

GUAM PRESERVATION TRUST

**FINANCIAL STATEMENTS AND INDEPENDENT
ACCOUNTANTS' COMPILATION REPORT**

**THREE AND TWELVE MONTHS
ENDED SEPTEMBER 30, 2008**

INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

To the Board of Directors
Guam Preservation Trust:

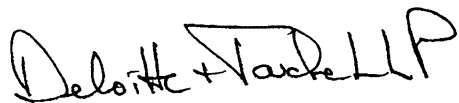
We have compiled the accompanying balance sheet of Guam Preservation Trust (Trust) as of September 30, 2008, and the related statements of operations for the three and twelve months then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting, in the form of financial statements, information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Management has informed us that they are unable to assess the adequacy of the allowance for doubtful accounts in the accompanying financial statements. Trust management is in discussions with the Government of Guam to resolve the collectibility of its recorded receivables, and is currently unable to predict the ultimate outcome of this matter.

As of September 30, 2006, the Trust wrote off its leasehold interest because of their intent to terminate the lease agreement. As a settlement has not been reached, the outcome of this matter is currently undeterminable. Accordingly, the impact of this matter is not predictable.

Management has elected to omit substantially all of the disclosures and the statements of cash flows required by accounting principles generally accepted in the United States of America. If the omitted disclosures and statements of cash flows were included in the financial statements, they might influence the user's conclusions about the Trust's financial position, results of operations and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.



October 30, 2008

GUAM PRESERVATION TRUST

Balance Sheet
September 30, 2008

(See Accompanying Independent Accountants' Compilation Report)

ASSETS

Cash in bank - checking	\$	128,819
Cash - trust account		83,465
Investments		1,861,290
Receivables:		
General fund		6,239,099
Allowance for doubtful accounts		(5,345,996)
Prepaid rent		900
Property and equipment, net of accumulated depreciation		<u>4,656</u>
 Total assets	\$	<u><u>2,972,233</u></u>

LIABILITIES AND NET ASSETS

Liabilities:		
Accrued expenses	\$	31,627
Grant deposit		8,000
Payroll liabilities		<u>9,203</u>
 Total liabilities		<u>48,830</u>
 Net assets:		
Unrestricted:		
Net assets		2,839,602
Current period addition to unrestricted net assets		<u>83,801</u>
 Total unrestricted net assets		<u>2,923,403</u>
	\$	<u><u>2,972,233</u></u>

GUAM PRESERVATION TRUST

Statements of Operations
 Three and Twelve Months Ended September 30, 2008
 (See Accompanying Independent Accountants' Compilation Report)

	<u>Current Quarter</u>	<u>Year-to-Date (Twelve Months)</u>
Revenue:		
Building permit fees	\$ 340,701	\$ 981,766
Interest income	26,970	134,638
Total revenue	<u>367,671</u>	<u>1,116,404</u>
Expenses:		
Projects - grants	63,232	585,902
Salaries	43,251	207,218
Travel and conference fees	4,968	37,811
Audit services	-	23,084
Insurance	3,717	17,120
Accounting services	5,703	16,638
FICA	3,574	15,550
Rent	2,700	10,350
Retirement plan contribution	12	5,520
Supplies	421	4,767
Bank charges	1,028	4,561
Communications	975	3,772
Legal services	1,429	3,282
Depreciation	633	2,878
Advertising	355	2,872
Stipend	650	2,350
Repair and maintenance	692	1,245
Postage	-	170
Miscellaneous	1,654	7,102
Total expenses	<u>134,994</u>	<u>952,192</u>
Earnings from operations	232,677	164,212
Change in fair value of investments	<u>(93,554)</u>	<u>(80,411)</u>
Net earnings and increase in net assets	<u>\$ 139,123</u>	<u>\$ 83,801</u>