

**GUAM PRESERVATION TRUST**

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

**THREE AND NINE MONTHS ENDED JUNE 30, 2014**

## 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 June 30, 2014, and the related statements of operations for the three and nine months then ended. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

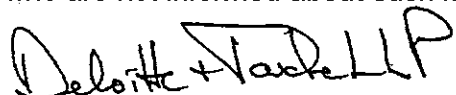
Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements. During our compilation, we did become aware of departures from accounting principles generally accepted in the United States of America that are described in the following paragraphs.

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 collectability of its recorded receivables, and is currently unable to predict the ultimate outcome of this matter.

On May 23, 2014, the Trust purchased property underlying their prior leasehold interest. The values allocated to land and building have not been determined as of June 30, 2014 and the impact of this matter on depreciation expense in the accompanying financial statements is not currently determinable.

A statement of cash flows for the three and nine months ended June 30, 2014 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.



August 28, 2014

GUAM PRESERVATION TRUST

Balance Sheet

June 30, 2014

(See Accompanying Independent Accountants' Compilation Report)

ASSETS

Cash in bank - checking	\$	87,187
Cash - trust account		102,694
Investments		6,192,997
Due from general fund, net of allowance for doubtful accounts of \$1,517,137		752,872
Property and equipment, net of accumulated depreciation		169,794
	\$	<u>7,305,544</u>

LIABILITIES AND NET POSITION

Liabilities:		
Grant deposit	\$	8,000
Accrued expenses		44,340
Payroll liabilities		11,253
Total liabilities		<u>63,593</u>
Net position:		
Unrestricted:		
Net position		6,421,686
Current period addition to unrestricted net position		820,265
Total unrestricted net position		<u>7,241,951</u>
	\$	<u>7,305,544</u>

GUAM PRESERVATION TRUST

Statements of Operations

Three and Nine Months Ended June 30, 2014

(See Accompanying Independent Accountants' Compilation Report)

	Current Quarter	Year-to-Date (Nine Months)
<b>Revenue:</b>		
Building permit fees	\$ 401,823	\$ 1,205,398
Investment income	20,838	97,294
Interest income	51	142
Donation	100	100
<b>Total revenue</b>	<b>422,812</b>	<b>1,302,934</b>
<b>Expenses:</b>		
Projects - grants	125,612	257,359
Salaries	80,129	190,367
Insurance	26,367	48,818
Accounting services	3,025	35,726
Investment fees	8,716	25,909
Travel and conference fees	1,908	16,825
FICA	5,768	13,654
Supplies	2,670	7,528
Repairs and maintenance	3,450	6,288
Legal and other services	3,119	6,215
Utilities	1,572	4,576
Retirement plan contribution	1,149	3,749
Communications	1,190	3,234
Equipment rental	956	2,811
Advertising	290	1,718
Depreciation	818	1,571
Stipend	500	1,500
Commission expense	1,179	1,179
Bank charges	241	670
Postage	20	155
Miscellaneous	1,593	4,865
<b>Total expenses</b>	<b>270,272</b>	<b>634,717</b>
<b>Earnings from operations</b>	<b>152,540</b>	<b>668,217</b>
<b>Other income:</b>		
Change in fair value of investments	86,470	152,048
<b>Net increase in net position</b>	<b>\$ 239,010</b>	<b>\$ 820,265</b>