GUAM PRESERVATION TRUST

FINANCIAL STATEMENTS AND INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

THREE MONTHS ENDED DECEMBER 31, 2016
INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

To the Board of Directors
Guam Preservation Trust:

Management is responsible for the accompanying financial statements of Guam Preservation Trust (Trust), which comprise the balance sheet as of December 31, 2016 and the related statement of operations for the three months then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

A statement of cash flows for the three months ended December 31, 2016 has not been presented. Accounting principles generally accepted in the United States of America require that such a statement be presented when financial statements purport to present financial position and results of operations.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures 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, the financial statements are not designed for those who are not informed about such matters.

March 4, 2017
GUAM PRESERVATION TRUST

Balance Sheet
December 31, 2016
(See Accompanying Independent Accountants' Compilation Report)

ASSETS

Cash in bank - checking $ 433,625
Cash - trust account 30,831
Investments 2,184,266
Due from Government of Guam general fund, net of allowance
   for doubtful accounts of $1,909,032 -
Prepaid expenses 4,662
Property and equipment, at cost, net of accumulated
   depreciation of $44,579 102,027
Land, at cost 10,171,559

$ 12,926,970

LIABILITIES AND NET POSITION

Liabilities:
Grant deposit $ 8,000
Accrued expenses 52,155
Payroll liabilities 17,328
Account Payable 1,499
Total liabilities 78,982

Net position:
Unrestricted:
Net position 13,754,929
Current period deduction from unrestricted net position (906,941)
Total unrestricted net position 12,847,988

$ 12,926,970

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GUAM PRESERVATION TRUST

Statement of Operations
Three Months Ended December 31, 2016
(See Accompanying Independent Accountants’ Compilation Report)

Revenue:
  Building permit fees $ 111,053
  Investment income 8,012
  Interest income 117

Total revenue 119,182

Expenses:
  Projects - grants 786,946
  Bad debts 111,053
  Salaries 64,783
  Travel and conference fees 18,976
  Insurance 12,538
  Depreciation 5,628
  Accounting services 5,171
  FICA 5,090
  Investment fees 3,575
  Repairs and maintenance 2,221
  Advertising 1,896
  Retirement plan contribution 1,521
  Utilities 1,460
  Supplies 1,357
  Miscellaneous 1,109
  Communications 1,036
  Equipment rental 859
  Legal and other services 589
  Stipend 500
  Bank charges 305
  Postage 84

Total expenses 1,026,697

Loss from operations (907,515)

Other expense:
  Unrealized gain of investments 574

Net decrease in net position $(906,941)