

**Deloitte.**

**GUAM PRESERVATION TRUST**

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

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**THREE AND SIX MONTHS ENDED MARCH 31, 2011**

## 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 March 31, 2011, and the related statements of operations for the three and six 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.

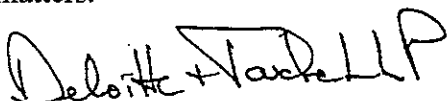
Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation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

  
April 28, 2011

GUAM PRESERVATION TRUST

Balance Sheet  
March 31, 2011

(See Accompanying Independent Accountants' Compilation Report)

ASSETS

Cash in bank - checking	\$	128,578
Cash - trust account		35,479
Investments		1,658,053
Prepaid rent		900
Receivables:		
General fund		5,796,956
Allowance for doubtful accounts		(5,426,712)
Property and equipment, net of accumulated depreciation		<u>3,086</u>
Total assets	\$	<u><u>2,196,340</u></u>

LIABILITIES AND NET ASSETS

Liabilities:		
Accrued expenses	\$	5,600
Grant deposit		8,000
Payroll liabilities		<u>60,963</u>
Total liabilities		<u>74,563</u>
Net assets:		
Unrestricted:		
Net assets		2,103,876
Current period addition to unrestricted net assets		<u>17,901</u>
Total unrestricted net assets		<u>2,121,777</u>
	\$	<u><u>2,196,340</u></u>

GUAM PRESERVATION TRUST

Statements of Operations  
 Three and Six Months Ended March 31, 2011  
 (See Accompanying Independent Accountants' Compilation Report)

	Current Quarter	Year-to-Date (Six Months)
Revenue:		
Building permit fees	\$ 169,517	\$ 334,512
Interest income	84	160
Total revenue	169,601	334,672
Expenses:		
Salaries	62,875	128,286
Projects - grants	45,401	110,222
Audit services	21,268	21,268
Insurance	6,406	11,776
Accounting services	5,807	10,781
FICA	4,613	9,371
Travel and conference fees	-	6,414
Communications	5,106	6,266
Supplies	3,288	4,849
Retirement plan contribution	1,800	3,900
Repair and maintenance	1,682	3,511
Utilities	1,264	2,136
Stipend	550	850
Legal services	671	671
Advertising	500	500
Depreciation	155	398
Bank charges	188	375
Postage	-	60
Miscellaneous	3,965	8,609
Total expenses	165,539	330,243
Earnings from operations	4,062	4,429
Change in fair value of investments	12,919	13,472
Net earnings and increase in net assets	\$ 16,981	\$ 17,901