? (check one)

Corporation <input type="checkbox"/>	Testamentary Trust <input type="checkbox"/>
Unincorporated Association <input type="checkbox"/>	Inter Vivos Trust <input type="checkbox"/>

Other (please describe): VOTE OF TOWN MEETING ON 11/14/1650

4. Was your organization related to any other organization(s) during the reporting year (see definition "Related Organization")? If yes, please complete the Schedule RO on pages 13 and 14. ☐ Yes ☒ No

5. Enter your summary of financial data:

	Financial Data	Amounts
A.	Contributions, gifts, grants, and similar amounts received	\$0.00
B.	Gross support and revenue	\$1,729,480.00
C.	Program services and similar amounts paid out	\$1,549,685.00
D.	Fundraising expenses	\$0.00
E.	Management and general expenses	\$288,965.00
F.	Payments to affiliates	\$0.00
G.	Total expenses	\$1,838,650.00
H.	Net assets or fund balances at the end of the year	\$305,810.00

6. List the total compensation you provided to your five highest paid employees:

	Name/Title	Hrs/Week	Salary and Other Income	Benefit Plans	Other Compensation
1.	James Foley, Member	AS	\$5,312.00	\$0.00	\$0.00
2.	Peter Foote, Treasurer & Clerk	NEEDED	\$37,919.00	\$0.00	\$0.00
3.	Donald F. Whiston, Member		\$200.00	\$0.00	\$0.00
4.	Alexander Mullholland, Chairman		\$125.00	\$0.00	\$0.00
5.					\$0.00

7. Was any compensation provided to any of the individuals listed in question 6 above which was not quantified in your response to 6? If yes, please provide explanation (attach separate sheet). ☐ Yes ☒ No

8. List the name, amount of compensation paid, and the nature of services rendered by each of the organization's five highest paid consultants providing professional services (e.g. attorneys, architects, accountants, management companies, investment advisors, professional solicitors, professional fundraising counsel).

	Name/Title	Amount of Compensation	Type(s) of Service
1.	MacLean, Holloway Doherty P.C.	\$224,925.00	Legal Services
2.	Alexandar & Femino	\$7,284.00	Engineering
3.	Landvest Inc.	\$1,000.00	Appraisal Services
4.	American Water	\$11,165.00	Billing Services
5.	Dan Clasby & Company	\$12,000.00	Tax & Audit Services

9. Bank(s) in which the organization's funds are deposited (*include bank addresses and phone number*):

Bank	Address	Phone Number
First National Bank of Ipswich	31 Market St, Ipswich, MA	(800) 834-0046
Institution for Savings	2 Dept Sq, Ipswich, MA	(978) 356-5400
Bank of America	60 State St, Boston, MA	(617) 723-8506

10. What is the organization's accounting method? ☐ Cash ☒ Accrual  
☐ Other *specify*): \_\_\_\_\_

11. If organization's mailing address is a P.O. Box, list the organization's full street address:

Address: 37 Bay Road  
 City: Ipswich State: MA Zip Code: 01938

12. Contact Person Name: Peter Foote

Street Address: 401 Colonial Drive  
 City: Ipswich State: MA Zip Code: 01938  
 Phone Number: +1 (978) 356-4411

13. During the fiscal year reported here, did your organization solicit contributions or have funds solicited on its behalf? ☐ Yes ☒ No

14. At any time during the fiscal year following the year reported here, will your organization, or others acting on its behalf, solicit contributions? ☐ Yes ☒ No

*If you answered yes to Question 13 or 14, you must complete Schedule A-1 and/or Schedule A-2 unless you are exempt from the solicitation certificate requirement.*

15. If you are claiming an exemption from the solicitation certificate requirement, please indicate by checking the box to the right to identify which exemption applies to your organization.

a religious organization ☐

an organization which: (a) does not raise more than \$5,000 during a calendar year Or does not receive contributions from more than ten persons during a calendar year; AND (b) carries out all of its activities, including fundraising, through unpaid volunteers. [The conditions at both (a) and (b) must be met for your organization to qualify for this exemption.] ☐

16. Attach a list of names, addresses (street and/or mailing), and telephone numbers of other offices/chapters/branches/affiliates. NONE

17. Attach a list of names, titles, and addresses (street and/or mailing) of officers, directors, trustees, and the principal salaried executives of organization.

18. Attach a list of names, titles, and addresses (street and/or mailing) of any individual(s) authorized to sign checks, and any individual(s) responsible for: custody of funds; distribution of funds; fundraising; and custody of financial records.

19. Has this organization or any of its officers, directors, employees or fundraisers solicited funds in any other state? ☐ Yes ☒ No

*If you attach list of states where solicitation was conducted, including registered agency, dates of registration, registration numbers, any other names under which the organization was/is registered, and the dates and type (mail, telephone, door to door, special events, etc.) of the solicitation conducted.*

20. Has this organization or any of its officers, directors, or employees:

*If yes, please attach an explanation.*

- (a) Been enjoined or otherwise prohibited by a government agency/court from operating or soliciting contributions? ☐ Yes ☒ No
- (b) Ever been refused registration or had its registration or tax exemption denied, suspended, modified or revoked by a governmental agency? ☐ Yes ☒ No
- (c) Been the subject of a proceeding regarding any solicitation or registration? ☐ Yes ☒ No
- (d) Entered into a voluntary agreement of compliance or consent judgment with, any government agency or in a case before a court or administrative agency? ☐ Yes ☒ No

21. Have any restrictions been removed during the year from donor-restricted funds?

*If yes, please attach an explanation.*

☐ Yes ☒ No

22. Have donor-restricted funds been loaned to unrestricted funds?

*If yes, please attach an explanation.*

☐ Yes ☒ No

23. This question involves "Termination of Employment or Changes of Control Compensatory Arrangements" with certain "Related Parties" (*see instructions and definition sections*). Report only if payments made or promised to any individual are in excess of four months salary or \$100,000, whichever dollar amount is less.

- (a) Did you make actual payments or otherwise transfer value under such an arrangement to any individual described in Related Party definition, sections (a) or (b), which payments are not reported in Question 6 or 7 above? ☐ Yes ☒ No
- (b) Do you have an agreement with any individual described in Related Party definition, sections (a) or (b), containing such an agreement? ☐ Yes ☒ No

*If you answered yes for Question 23(a) or 23(b) above, please attach an explanation identifying the individual(s) involved, stating the amount of any payments made or value transferred, and describing the terms of each agreement.*

24. This question applies to related party transactions, which include transactions with officers, directors, trustees, certain employees, relative, and organizations they own or control. Please consult the instructions and definition sections for the definition of a "Related Party" and "Indebtedness" before answering. Note that transactions involving related parties must be reported even when there is no accounting recognition (e.g. in-kind gifts, waiver or interest not otherwise reported).

*If the answer to any part of Question 24 is yes, attach a schedule stating the name and address of the related party, the nature of the transaction, the value or the amounts involved in the transaction, and the procedure followed in authorizing the transaction.*

During the year:		
A.	Has your organization sold or transferred assets to or purchased assets from or exchanged assets with a related party?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
B.	Has your organization leased assets to or leased assets from a related party?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
C.	Has your organization been indebted to a related party?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
D.	Has your organization allowed a related party to be indebted to it?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
E.	Has your organization made or held an investment in a related party?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
F.	Has your organization furnished goods, services, or facilities to a related party?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
G.	Has your organization acquired goods, services, or facilities from a related party who received compensation or other value in return?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
H.	Has your organization paid or became obligated to pay wages, salary, or other compensation to a related party?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
I.	Has your organization transferred income or assets to or for use by a related party?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
J.	Was your organization a party to any transaction in which any of its officers, directors, or trustees has a material financial interest, or did any officer, director or trustee receive anything of value not reported as compensation?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
K.	Has your organization invested in any corporate stock of a company in which any officer, director, or trustee owns more than 10% of the outstanding shares?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
L.	Is any property of the organization held in the name of or commingled with the property of any other person or organization?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
M.	Did your organization make a grant award or contribution to any other organization in which any of this organization's officers, directors or trustees has a relationship?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

### Signature Required

Under penalty of perjury, I declare that the information furnished in this report, including all attachment, is true and correct to the best of my knowledge.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

COPY

Name of Preparer: Dan Clasby & Company \_\_\_\_\_

Address 100 Cummings Center, Suite 238C \_\_\_\_\_

City Beverly, \_\_\_\_\_ State MA \_\_\_\_\_ Zip Code 01915 \_\_\_\_\_

Phone Number +1 (978) 922-9900 \_\_\_\_\_



FEOFFEES OF THE GRAMMAR SCHOOL IN THE TOWN OF IPSWICH  
FORM PC ATTACHMENTS

FED ID# 51-0528943

FYE 6/30/10

Q 17 & 18

Alexander B C Mulholland Jr.  
PO Box 587  
Ipswich, MA 01938

Chairman

James Foley  
25 Meadowview Lane  
Ipswich, Ma 01938

Member

Donald F. Whiston  
2 Jeffrey's Neck Road  
Ipswich, MA 01938

Member

Elizabeth Kilcoyne  
48 East Street  
Ipswich, MA 01938

COPY

Member

Patrick McNally  
74 Little Neck Road  
Ipswich, MA 01938

Member

Ingrid Miles  
58 N. Main Street  
Ipswich, MA 01938

Member

Peter Foote  
401 Colonial Drive  
Ipswich, MA 01938

Treasurer & Clerk  
signs checks  
custody of funds & financial records  
distribution of funds

no fundraising

"FOR FORM PC PURPOSES"

Form **8868**  
(Rev. April 2009)**Application for Extension of Time To File an  
Exempt Organization Return**

OMB No. 1545-1709

Department of the Treasury  
Internal Revenue Service▶ **File a separate application for each return.**

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box ☒ **X**
- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form).

**Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.****Part I Automatic 3-Month Extension of Time. Only submit original (no copies needed).**

A corporation required to file Form 990-T and requesting an automatic 6-month extension—check this box and complete

Part I only ☐

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

**Electronic Filing (e-file).** Generally, you can electronically file Form 8868 if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for a corporation required to file Form 990-T). However, you cannot file Form 8868 electronically if (1) you want the additional (not automatic) 3-month extension or (2) you file Forms 990-BL, 6069, or 8870, group returns, or a composite or consolidated Form 990-T. Instead, you must submit the fully completed and signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit [www.irs.gov/efile](http://www.irs.gov/efile) and click on e-file for Charities & Nonprofits.

Type or print File by the due date for filing your return. See instructions.	Name of Exempt Organization <b>FEOFFES OF THE GRAMMER SCHOOL IN THE TOWN OF IPSWICH</b>	Employer identification number <b>51-0528943</b>
	Number, street, and room or suite no. If a P.O. box, see instructions. <b>P. O. BOX 166</b>	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. <b>IPSWICH MA 01938</b>	

**Check type of return to be filed (file a separate application for each return):**

- |  |   |                                    |
|--|---|------------------------------------|
| <input checked="" type="checkbox"/> Form 990 | <input type="checkbox"/> Form 990-T (corporation)                 | <input type="checkbox"/> Form 4720 |
| <input type="checkbox"/> Form 990-BL         | <input type="checkbox"/> Form 990-T (sec. 401(a) or 408(a) trust) | <input type="checkbox"/> Form 5227 |
| <input type="checkbox"/> Form 990-EZ         | <input type="checkbox"/> Form 990-T (trust other than above)      | <input type="checkbox"/> Form 6069 |
| <input type="checkbox"/> Form 990-PF         | <input type="checkbox"/> Form 1041-A                              | <input type="checkbox"/> Form 8870 |

- The books are in the care of ▶ **PETER FOOTE**

Telephone No. ▶ **978-356-4411** FAX No. ▶

- If the organization does not have an office or place of business in the United States, check this box ☐

- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) . If this is for the whole group, check this box ☐ . If it is for part of the group, check this box ☐ and attach a list with the names and EINs of all members the extension will cover.

- 1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until **02/15/11**, to file the exempt organization return for the organization named above. The extension is for the organization's return for:

- ▶ ☐ calendar year or  
▶ ☒ tax year beginning **07/01/09**, and ending **06/30/10**.

- 2 If this tax year is for less than 12 months, check reason: ☐ Initial return ☐ Final return ☐ Change in accounting period

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	\$
b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	\$
c <b>Balance Due.</b> Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	\$

**Caution.** If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

or Privacy Act and Paperwork Reduction Act Notice, see Instructions.

Form **8868** (Rev. 4-2009)

## FORM FORM PC PURPOSES - AG#042372

Page **2**

Form 8868 (Rev. 1-2011)

- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** and check this box ☒ **X**.  
 Note. Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.

If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** (on page 1).

**Part II Additional (Not Automatic) 3-Month Extension of Time.** Only file the original (no copies needed).

Type or print File by the extended due date for filing your return. See instructions.	Name of exempt organization <b>FEOFFEEES OF THE GRAMMER SCHOOL IN THE TOWN OF IPSWICH</b>	Employer identification number <b>51-0528943</b>
	Number, street, and room or suite no. If a P.O. box, see instructions. <b>P. O. BOX 166</b>	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. <b>IPSWICH MA 01938</b>	

Enter the Return code for the return that this application is for (file a separate application for each return)

**01**

Application Is For	Return Code	Application Is For	Return Code
Form 990	01		
Form 990-BL	02	Form 1041-A	08
Form 990-EZ	03	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

**STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.**

- The books are in the care of **PETER FOOTE**  
 Telephone No. **978-356-4411** FAX No.
- If the organization does not have an office or place of business in the United States, check this box ☐
- If this is for a Group Return, enter the organization's four digit Group Extension Number (GEN) **0000**. If this is the whole group, check this box ☐. If it is for part of the group, check this box ☐ and attach a

list with the names and EINs of all members the extension is for.

- 4 I request an additional 3-month extension of time until **05/15/11**.
- 5 For calendar year **2010**, or other tax year beginning **07/01/09**, and ending **06/30/10**.
- 6 If the tax year entered in line 5 is for less than 12 months, check reason: ☐ Initial return ☐ Final return  
☐ Change in accounting period

- 7 State in detail why you need the extension  
**Additional time is requested to gather information to prepare a complete and accurate return.**

<b>8a</b> If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	<b>8a</b>	\$
<b>b</b> If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868.	<b>8b</b>	\$
<b>c Balance Due.</b> Subtract line 8b from line 8a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	<b>8c</b>	\$

**Signature and Verification**

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature Title Date **02/10/11**Form **8868** (Rev. 1-2011)

Form **990**Department of the Treasury  
Internal Revenue Service**Return of Organization Exempt From Income Tax**

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

OMB No. 1545-0047

**2009****Open to Public Inspection**For the 2009 calendar year, or tax year beginning 07/01/09, and ending 06/30/10

<input type="checkbox"/> Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Termination <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	Please use IRS label or print or type. See Specific Instructions.	<b>C</b> Name of organization <u>FEOFFEEES OF THE GRAMMER SCHOOL</u> <u>IN THE TOWN OF IPSWICH</u>		<b>D</b> Employer identification number <u>51-0528943</u>
		Doing Business As		<b>E</b> Telephone number <u>978-356-4411</u>
		Number and street (or P.O. box if mail is not delivered to street address) <u>P. O. BOX 166</u>	Room/suite	<b>G</b> Gross receipts \$ <u>1,729,480</u>
		City or town, state or country, and ZIP + 4 <u>IPSWICH MA 01938</u>		<b>H(a)</b> Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <b>H(b)</b> Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see instructions)
<b>F</b> Name and address of principal officer: <u>PETER FOOTE</u> <u>401 COLONIAL DR</u> <u>IPSWICH MA 01938</u>		<b>I</b> Tax-exempt status: <input type="checkbox"/> 501(c) ( <u>0</u> ) ◀ (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527		
<b>J</b> Website: ▶ <u>N/A</u>		<b>H(c)</b> Group exemption number ▶		
<b>K</b> Type of organization: <input type="checkbox"/> Corporation <input checked="" type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶		<b>L</b> Year of formation: <u>1650</u>		<b>M</b> State of legal domicile: <u>MA</u>

**Part I Summary**

Activities & Governance	<b>1</b> Briefly describe the organization's mission or most significant activities: <u>To hold certain real property in the Town of Ipswich and manage the property through the collection of rents and payments of expenses with the net earnings to be distributed to the Town of Ipswich School Department.</u>			
	<b>2</b> Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.			
	<b>3</b> Number of voting members of the governing body (Part VI, line 1a)	<u>3</u>	<u>7</u>	
	<b>4</b> Number of independent voting members of the governing body (Part VI, line 1b)	<u>4</u>	<u>6</u>	
	<b>5</b> Total number of employees (Part V, line 2a)	<u>5</u>	<u>0</u>	
	<b>6</b> Total number of volunteers (estimate if necessary)	<u>6</u>	<u>0</u>	
	<b>7a</b> Total gross unrelated business revenue from Part VIII, column (C), line 12		<u>7a</u>	
<b>b</b> Net unrelated business taxable income from Form 990-T, line 34		<u>7b</u>	<u>0</u>	
Revenue	<b>8</b> Contributions and grants (Part VIII, line 1h)		Prior Year	Current Year
	<b>9</b> Program service revenue (Part VIII, line 2g)		<u>1,166,569</u>	<u>1,724,538</u>
	<b>10</b> Investment income (Part VIII, column (A), lines 3, 4, and 7d)		<u>834</u>	<u>4,942</u>
	<b>11</b> Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)			
	<b>12</b> Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)		<u>1,167,403</u>	<u>1,729,480</u>
Expenses	<b>13</b> Grants and similar amounts paid (Part IX, column (A), lines 1-3)			
	<b>14</b> Benefits paid to or for members (Part IX, column (A), line 4)			
	<b>15</b> Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)			
	<b>16a</b> Professional fundraising fees (Part IX, column (A), line 11e)			
	<b>b</b> Total fundraising expenses (Part IX, column (D), line 25) ▶		<u>1,195,870</u>	<u>1,838,650</u>
<b>17</b> Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)		<u>1,195,870</u>	<u>1,838,650</u>	
<b>18</b> Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)		<u>-28,467</u>	<u>-109,170</u>	
<b>19</b> Revenue less expenses. Subtract line 18 from line 12				
Net Assets or Fund Balances	<b>20</b> Total assets (Part X, line 16)		Beginning of Current Year	End of Year
	<b>21</b> Total liabilities (Part X, line 26)		<u>6,660,244</u>	<u>6,351,607</u>
	<b>22</b> Net assets or fund balances. Subtract line 21 from line 20		<u>6,245,264</u>	<u>6,045,797</u>
		<u>414,980</u>	<u>305,810</u>	

**Part II Signature Block**

Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.			
	Signature of officer <u>PETER FOOTE</u>		Date <u>TREASURER</u>	
Paid Preparer's Use Only	Preparer's signature <u>Daniel E. Clasby</u>	Date <u>05/05/11</u>	Check if self-employed <input checked="" type="checkbox"/>	Preparer's identifying number (see instructions) <u>P01269589</u>
	Firm's name (or yours if self-employed), address, and ZIP + 4 <u>Dan Clasby &amp; Company</u> <u>100 Cummings Center Suite 238C</u> <u>Beverly, MA 01915</u>		EIN ▶ <u>04-3395132</u> Phone no. ▶ <u>978-922-9900</u>	
	May the IRS discuss this return with the preparer shown above? (see instructions) <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			

Part III Statement of Program Service Accomplishments

- 1 Briefly describe the organization's mission:  
To hold certain real property in the Town of Ipswich and manage the property through the collection of rents and payments of expenses with the net earnings to be distributed to the Town of Ipswich School Department.
- 2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☒ No  
If "Yes," describe these new services on Schedule O.
- 3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No  
If "Yes," describe these changes on Schedule O.
- 4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code: ) (Expenses \$ 1,549,685 including grants of\$ ) (Revenue \$ 1,729,480 )  
To hold certain real property in the Town of Ipswich and manage the property through the collection of rents and payments of expenses with the net earnings to be distributed to the Town of Ipswich School Department.

4b (Code: ) (Expenses \$ including grants of\$ ) (Revenue \$ )

4c (Code: ) (Expenses \$ including grants of\$ ) (Revenue \$ )

4d Other program services. (Describe in Schedule O.)  
(Expenses \$ including grants of\$ ) (Revenue \$ )

4e Total program service expenses ▶ 1,549,685

**Part IV Checklist of Required Schedules**

	Yes	No
Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A	1	
2 Is the organization required to complete Schedule B, Schedule of Contributors?	2	X
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I	3	X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities? If "Yes," complete Schedule C, Part II	4	X
5 Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations. Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? If "Yes," complete Schedule C, Part III	5	
6 Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I	6	X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II	7	X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III	8	X
9 Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV	9	X
10 Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? If "Yes," complete Schedule D, Part V	10	X
11 Is the organization's answer to any of the following questions "Yes"? If so, complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable	11	X
<ul style="list-style-type: none"> <li>Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI.</li> <li>Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII.</li> <li>Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII.</li> <li>Did the organization report an amount for other assets related in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX.</li> <li>Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X.</li> <li>Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48? If "Yes," complete Schedule D, Part X.</li> </ul>		
12 Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI, XII, and XIII.	12	X
12A Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," completing Schedule D, Parts XI, XII, and XIII is optional.	12A	X
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13	X
14a Did the organization maintain an office, employees, or agents outside of the United States?	14a	X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the United States? If "Yes," complete Schedule F, Part I	14b	X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If "Yes," complete Schedule F, Part II	15	X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If "Yes," complete Schedule F, Part III	16	X
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I	17	X
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	18	X
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III	19	X
20 Did the organization operate one or more hospitals? If "Yes," complete Schedule H	20	X

**Part IV Checklist of Required Schedules (continued)**

	Yes	No
Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II	21	X
22 Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III	22	X
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If "Yes," complete Schedule J	23	X
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25	24a	X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b	
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c	
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d	
25a Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I	25a	X
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I	25b	X
26 Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If "Yes," complete Schedule L, Part II	26	X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? If "Yes," complete Schedule L, Part III	27	X
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
a A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28a	X
b A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28b	X
c An entity of which a current or former officer, director, trustee, or key employee of the organization (or a family member) was an officer, director, trustee, or direct or indirect owner? If "Yes," complete Schedule L, Part IV	28c	X
29 Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M	29	X
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M	30	X
31 Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I	31	X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II	32	X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I	33	X
34 Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1	34	X
35 Is any related organization a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2	35	X
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2	36	X
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI	37	X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? Note. All Form 990 filers are required to complete Schedule O.	38	X

**Part V Statements Regarding Other IRS Filings and Tax Compliance**

		Yes	No
a	Enter the number reported in Box 3 of Form 1096, Annual Summary and Transmittal of U.S. Information Returns. Enter -0- if not applicable	1a	3
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b	0
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	0
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return. (see instructions)	2b	
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	3a	X
b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O	3b	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a	X
b	If "Yes," enter the name of the foreign country: See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a	X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b	X
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?	5c	
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible?	6a	X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? Organizations that may receive deductible contributions under section 170(c).	6b	
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7a	
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b	
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c	
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d	
e	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e	
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f	
g	For all contributions of qualified intellectual property, did the organization file Form 8899 as required?	7g	
h	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?	7h	
8	<b>Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.</b> Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8	
9	<b>Sponsoring organizations maintaining donor advised funds.</b>		
a	Did the organization make any taxable distributions under section 4966?	9a	
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b	
10	<b>Section 501(c)(7) organizations.</b> Enter:		
a	Initiation fees and capital contributions included on Part VIII, line 12	10a	
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b	
11	<b>Section 501(c)(12) organizations.</b> Enter:		
a	Gross income from members or shareholders	11a	
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b	
12a	<b>Section 4947(a)(1) non-exempt charitable trusts.</b> Is the organization filing Form 990 in lieu of Form 1041?	12a	
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b	



**Part VI Governance, Management, and Disclosure** For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

**Section A. Governing Body and Management**

	Yes	No
1a Enter the number of voting members of the governing body	1a	7
b Enter the number of voting members that are independent	1b	6
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2	X
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	3	X
4 Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?	4	X
5 Did the organization become aware during the year of a material diversion of the organization's assets?	5	X
6 Does the organization have members or stockholders?	6	X
7a Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	7a	X
b Are any decisions of the governing body subject to approval by members, stockholders, or other persons?	7b	X
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a The governing body?	8a	X
b Each committee with authority to act on behalf of the governing body?	8b	X
9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	9	X

**Section B. Policies** (This Section B requests information about policies not required by the Internal Revenue Code.)

	Yes	No
10a Does the organization have local chapters, branches, or affiliates?	10a	X
b If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?	10b	
Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?	11	X
11a Describe in Schedule O the process, if any, used by the organization to review this Form 990.		
12a Does the organization have a written conflict of interest policy? If "No," go to line 13	12a	X
b Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	
c Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done	12c	
13 Does the organization have a written whistleblower policy?	13	X
14 Does the organization have a written document retention and destruction policy?	14	X
15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
a The organization's CEO, Executive Director, or top management official	15a	X
b Other officers or key employees of the organization	15b	X
If "Yes" to line 15a or 15b, describe the process in Schedule O. (See instructions.)		
16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a	X
b If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?	16b	

**Section C. Disclosure**

17 List the states with which a copy of this Form 990 is required to be filed ► MA

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.  
☐ Own website ☐ Another's website ☒ Upon request

19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public.

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: ► PETER FOOTE 401 COLONIAL DR.  
 IPSWICH MA 01938 978-356-4411





**Part VIII Statement of Revenue**

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1a Federated campaigns	1a				
	b Membership dues	1b				
	c Fundraising events	1c				
	d Related organizations	1d				
	e Government grants (contributions)	1e				
	f All other contributions, gifts, grants, and similar amounts not included above	1f				
	g Noncash contributions included in lines 1a-1f: \$					
	h Total. Add lines 1a-1f					
Program Service Revenue	2a PROGRAM RENTAL INCOME	Busn. Code	1,724,538			1,724,538
	b					
	c					
	d					
	e					
	f All other program service revenue					
	g Total. Add lines 2a-2f		1,724,538			
	3 Investment income (including dividends, interest, and other similar amounts)		4,942			4,942
4 Income from investment of tax-exempt bond proceeds						
5 Royalties						
Other Revenue	6a Gross Rents	(i) Real (ii) Personal				
	b Less: rental exps.					
	c Rental inc. or (loss)					
	d Net rental income or (loss)					
	7a Gross amount from sales of assets other than inventory	(i) Securities (ii) Other				
	b Less: cost or other basis & sales exps.					
	c Gain or (loss)					
	d Net gain or (loss)					
	8a Gross income from fundraising events (not including \$ of contributions reported on line 1c). See Part IV, line 18	a				
	b Less: direct expenses	b				
	c Net income or (loss) from fundraising events					
	9a Gross income from gaming activities. See Part IV, line 19	a				
	b Less: direct expenses	b				
	c Net income or (loss) from gaming activities					
	10a Gross sales of inventory, less returns and allowances	a				
	b Less: cost of goods sold	b				
	c Net income or (loss) from sales of inventory					
	Miscellaneous Revenue	Busn. Code				
11a						
b						
c						
d All other revenue						
e Total. Add lines 11a-11d						
12 Total Revenue. See instructions.		1,729,480	0	0	1,729,480	

**Part IX Statement of Functional Expenses**

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.

All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21				
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees				
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages				
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)				
9 Other employee benefits				
10 Payroll taxes				
11 Fees for services (non-employees):				
a Management	44,006		44,006	
b Legal	232,209		232,209	
c Accounting	23,165	11,165	12,000	
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other	1,717	1,717		
12 Advertising and promotion				
13 Office expenses	4,181	4,181		
14 Information technology				
15 Royalties				
16 Occupancy				
17 Travel				
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest	459,442	459,442		
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	240,243	240,243		
23 Insurance	5,450	5,450		
24 Other expenses. Itemize expenses not covered above. (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below.)				
a REAL ESTATE TAXES	537,736	537,736		
b WASTEWATER HAULAGE FEES	116,017	116,017		
c REPAIRS & UPKEEP	109,652	109,652		
d BANK FEES	26,250	26,250		
e UTILITIES	19,419	19,419		
f All other expenses	19,163	18,413	750	
25 Total functional expenses. Add lines 1 through 24f	1,838,650	1,549,685	288,965	
26 Joint costs. Check here <input type="checkbox"/> if following SOP 98-2. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

**Part X Balance Sheet**

		(A) Beginning of year		(B) End of year
<b>Assets</b>	1 Cash—non-interest bearing	97,032	1	22,126
	2 Savings and temporary cash investments	3,208	2	3,228
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net	82,051	4	88,543
	5 Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use		8	
	9 Prepaid expenses and deferred charges		9	
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 7,197,819		
	b Less: accumulated depreciation	10b 960,109	6,477,953	10c 6,237,710
	11 Investments—publicly traded securities		11	
	12 Investments—other securities. See Part IV, line 11		12	
	13 Investments—program-related. See Part IV, line 11		13	
	14 Intangible assets		14	
	15 Other assets. See Part IV, line 11		15	
16 <b>Total assets.</b> Add lines 1 through 15 (must equal line 34)		6,660,244	16	6,351,607
<b>Liabilities</b>	17 Accounts payable and accrued expenses	219,151	17	218,979
	18 Grants payable		18	
	19 Deferred revenue	59,447	19	47,940
	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties	5,966,666	23	5,778,878
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities. Complete Part X of Schedule D		25	
	26 <b>Total liabilities.</b> Add lines 17 through 25	6,245,264	26	6,045,797
<b>Net Assets or Fund Balances</b>	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets	414,980	27	305,810
	28 Temporarily restricted net assets		28	
	29 Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building, or equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
33 <b>Total net assets or fund balances</b>	414,980	33	305,810	
34 <b>Total liabilities and net assets/fund balances</b>	6,660,244	34	6,351,607	

Form 990 (2009)

**Part XI Financial Statements and Reporting**

	Yes	No
1 Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.		
2a Were the organization's financial statements compiled or reviewed by an independent accountant? .....	2a	X
b Were the organization's financial statements audited by an independent accountant? .....	2b	X
c If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? .....	2c	X
If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.		
d If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a consolidated basis, separate basis, or both: <input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		
3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133? .....	3a	X
b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits. ....	3b	

Form 990 (2009)

COPY

**SCHEDULE D  
(Form 990)**Department of the Treasury  
Internal Revenue Service**Supplemental Financial Statements**▶ Complete if the organization answered "Yes," to Form 990,  
Part IV, line 6, 7, 8, 9, 10, 11, or 12.

▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

**2009**Open to Public  
Inspection

Name of the organization

TEOFFEES OF THE GRAMMER SCHOOL  
IN THE TOWN OF IPSWICH

Employer identification number

51-0528943

**Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.** Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year .....		
2 Aggregate contributions to (during year) .....		
3 Aggregate grants from (during year) .....		
4 Aggregate value at end of year .....		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? <input type="checkbox"/> Yes <input type="checkbox"/> No		
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? <input type="checkbox"/> Yes <input type="checkbox"/> No		

**Part II Conservation Easements.** Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).

☐ Preservation of land for public use (e.g., recreation or pleasure) ☐ Preservation of an historically important land area

☐ Protection of natural habitat ☐ Preservation of certified historic structure

☐ Preservation of open space

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

	Held at the End of the Tax Year
a Total number of conservation easements .....	2a
b Total acreage restricted by conservation easements .....	2b
c Number of conservation easements on a certified historic structure included in (a) .....	2c
d Number of conservation easements included in (c) acquired after 8/17/06 .....	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable year ▶ \_ \_ \_ \_ \_

4 Number of states where property subject to conservation easement is located ▶ \_ \_ \_ \_ \_

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ▶ \_ \_ \_ \_ \_

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶ \$ \_ \_ \_ \_ \_

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

**Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.** Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenues included in Form 990, Part VIII, line 1 ▶ \$ \_ \_ \_ \_ \_

(ii) Assets included in Form 990, Part X ▶ \$ \_ \_ \_ \_ \_

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items:

a Revenues included in Form 990, Part VIII, line 1 ▶ \$ \_ \_ \_ \_ \_

b Assets included in Form 990, Part X ▶ \$ \_ \_ \_ \_ \_



**Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)**

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):

- a ☐ Public exhibition  
 b ☐ Scholarly research  
 c ☐ Preservation for future generations  
 d ☐ Loan or exchange programs  
 e ☐ Other \_\_\_\_\_

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

**Part IV Escrow and Custodial Arrangements.** Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV and complete the following table:

	Amount
c Beginning balance	1c
d Additions during the year	1d
e Distributions during the year	1e
f Ending balance	1f

2a Did the organization include an amount on Form 990, Part X, line 21? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV.

**Part V Endowment Funds.** Complete if organization answered "Yes" to Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the year end balance held as:

- a Board designated or quasi-endowment ▶ \_\_\_\_\_ %  
 b Permanent endowment ▶ \_\_\_\_\_ %  
 c Term endowment ▶ \_\_\_\_\_ %

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

- (i) unrelated organizations  
 (ii) related organizations

b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

4 Describe in Part XIV the intended uses of the organization's endowment funds.

**Part VI Investments—Land, Buildings, and Equipment.** See Form 990, Part X, line 10.

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land				
b Buildings				
c Leasehold improvements				
d Equipment				
e Other		7,197,819	960,109	6,237,710
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				6,237,710

Schedule D (Form 990) 2009



1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	1,729,480
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	1,838,650
3	Excess or (deficit) for the year. Subtract line 2 from line 1	3	-109,170
4	Net unrealized gains (losses) on investments	4	
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV.)	8	
9	Total adjustments (net). Add lines 4 through 8	9	
10	Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9	10	-109,170

Part XIII Reconciliation of Revenue per audited financial statements			1	1,729,480
1	Total revenue, gains, and other support per audited financial statements			
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:			
a	Net unrealized gains on investments	2a		
b	Donated services and use of facilities	2b		
c	Recoveries of prior year grants	2c		
d	Other (Describe in Part XIV.)	2d		
e	Add lines 2a through 2d	2e		
3	Subtract line 2e from line 1		3	1,729,480
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:			
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a		
b	Other (Describe in Part XIV.)	4b		
c	Add lines 4a and 4b	4c		
5	Total revenue. Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.)		5	1,729,480

Part XIII			Reconciliation of Expenses per Audited Financial Statements	
1	Total expenses and losses per audited financial statements		1	1,838,650
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:			
a	Donated services and use of facilities	2a		
b	Prior year adjustments	2b		
c	Other losses	2c		
d	Other (Describe in Part XIV.)	2d		
e	Add lines 2a through 2d		2e	
3	Subtract line 2e from line 1		3	1,838,650
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:			
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a		
b	Other (Describe in Part XIV.)	4b		
c	Add lines 4a and 4b		4c	
5	Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.)		5	1,838,650

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information.

Part XIV Supplemental Information (continued)

COPY

Forms <b>990 / 990-PF</b>	<b>Mortgages and Other Notes Payable</b>	<b>2009</b>
For calendar year 2009, or tax year beginning 07/01/09, and ending 06/30/10		
Name FEOFFEEES OF THE GRAMMER SCHOOL IN THE TOWN OF IPSWICH		Employer Identification Number 51-0528943

Form 990, Part X, Line 23 - Additional Information

Name of lender	Relationship to disqualified person
(1) SECURED NOTE PAYABLE	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	

Original amount borrowed	Date of loan	Maturity date	Repayment terms	Interest rate
(1) 6,483,000	03/07/06	03/07/26	20 YEARS ADJUSTABLE RATE	7.610
(2)				
(3)				
(4)				
(5)				
(6)				
(7)				
(8)				
(9)				
(10)				

Security provided by borrower	Purpose of loan
(1) LEASES, RENTS & BETTERMENT FEES	SEWER LINE & TANK CONSTRUCTION
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	

Consideration furnished by lender	Balance due at beginning of year	Balance due at end of year
(1)	5,966,666	5,778,878
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
Totals	5,966,666	5,778,878

**FEOFFEES OF THE GRAMMAR SCHOOL  
AND AFFILIATE**

**CONSOLIDATED FINANCIAL STATEMENTS**

**JUNE 30, 2010**

# FEOFFEES OF THE GRAMMAR SCHOOL AND AFFILIATE

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DAN CLASBY & COMPANY  
Certified Public Accountants

-1-

INDEPENDENT AUDITORS' REPORT

To the Board of Trustees of  
Feoffees of the Grammar School and Affiliate  
P.O. Box 166  
Ipswich, MA 01938

We have audited the accompanying consolidated statement of financial position of Feoffees of the Grammar School (a nonprofit organization) and Affiliate as of June 30, 2010, and the related consolidated statements of activities and cash flows for the year then ended. These consolidated financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Feoffees of the Grammar School and Affiliate as of June 30, 2010, and the changes in their net assets and their cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

A handwritten signature in cursive script that reads "Dan Clasby & Company".

January 14, 2011



FEOFFEES OF THE GRAMMAR SCHOOL AND AFFILIATE

Consolidated Statement of Financial Position

June 30, 2010

Assets

Current assets:

Cash and cash equivalents	\$ 25,354
Accounts receivable	<u>88,543</u>
Total current assets	<u>113,897</u>

Property, betterments and equipment:

Sewer betterments	6,697,342
Electric betterments	498,584
Furniture and fixtures	<u>1,893</u>
	7,197,819
Less accumulated amortization and depreciation	<u>960,109</u>

Net property, betterments and equipment 6,237,710

Land and buildings, Note 1 -

Total Assets \$ 6,351,607

Liabilities and Net Assets

Current liabilities:

Current portion of long-term debt	\$ 204,000
Accounts payable	190,882
Accrued interest	28,097
Payments received in advance	<u>47,940</u>
Total current liabilities	470,919

Long-term debt, net of current portion 5,574,878

Total liabilities 6,045,797

Commitments and contingencies

Net assets:

Net assets - unrestricted	<u>305,810</u>
Total net assets	<u>305,810</u>

Total Liabilities and Net Assets \$ 6,351,607

See accompanying notes and Independent Auditors' Report.

**FEOFFEEES OF THE GRAMMAR SCHOOL AND AFFILIATE**

Consolidated Statement of Activities

For the year ended June 30, 2010

	<u>Unrestricted</u>
Support and Revenue:	
Tenant and leaseholder rents	\$ 1,023,431
Real estate tax collections - tenants	519,680
Wastewater revenues	116,987
Wastewater overhead and maintenance fees - tenants	64,440
Interest income and late charges	<u>4,942</u>
Total support and revenue	<u>1,729,480</u>
Expenses:	
Real estate taxes	537,736
Legal	232,209
Wastewater haulage fees	116,017
Repairs and upkeep	109,652
Management fees	44,006
Bank fees	26,250
Utilities	19,419
Accounting	12,000
Billing services	11,165
Inspections	10,080
Police details	5,688
Insurance	5,450
Office expense	4,181
Dock removal and storage	2,000
Other professional fees	1,000
State fees	750
Engineering - consulting	717
Beach sampling	<u>645</u>
Total expenses	<u>1,138,965</u>
Change in net assets before interest, amortization and depreciation and gift to Town of Ipswich Public Schools	<u>590,515</u>
Interest expense	459,442
Amortization and depreciation	<u>240,243</u>
	<u>699,685</u>
Change in net assets before gift to Town of Ipswich Public Schools	( 109,170)
Gift to Town of Ipswich Public Schools	<u>-</u>
Change in net assets	( 109,170)
Net assets, beginning of year	<u>414,980</u>
Net assets, end of year	\$ <u>305,810</u>

See accompanying notes and Independent Auditors' Report.

**FEOFFEES OF THE GRAMMAR SCHOOL AND AFFILIATE**

Consolidated Statement of Cash Flows

For the year ended June 30, 2010

Cash flows from operating activities:	
Change in net assets	\$(109,170)
Adjustments to reconcile changes in net assets to net cash provided by operating activities:	
Amortization and depreciation	240,243
Changes in operating assets and liabilities:	
Increase in accounts receivable	( 6,492)
Increase in accounts payable	5,786
Decrease in accrued expenses	( 5,958)
Decrease in deferred rent collections	( <u>11,507</u> )
Net cash provided by operating activities	<u>112,902</u>
Cash flows from investing activities	<u>-</u>
Cash flows from financing activities:	
Principal payments on long-term debt	( <u>187,788</u> )
Net cash used by financing activities	( <u>187,788</u> )
Net change in cash and cash equivalents	( 74,866)
Cash and cash equivalents, beginning of year	<u>100,240</u>
Cash and cash equivalents, end of year	\$ <u>25,354</u>
Supplemental cash flow information:	
Interest paid	\$ <u>465,400</u>

See accompanying notes and Independent Auditors' Report.

## FEOFFEES OF THE GRAMMAR SCHOOL AND AFFILIATE

### Notes to Consolidated Financial Statements

June 30, 2010

#### (1) Summary of significant accounting policies

##### *(a) Nature of organization*

Feoffees of the Grammar School (the “Trust”) was established by the Town of Ipswich (the “Town”) by a vote of Town Meeting on November 14, 1650. The vote established a four-member committee to hold land granted by the Town for the support of a “grammar school”. The Trust came into possession of the real property currently held in 1660 through the bequest of William Paine, an original member of the 1650 committee.

The real property consists of a parcel of land of approximately thirty-five (35) acres known as Little Neck in Ipswich, Massachusetts. On this land are situated one hundred sixty seven (167) cottages, of which one hundred forty three (143) are seasonal and twenty-four (24) are year round. The seasonal cottages may only be occupied between April 1 and December 31 each year. The Trust is assessed and pays to the Town the real estate taxes on the land and on such structures owned by the Trust (a community center and a wharf); in addition, they collect for the Town and remit to the Town the real estate taxes assessed on the cottages of the tenants who have not executed a long-term lease.

Because the Trust designates its net earnings to be for the benefit of the children of the Ipswich Public Schools, with no benefits accruing to its trustees, it has considered itself to be a tax-exempt organization. However until 1997 no federal or state tax returns were filed by the Trust, as it was the position of the Trust that it was a “quasi-public trust” and therefore was not technically required to file the tax returns.

The Trust is supported primarily through rent collections.

LNWS, LLC was established in 2006 to operate, maintain and improve a wastewater collection system for the Feoffees of the Grammar School.

##### *(b) Basis of consolidation*

The accompanying consolidated financial statements include the accounts of Feoffees of the Grammar School and its wholly owned affiliate LNWS, LLC. All material intercompany transactions and balances have been eliminated.

FEOFFEES OF THE GRAMMAR SCHOOL AND AFFILIATE

Notes to Consolidated Financial Statements

June 30, 2010

(1) Continued

*(c) Financial statement presentation*

Financial statement presentation follows the requirements of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, Financial Statements of Not-for-Profit Organizations. Under SFAS No. 117, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

The one class of net assets applicable to the Trust is presented as follows:

Unrestricted Net Assets – Net assets that are not subject to donor imposed restrictions. Unrestricted net assets consist of assets and contributions available for the support of operations.

The Organization prepares its financial statements in accordance with generally accepted accounting principles, which involves the application of accrual accounting; consequently, revenues and gains are recognized when earned, and expenses and losses are recognized when incurred.

*(d) Cash and cash equivalents*

For purposes of the statement of cash flows, cash and cash equivalents include checking and savings accounts, time deposits, certificates of deposit, and all highly liquid debt instruments with original maturities of three months or less.

*(e) Rents receivable from owners and allowance for doubtful accounts*

Accounts receivable from owners are reported net of any allowance for doubtful accounts. The Trust provides for doubtful accounts based on experience and analysis of individual accounts. Since management considered all receivables to be collectible at June 30, 2010, no allowance was established at that time.

*(f) Property, betterments and equipment*

Sewer betterments, electrical betterments and equipment are recorded at cost. Maintenance and repairs are charged to expense as incurred. Betterments and equipment that extend the useful lives of assets are capitalized. Betterments are being amortized using the straight-line method over estimated useful lives ranging from 25 to 50 years. Equipment is being depreciated over estimated useful lives ranging from 5 to 10 years.

The land on which the Feoffees operate was acquired in 1660. The land has no determinable value and has not been recorded by the Trust. The community house used by the tenants of the Trust also has no determinable value and has not been recorded by the Trust.

FEOFFEES OF THE GRAMMAR SCHOOL AND AFFILIATE

Notes to Consolidated Financial Statements

June 30, 2010

(1) Continued

*(g) Use of estimates*

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

*(h) Fair value of financial instruments*

The carrying value of cash in banks, accounts receivable, accounts payable and accrued expenses, approximates fair value due to the relatively short maturity of these instruments. The amounts shown for notes payable approximate fair value since the interest rates are at current market rates.

(2) Long-term debt

Long-term debt as of June 30, 2010 consists of the following:

On June 7, 2005, the Trust entered into a construction/permanent term loan with the Ipswich Cooperative Bank (which has since merged with the Institution for Savings Bank) to provide financing for the construction of sewer lines and a centralized holding tank, pump-out facility and related infrastructure work. The maximum amount of the loan was set at \$6,483,000. \$2,000,000 was advanced on June 7, 2005 for work performed prior to the loan closing. During the construction period (nine months maximum) interest was charged at the Wall Street Journal Prime Rate plus 1% on a floating basis. On March 7, 2006, the construction loan converted into a permanent loan with a maturity date of March 7, 2026. The loan is a five (5) year adjustable rate loan with fixed interest based on the Federal Home Loan Bank of Boston Classic Advance Rate plus 2.75%, with a floor of 6.75%. The initial rate on this loan is 7.61%. The note is collateralized by all leases and rents and betterment fees on the Trust property. The current portion of this note at June 30, 2010 is \$204,000.

Maturities of long-term debt at June 30, 2010 is as follows:

<u>Year</u>	<u>Amount</u>
2011	\$ 204,000
2012	219,000
2013	235,000
2014	250,000
2015	266,000
Thereafter	<u>4,604,878</u>
Total	\$ <u>5,778,878</u>

## FEOFFEES OF THE GRAMMAR SCHOOL AND AFFILIATE

### Notes to Consolidated Financial Statements

June 30, 2010

#### **(3) Contingencies and litigation**

There is pending litigation in the Essex Superior Court regarding the alleged right of occupancy of certain cottage owners located on land owned by the Feoffees at Little Neck, Ipswich, Massachusetts, which litigation includes claims and counterclaims for money damages. That litigation has been stayed pending determination of an action filed by the Feoffees in the Essex Probate and Family Court in which the Feoffees seek approval of that court to compromise the Superior Court litigation and to deviate from the terms of the will of William Paine and sell the land they hold at Little Neck to the cottage owners as a part of the aforesaid compromise.

There is a bank account owned jointly by the Trust and an association known as the Little Neck Legal Action Committee. The account was established after June 30, 2007 under a Stipulation Agreement entered into by the parties on March 6, 2007. Under this agreement certain amounts paid by the tenants to the Trust for rent over and above their previously existing lease agreements are held in escrow until such time a final agreement is reached between the Trust and the tenants. There was \$49,669 held in escrow at June 30, 2010. Holders of this account are legal counsel for each of the parties. This account is not reflected on the financial statements.

#### **(4) Subsequent event**

The Trust executed a \$400,000 demand promissory note in favor of Eastern Bank on July 29, 2010. The note currently bears interest at an annual rate of 4.25%. The note is guaranteed personally by three of the Feoffees, Mr. Foley, Mr. Mulholland, and Mr. Whiston.