

GUAM PRESERVATION TRUST

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

THREE MONTHS ENDED DECEMBER 31, 2006

INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

To the Board of Directors
Guam Preservation Trust:

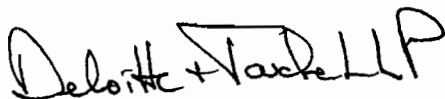
We have compiled the accompanying balance sheet of Guam Preservation Trust (Trust) as of December 31, 2006, and the related statement of operations for the three months then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified 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 December 31, 2006, the Trust has a net leasehold interest of \$93,099 in a lease that management has requested be terminated. As a settlement has not been reached, the outcome of this matter is currently undeterminable. Accordingly, the impact of this matter on the recorded leasehold interest is not determinable.

Management has elected to omit substantially all of the disclosures and the statement 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.



March 26, 2007

GUAM PRESERVATION TRUST

Balance Sheet

December 31, 2006

(See Accompanying Independent Accountants' Compilation Report)

ASSETS

Cash in bank - checking	\$	1,711,461
Cash - trust account		23,641
Receivables:		
General fund		6,021,100
Allowance for doubtful accounts		(3,810,805)
Property and equipment, net of accumulated depreciation		4,092
Leasehold interest, net		93,099
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Total assets	\$	<u>4,042,588</u>

LIABILITIES AND FUND BALANCE

Liabilities:		
Accrued expenses	\$	3,564
Payroll liabilities		4,146
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Total liabilities		<u>7,710</u>
Net assets:		
Unrestricted:		
Net assets		3,916,756
Current period addition to unrestricted net assets		118,122
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Total unrestricted net assets		<u>4,034,878</u>
	\$	<u>4,042,588</u>

GUAM PRESERVATION TRUST

Statement of Operations
Three Months Ended December 31, 2006
(See Accompanying Independent Accountants' Compilation Report)

Revenue:		
Building permit fees	\$	221,760
Interest income		19,688
Other income		8,030
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Total revenue		249,478
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Expenses:		
Projects - grants		73,243
Salaries		39,487
Rent		3,400
Insurance		3,370
FICA		3,021
Bank charges		2,285
Simple Plan Contribution		1,300
Communications		932
Stipend		900
Amortization		751
Accounting services		625
Depreciation		592
Advertising		483
Supplies		217
Postage		60
Conference fees		35
Miscellaneous		655
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Total expenses		131,356
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Net earnings and increase in net assets	\$	118,122
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